

Algorithmic Contract Design for Teams



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EC 2026, Rome, Italy

Tutorial Outline

Part I

Motivation and background
Multi-agent **binary-action** model
Key challenges and **techniques**

Part II

Multi-agent **multi-action** model
Key challenges and **techniques**
Follow-ups, **extensions**, future directions

First Part

Contract Design

Incentivize agents to act in our interest through a payment contract.

Agents' actions are hidden (moral hazard)

Actions lead to observable outcomes

We wish to design an outcome-dependent contract

Contract Design

Incentivize agents to act in our interest through a payment **contract**.

Goal:

Incentivize a sales team
to sell a product

Hidden Action:

Thorough customer research

Incentive:

Commission per sale (2%)



Contract Design

Incentivize agents to act in our interest through a payment **contract**.

Goal:

Incentivize a team of
programmers

Hidden Action:

Careful code review

Incentive:

Equity stake (0.5%)



Contract Design

Incentivize agents to act in our interest through a payment **contract**.

Goal:

Incentivize a national team
to win the World Cup

Hidden Action:

Intense training

Incentive:

Prize for winning (\$500K)



Contract Design

Incentivize agents to act in our interest through a payment **contract**.

Defining Feature:

Payments must be conditional on **observable outcomes**,
because agent **actions are hidden**.

Challenge 1:

Outcomes are **noisy signals** since
the same outcome may arise from different actions.

Challenge 2:

Free riding is an issue since
individual contributions are unobservable.

Algorithmic Contract Design

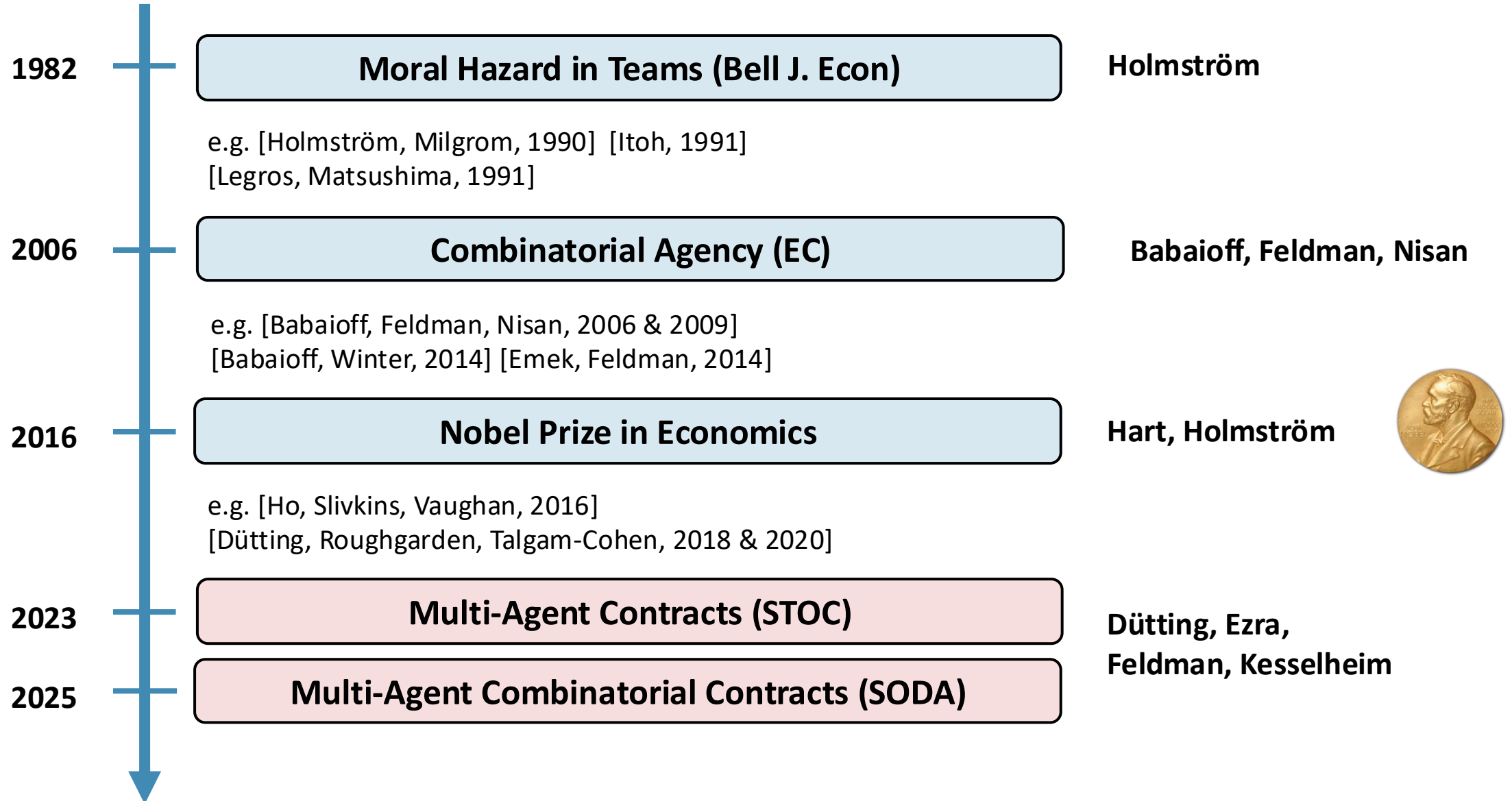
Incentivize agents to act in our interest through a payment contract.

