

**Role Play**

**The Football Transfer:**

Role of the Coach

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General Information (Available to All Parties)

There are four parties in this negotiation:

1. The Footballer – David Sosa
2. The Footballer’s Agent – Jeremy Manuel
3. The CEO of the Greenpark football club – Anna Smith
4. The Coach of the Greenpark football club – Adam Knight

This negotiation concerns the future of David Sosa, a 26 year old Spanish football player. David has been playing for the last nine years as a midfielder and for the last two years as the team captain for Greenpark, the most prestigious football club in England. The club’s historic training grounds and stadium is located in the north of the country, five kilometers from the city of Manchester. Although historically a top-ranked team, the club has not won any major trophies for the last two years, causing discontentment among the players and fans.

David joined Greenpark at the age of 17 and made it big in the sport relatively early. He was promoted from the junior team to the first team by legendary Coach Adam Knight at the age of 19 with the support of CEO Anna Smith. Now at the age of 26 David is the star player at the club and widely regarded as one of the top players in the world. He came in fourth in the FIFA Ballon d'Or, considered the most prestigious individual award in world football, even though he had a serious knee injury that kept him out of action for nearly four months. During that time Smith and Knight paid regular visits to his home to check in on him, reflecting their close personal relationship with David.

Garcia FC, the biggest club in Spain, has approached David’s celebrity agent Jeremy Manuel, asking whether the player would be willing to move to Spain for a fresh challenge. The offer to play as a midfielder for Garcia FC is an attractive one (including doubling David’s salary from £125,000 a week to £250,000 a week) and it is time to re-negotiate David’s contract with Greenpark. If an agreement is not reached in this negotiation, David will leave Greenpark for Garcia FC.

The Negotiation Process

This will be a team negotiation, with the player (David Sosa) and his agent (Jeremy Manuel) on one side, and Greenpark’s CEO (Anna Smith) and coach (Adam Knight) on the other side.

In addition to the general information above (which everyone has), please study your individual role materials carefully. *You may not show your role materials or disclose your specific point payoffs to any other participants in the negotiation, and that includes your other team member!*

Exhibit 1

Top 15 Footballers with Highest Salary in 2015-16 Season

|  |  |  |  |
| --- | --- | --- | --- |
| NO# | PLAYER | WEEKLY | YEARLY |
| 1 | Alex Martens (Gondor United) | £290k\* | £15.2m after tax |
| 2 | Nico Novak (Rivendell FC) | £276k\* | £14.7m after tax |
| 3 | Carter Smith (Lilliput FC) | £252k | £13.1m |
| 4 | Haruto Cheng (Narnia Athletic) | £251k | £12.9m |
| 5 | Youssef Maria (Hogsmeade FC) | £249k | £12.7m |
| 6 | Enrico Krishna (Hogsmeade FC) | £247k | £12.3m |
| 7 | Adamu Amir (Neverland United) | £243k | £12.1m |
| 8 | Henry Al-Hamad (Rivendell FC) | £239k | £11.9m |
| 9 | John Johanson (Shire United) | £237k | £11.8m |
| 10 | Louis Saqr (Rivendell FC) | £235k | £11.7m |
| 11 | Mohamed Mendoza (Gondor United) | £231k | £11.5m |
| 12 | Samir Novak (Lilliput FC) | £228k | £11.3m |
| 13 | Edwin Nwosu (Shire United) | £225k | £11.1m |
| 14 | Tariq Takahashi (Narnia Athletic) | £221k | £10.9m |
| 15 | Chibuzo Chikere (Camelot FC) | £186k | £9.7m |

\*Only Alex and Nico are paid “after tax” salaries, apart from them all players have normal before tax contracts. These salary numbers also include some performance clause bonuses and incentives and real salaries might be lower than what are quoted in the media.

