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Organizational Design

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Week 3



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Suppose we have an AI whose only goal is to make as many paper clips as possible

The AI will realize it would be better if there were no humans, because they might decide to turn it off

Also, human bodies contain a lot of atoms that could be recycled to make paper clips...

The future this AI would be trying to build is one in which there are a lot of paper clips but no humans



What are the design decisions you can make within the game? How do these decisions interact?

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Question 3

What does the game teach us about this theory?





You and your team have chartered a yatch to go on a sailing trip in the Atlantic Ocean

None of you have any sailing experience, so you have hired an experienced skipper and a two-person crew As you sail through the Ocean, a fire breaks out and much of the yatch and its contents are destroyed

Your location is unclear because vital navigational and radio equipment has been damaged

The skipper and crew disappeared while trying to fight the fire, so you are completely on your own

Your best guess is that you are approximately 1000 miles south west of the nearest landfall

- Sextant
- Shaving mirror
- Large quantity of mosquito netting
- Can of water, 25 lt
- Case of army rations
- Maps of the Atlantic
- Floating seat cushion
- Can of oil/petrol mixture, 10 lt

- Small transistor radio
- Opaque plastic sheeting, 2 sqm
- Shark repellent
- One quart of 160% proof rum
- Nylon rope, 4.5 m
- Two boxes of chocolate bars
- Fishing kit

In addition to these 15 items, you salvage a rubber life craft, undamaged and intact after the fire

The total content of your team's combined pockets amounts to a pack of cigarettes, three boxes of matches, and a few coins

Your survival depends on your ability to rank the previous 15 items in order of importance

Good luck!

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Exercise 1
Write down your personal ranking of the items and do not share it with anyone

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Exercise 2

Integrate individual rankings into a common ranking on which all team members agree

- Base discussion strictly on rational arguments
- Accept only rankings with which you (partly) agree
- Do not resort to voting, averaging, or bargaining



Exercise 3

Rate the following statements from one (completely disagree) to five (completely agree)

- The team's ranking is close to my personal one
- I feel committed to our team's ranking
- It was difficult for us to reach consensus
- It took us a long time to reach consensus

Exercise 3

Rate the following statements from one (completely disagree) to five (completely agree)

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Exercise 4

Evaluate your team's performance and see if you managed to survive



	Your rank	Team rank	Solution	Your error	Team error
Sextant Shaving mirror Mosquito netting Can of water Case of army rations Maps of the Atlantic Floating seat cushion Can of oil/petrol mixture Small transistor radio Opaque plastic sheeting Shark repellent Quart of rum Nylon rope Boxes of chocolate bars Fishing kit					

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Question 1

What is, on average, the total sum of errors by individual members of your team?

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How large is the difference between the team's common ranking and the best individual ranking?



- **Excellent (25 or less)** You demonstrated great survival skills and were very quickly rescued
- **Good (26–32)** Your results were above average and you were rescued without much trouble
- **Average (33–45)** You were seasick, hungry, and tired, but eventually you were rescued
- **Fair (46–55)** You were dehydrated and barely alive, but still you managed to get rescued
- **Poor (56–70)** Some members of your team were rescued, but others did not make it
- **Very poor (71 or more)** The search was called off and your raft washed up empty on a beach

See you on Friday!