Contract design is increasingly moving online and growing in scale, mandating an algorithmic approach to contract theory.

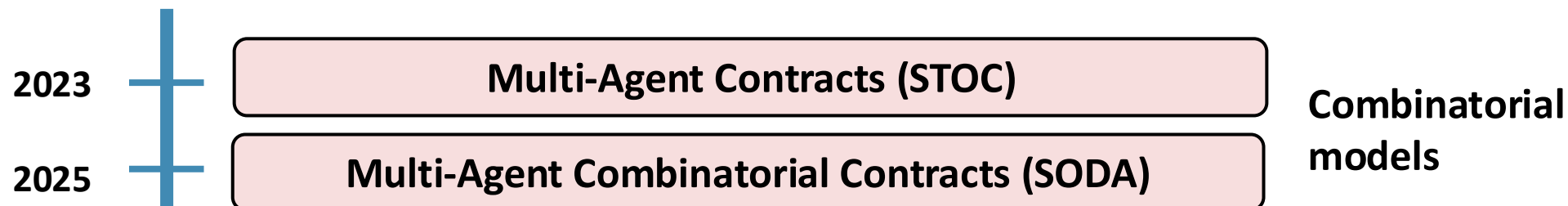
Studying mechanism design through the algorithmic lens helped to:

- (a) reveal structural insights
- (b) identify tractability frontiers
- (c) inform the design of simple mechanisms

A Renaissance of Contracts



A Renaissance of Contracts



[Deo-Campo Vuong, Dughmi, Patel, Prasad, SODA 2024]

[Ezra, Feldman, Schlesinger, ITCS 2024]

[Alon, Castiglioni, Chen, Ezra, Li, Talgam-Cohen, EC 2025]

[Aharoni, Hoefer, Talgam-Cohen, EC 2025]

[Castiglioni, Chen, Li, 2025 & 2025]

[Feldman, Gal-Tzur, Ponitka, Schlesinger, EC 2025 & ITCS 2026 & EC 2026]

[Doron-Arad, Shachnai, Shmerler, Talgam-Cohen, EC 2026]

[Dütting, Ezra, Feldman, Kesselheim, EC 2026]

[Ding, Li, Sun, 2026]

[Lavi, Shachnai, Talgam-Cohen, 2026]

Excellent Related Resources

EC 2019 Tutorial

Contract Theory: A New Frontier for AGT

STOC 2022 Workshop

Optimizing the Effort of Others

EC 2022 Workshop

Algorithmic Contract Design: Present and Future

The above focus mainly on **single-agent** contracts.

Our tutorial is on **multi-agent** contracts.

*Algorithmic Contract Theory:
A Survey*

[Dütting, Feldman, Talgam-Cohen '24]

*Combinatorial Contract Design:
Recent Progress and Emerging Frontiers*

[Feldman '25]

Contract Design

Incentivize agents to act in our interest through a payment **contract**.

Goal:

Incentivize a sales team
to sell a product

Hidden Action:

Thorough customer research

Incentive:

Commission per sale (2%)



Contract Design

Principal



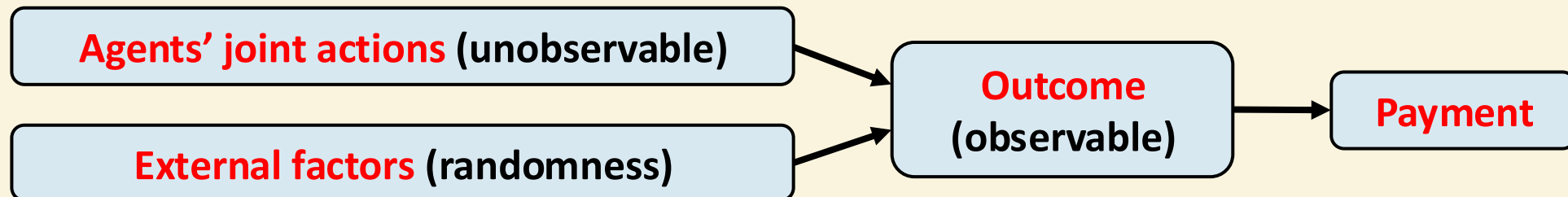
owns a **binary-outcome** project,
receives a **reward** if it succeeds.

