# EMPIRICAL ANALYSIS OF A MANY-GOODS-TO-ONE-AGENT ALLOCATION PROBLEM

Data Analysis Lab Richard Kempert

#### Introduction

- Non-price based matching markets
   e.g., organ donations, student houses, university
   courses...
- Basic Setting
  - Finite set of agents
  - Finite set of goods
  - Agents have preferences over goods
- Project aim analysing empirically a

MANY-GOODS-TO-ONE-AGENT ALLOCATION PROBLEM

#### Relevance

Simple case

Each agent can allocate only
one good
= Serial Dictatorship (SD)

proven efficient
allocation mechanism

Complex case
Each agent can allocate
several goods
SD is not efficient anymore
(Manea, 2007)

Empirical analysis of such mechanisms are rare

### Operationalization



#### **Sample Data**

Agents = trainers

Goods = course seats

Trainers have preferences over course seats (Yes/No)

NO utility of each course seat for each trainer



#### Judging efficiency of allocation by:

Ratio of assigned course seats

Coefficient of variation of application success rate – combining:

- Spread of values (fairness between trainers)
- Mean (performance of allocation)
- → Low value = high mean and/or low spread

## Hypothesis

- H<sub>0</sub> 1: The ratio of assigned course seats does not differ between different allocation mechanisms.
- H<sub>1</sub> 1: The ratio of assigned course seats does differ between different allocation mechanisms.

- H<sub>0</sub> 2: The coefficient of variation of application success rate does not differ between different allocation mechanisms.
- H<sub>1</sub> 2: The coefficient of variation of application success rate does differ between different allocation mechanisms.

# Workflow

manual\_allocation.xlsx

manual\_allocation.json

initial course allocation

## Implemented Allocation Mechanisms

Serial Dictatorship	Round-robin	Random from course side
<ul> <li>permute order of trainers</li> <li>1<sub>st</sub> trainer allocates all preferred courses that are available</li> <li>2<sub>nd</sub> trainer</li> <li>n<sub>th</sub> trainer</li> </ul>	<ul> <li>permute order of trainers</li> <li>1<sub>st</sub> trainer allocates one preferred courses that are available</li> <li>2<sub>nd</sub> trainer</li> <li>n<sub>th</sub> trainer</li> <li>restart with 1st trainer</li> <li>stop if no more available courses are preferred</li> </ul>	<ul> <li>for each course assign as much trainers as required</li> </ul>
	<ul> <li>Version 1: quota 1 good</li> <li>Version 2: quota x goods per picking round</li> <li>Version 3: re-permute order of trainers</li> </ul>	<ul> <li>Version 1: assigning from set of trainers</li> <li>Version 2: assigning from set of trainers who applied for the course</li> </ul>

# Descriptive Analysis Ground Truth

Course Type	Pay Rate (in €) per Day	Number of Courses	Mean Duration (in Days)
School courses	288.8	34	3.2
One day courses	243.2	5	1.0
Individual courses	319.2	5	4.2
Trainee courses	395.2	4	3.8

## Clustering Trainers

	Few and short courses trainer	Long courses trainer	Workhorses
Number of Trainers	9	9	2
One day courses	0.44	0.22	2.50
Individual courses	0.11	1.56	1.50
School courses	4.56	3.67	25.00
Trainee courses	0.33	1.22	1.00
Duration	2.94	3.69	3.04
Total Number of Course Applications	5.44	6.67	30.00

## Data analysis

Each allocation mechanism was performed 10 000 times

#### Calculating for each allocation:

- (1) the ratio of assigned course seats
- (2) the coefficient of variation
  - standard deviation as a measurement of **fairness** between trainers
  - mean as a measurement of **performance**

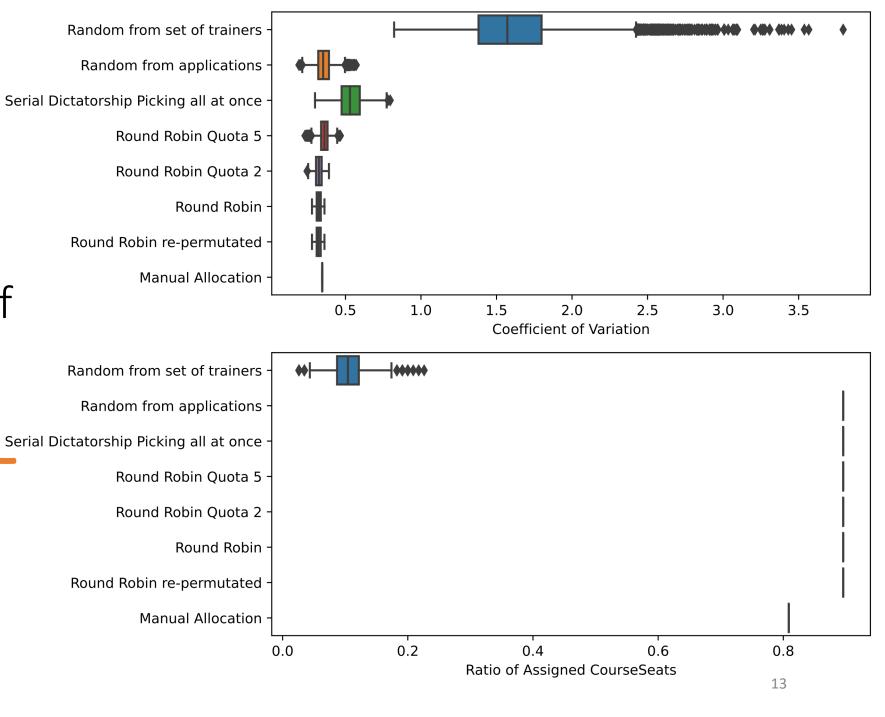
Comparing both metrics for each allocation mechanisms