Exhibit 2

Top Transfer Values in 2016

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| No. | Player | Club | Age | Ctr | Position | Value |
| 1 | Nico Novak | Rivendell | 28 | 2018 | Fw | £197m |
| 2 | Henry Al-Hamad | Rivendell | 23 | 2018 | Fw | £120m |
| 3 | Chibuzo Chikere | Camelot | 24 | 2020 | Am | £102m |
| 4 | Alex Martens | Gondor | 30 | 2018 | Fw | £89m |
| 5 | Hans Joost | Shire | 22 | 2020 | Fw | £71m |
| 6 | Rick Golding | Hogsmeade | 21 | 2020 | Fw | £70m |
| 7 | Hans Gris | Narnia | 24 | 2020 | Fw | £69m |
| 8 | Louis Saqr | Rivendell | 28 | 2019 | Fw | £67m |
| 9 | Enrico Krishna | Hogsmeade | 27 | 2019 | Fw | £64m |
| 10 | Araquem DeGol | Olympus | 27 | 2018 | Fw | £63m |

Exhibit 3

Top 10 Spending Clubs in 2015 Transfer Window

|  |  |  |
| --- | --- | --- |
| NO# | Club | Value spent |
| 1 | Hogsmeade FC | £140m |
| 2 | Lilliput FC | £98m |
| 3 | Narnia Athletic | £96m |
| 4 | Gondor United | £95m |
| 5 | Atlantis Rovers | £88m |
| 6 | El Dorado City | £80m |
| 7 | Rivendell FC | £77m |
| 8 | Avalon FC | £62m |
| 9 | Camelot FC | £61m |
| 10 | Olympus United | £59m |

Role of the Greenpark Coach (Adam Knight)

You are Greenpark’s team coach, Adam Knight. You were shocked and angry to receive a call from Jeremy Manuel, the agent of your star player David Sosa, informing you that the player is considering a move away from Greenpark to join European rivals Garcia FC. Neither you nor the team CEO Anna Smith expected this from David, who has spent his entire career at Greenpark and showed no signs of dissatisfaction.

Jeremy Manuel has requested a meeting between himself, Greenpark CEO Anna Smith, and yourself to negotiate the terms under which David is willing to stay at Greenpark. You note of some of the issues that are important to you in this negotiation.

1. You are desperate to keep your star player. David is 26, and reaching his career peak. He should be able to play at the top level for another seven years or more considering his strong work ethic in and out of the field. You have not won a major trophy for the last two years and keeping a player like David is vital to the team’s aspirations. To lose him now would be a double blow, since you not only would lose your best player, but you would also send a signal to the market that top players are leaving your club. To have such a message out there, exactly when you are trying to hire more top talent is the exact opposite of what you want right now.
2. You believe that David Sosa is being grossly underpaid and you really do not want to lose him or demotivate him by making him feel unappreciated at the club. But at the same time, you also worry that if David gets paid too much, he may unintentionally create a difficult situation for him in two ways. First, his teammates may become jealous and that may isolate him a bit. Poisonous dynamics may emerge, exactly when you are trying to create a solid team spirit to return to winning ways. Second, there is a danger that David and his fans may put too much pressure on him to perform at the “level of his new salary” that the pressure may be too much for David to handle. That said, David has become an extremely mature and centered professional, who can probably handle the pressure well. Regardless, if for whatever reason David and Jeremy ask for too much in terms of salary, you will understand if the CEO backs away from the deal for financial reasons.
3. You want David to be a little more flexible about the position that he plays in without taking too many risks in this transitional phase. David prefers to play midfield but the fans love him for his goals, and the team CEO wants him in the striking position. As a coach with decades of experience mentoring and shaping players for success, you are now confident that David can eventually become an excellent striker if carefully transitioned into the position. You recognize you have been against that for quite a while, but are now convinced he can make it and your expert advice is to test him out as a striker part time, for instance in cup games (25% of games). However, you want to make sure to do this in a careful fashion to avoid burning David out. In addition, you still need his midfield prowess in the league games (75% of games). To have him go full striker not only could risk David’s career (which you feel responsible for) but it could become an argument for the CEO to reduce your transfer budget since she could argue you no longer need to buy a striker.
4. You are under a lot of pressure to bring forward a winning team after two seasons with no trophies whatsoever. This is one of the biggest clubs in the world and your fans are used to winning. You care about the club a lot and have been here for almost two decades now and consider yourself a fan too. Of course, you are concerned about finances and profits, but ultimately this is a football club and winning is everything. Your club is a rich club and for the last couple of years you have been shortchanged during the transfer windows. You know it is not the CEO’s fault, but rather it is the board’s decision that resulted in the smaller than average transfer budgets that have been given to you. You are currently cleared with the board to spend a larger-than-usual £75 million over the summer to acquire new talent. By buying talented younger players, you would be able to create a fantastic foundation for the team for years to come, but trophies may take a year or two to materialize. On the other hand, you could put together your dream team for £100 million and all but guarantee at least one trophy this year already.
5. It would take only a phone call from the Greenpark CEO to obtain David’s fashion designer girlfriend Marina a position at your apparel sponsor’s London office. Adding Marina to Greenpark’s extended family may be a cost-effective way to keep David in Manchester.
6. David’s agent Jeremy Manuel has been a persistent annoyance to you, creating nuisances and interfering with your work as coach. He also has a terrible relationship with the team’s CEO Anna Smith and all the conflict spills over to you as the team’s coach. If you can convince David to ensure that Jeremy stays away and stops bothering you, your job would be a lot easier. For example, if Jeremy got fired, then he would have no more reason to bother you on a regular basis. On the other hand, you do not want to antagonize him directly either since you will be hiring aggressively during the transfer window. Jeremy represents many star players and may happen to represent the players you want. He could make your life very difficult if this circumstance happens to pass. In the event that Jeremy is fired, this particular deal at least does not require his consent.