Agents



affect the **probability of success**
through their **costly actions**.

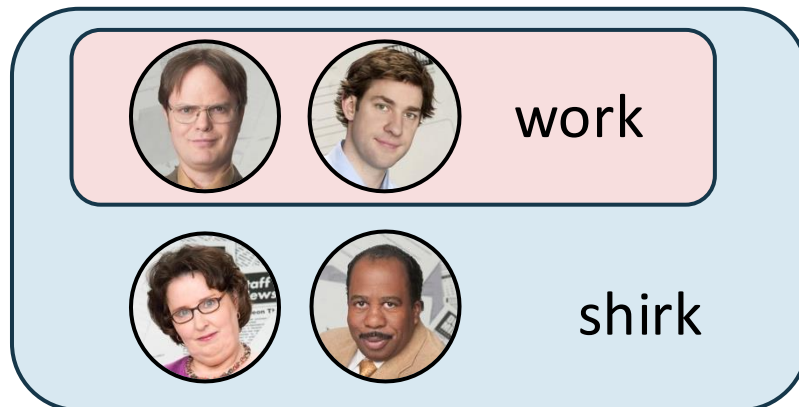
A **contract** incentivizes the agents to take actions
by offering each agent a **payment** conditional on success.



Action Models

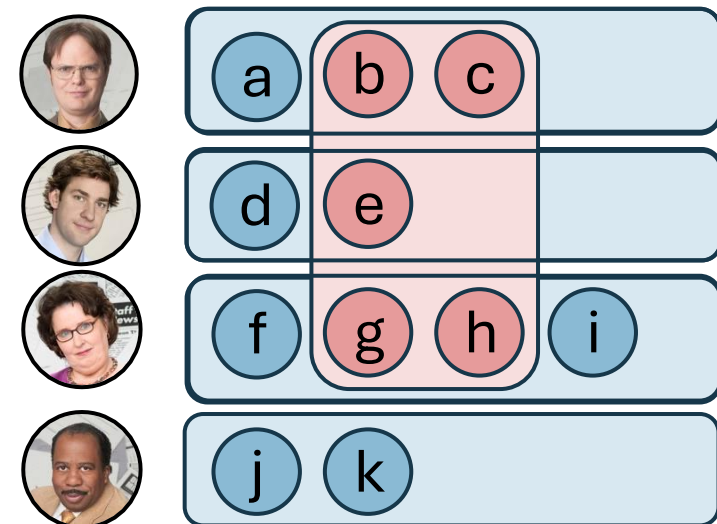
Binary-Action Model (First Part)

Multi-Agent Contracts
(DEFK '23)



Multi-Action Model (Second Part)