Performing Kruskal Wallis & One-way ANOVA independence tests

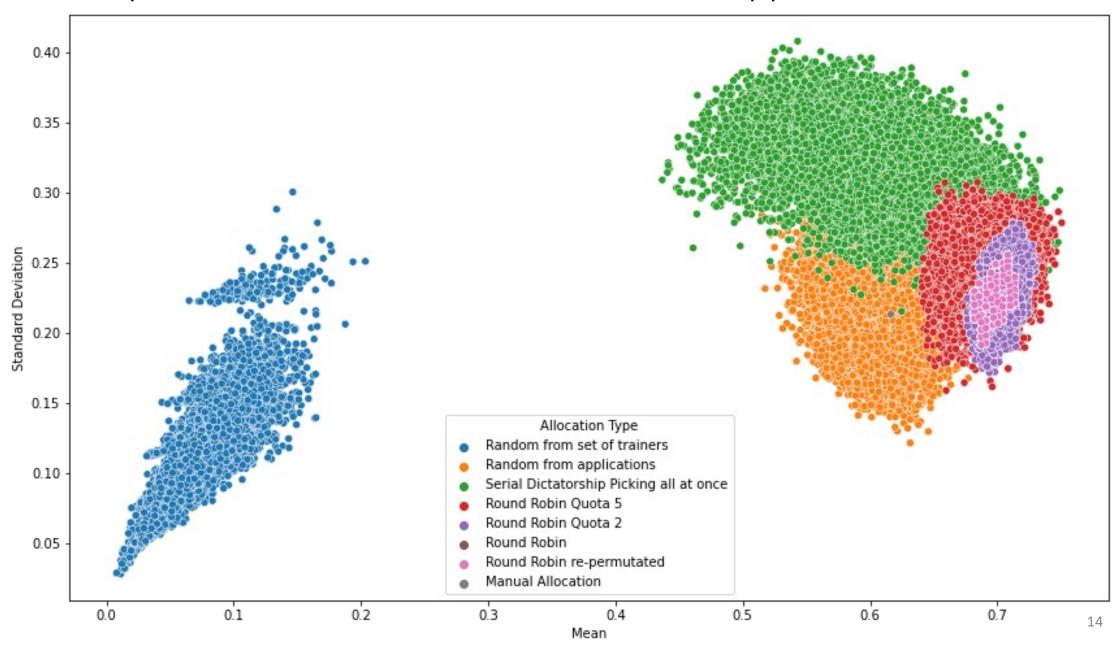
# Mean, minimum and standard deviation of coefficient of variation and ratio assigned course seats per mechanism

Allocation Type	Coefficient of Variation		ation	Ratio of Assigned Course Seats
	min	M	SD	М
Manual Allocation	0.35	0.35		0.81
Random from applications	0.19	0.36	0.05	0.90
Random from set of trainers	0.82	1.62	0.34	0.11
Round Robin	0.28	0.32	0.02	0.90
Round Robin Quota 2	0.25	0.32	0.03	0.90
Round Robin Quota 5	0.23	0.36	0.03	0.90
Round Robin re-permutated	0.28	0.32	0.02	0.90
Serial Dictatorship Picking all at once	0.30	0.54	0.08	0.90

Boxplots coefficient of variation, ratio of assigned course seats



#### Scatterplot mean and standard deviation of application success rate



## Results - Independency tests

#### Ratio of assigned course seats

Number of allocations	Kruskal Wallis	One-way ANOVA
10 000 & 100	All mechanisms except manual allocations trainers" do not differ significantly (p  → partly rejecting H <sub>0</sub> 1	

#### Coefficient of Variation – application success rate

Number of allocations	Kruskal Wallis	One-way ANOVA
10 000	All mechanisms differ significantly (p value >0.001)  → rejecting H <sub>0</sub> 2	
100	Round-robin mechanisms do not differ significantly (p value >0.001) $\rightarrow$ partly rejecting H <sub>0</sub> 2	

#### Limitations

Only one vector of preferences per trainer

Interesting to compare results with different preferences (e.g. via random simulation)

The coefficient of variation as useful measurement of the efficiency of the allocation

More meaningful when having an independent utility value per course per trainer

BUT → increases complexity of algorithm – harder to implement

## Practical Implications

Condition: similar data sample (e.g., with preferences but without utility)

Including trainers
preferences into mechanism

ightharpoonup yields max ratio of assigned course seats

Performance and spread of round-robin with quota of max 2 yield very similar results

Benefit of performing allocation programmatically  $\rightarrow$  allowing for more efficient allocations

Implementing utility function allows for better assessment of the efficiency of allocations