Before negotiating with Jeremy, you will first have a preparation meeting with Anna Smith. As the coach and CEO of Greenpark, respectively, you and Anna must both endorse the final agreement regarding David Sosa’s contract, otherwise no deal is possible. Although at most clubs the CEO has the final say regarding player contracts and transfer agreements, as a Greenpark legend and one of the top coaches in the world, your arrangement with the club gives you the right to personally approve all such deals.

Notice that there are no laws that force you to negotiate only with the player’s agent and you can negotiate for the player to also be present in the meetings if you believe this to be helpful. In case a player has no agent, you also can negotiate with the player directly.

Greenpark Coach’s Point Payoff Structure

Below is your point system, which is not to be shown to **anyone** (including the CEO).

|  |  |  |
| --- | --- | --- |
| **NEGOTIATION ISSUE** | **OPTION** | **POINTS FOR YOU** |
| Club choice | Stays at Greenpark | 6 |
|  | Moves to Garcia FC (your total points w/out deal) | -3 |
|  |  |  |
| Weekly salary  | £125,000 | -2 |
|   | £200,000 | 1 |
|   | £250,000 | 0 |
|   | £275,000 | -1 |
|   | £300,000 | -2 |
|  |  |  |
| Playing position | Plays as striker in all games | -2 |
|   | Plays 75% of games as striker and 25% as midfielder | -1 |
|   | Plays 50% of games as striker and 50% as midfielder | -1 |
|  | Plays 25% of games as striker and 75% as midfielder | 2 |
|   | Stays as midfielder 100% of the time | 1 |
|   |   |   |
| Club investment in new players | £100 million | 4 |
|   | £75 million | 2 |
|   | £50 million  | -2 |
|   |   |   |
| David’s girlfriend gets the London job  | Yes | 0 |
|   | No | 0 |
|  |  |  |
| Jeremy Manuel fired | Yes | 1 |
|   | No | 0 |
|   |   |   |
| **Coach total points:** |   |   |

**After you have finished the negotiation, calculate the total points that you have scored in the table above, based on the options you decided on in the final agreement with your counterparts. Add up your total points across all issues and provide this single number to your negotiation group’s CEO. The CEO will then complete the group’s outcome form and provide this to the course instructor. If you failed to reach a deal, you receive -3 (minus 3) points based on David’s move to FC Garcia as noted above, and this is the number you should provide the CEO.**