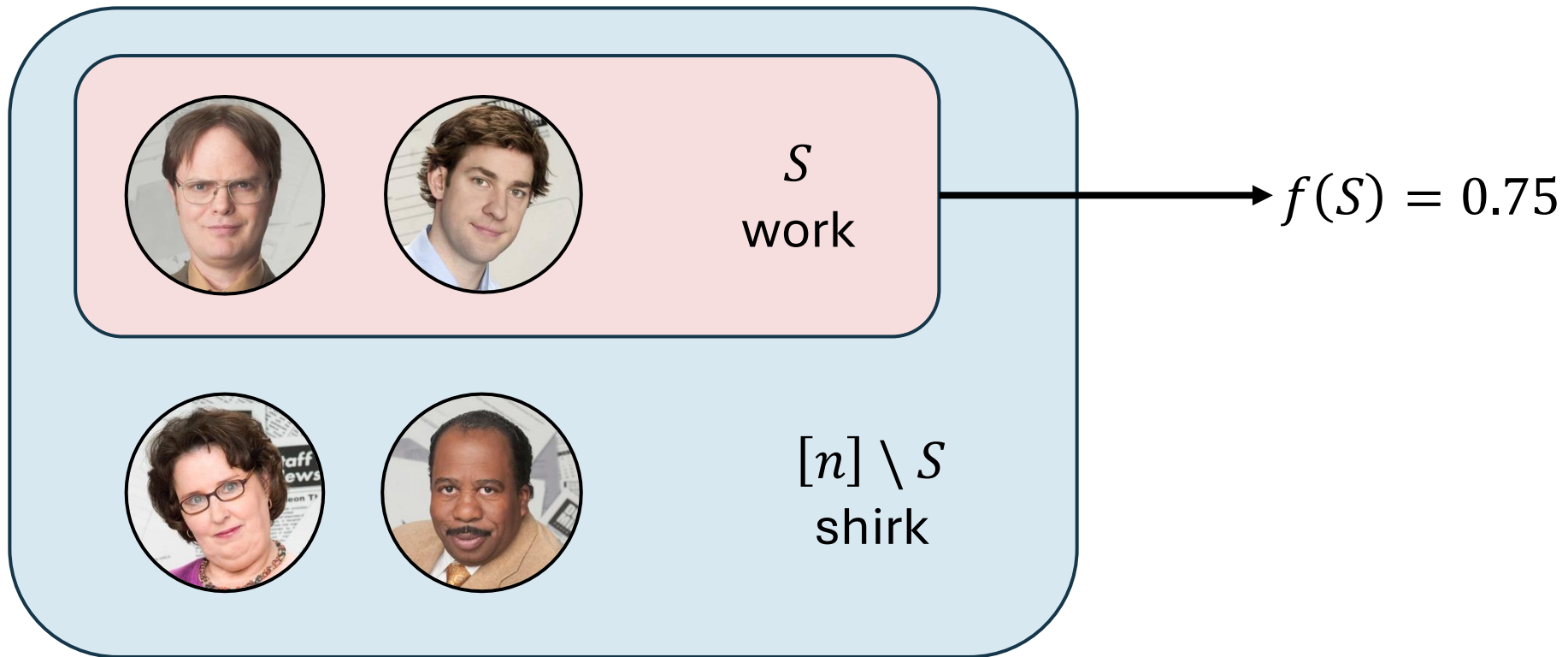
Multi-Agent Combinatorial Contracts
(DEFK '25)



Binary-Action Model

Multi-Agent Binary-Action Model [DEFK '23]

Known: n agents. Each agent i either works (at cost c_i) or shirks (at cost 0).
Function $f : 2^{[n]} \rightarrow \mathbb{R}_{\geq 0}$ maps set of working agents S to success prob. $f(S)$.



Multi-Agent Binary-Action Model [DEFK '23]

Known: n agents. Each agent i either works (at cost c_i) or shirks (at cost 0).
Function $f : 2^{[n]} \rightarrow \mathbb{R}_{\geq 0}$ maps set of working agents S to success prob. $f(S)$.

Step 1. Principal commits to a **contract** $\vec{\alpha} = (\alpha_1, \dots, \alpha_n) \in [0, 1]^n$
offering agent i an α_i -fraction of the reward.



$$\alpha_1 = 0.1$$



$$\alpha_2 = 0.2$$



$$\alpha_3 = 0$$



$$\alpha_4 = 0$$

For binary outcomes, such *linear contracts* are without loss of generality.

Multi-Agent Binary-Action Model [DEFK '23]

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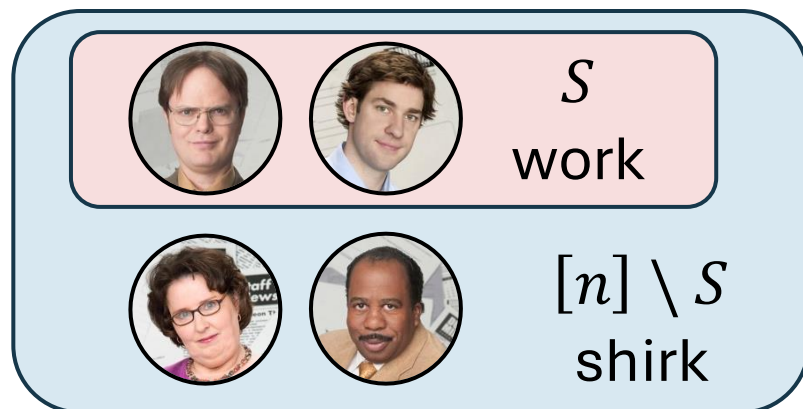
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Agents form a **pure Nash equilibrium** $S \subseteq [n]$; ties broken to maximize $f(S)$.



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Agents form a **pure Nash equilibrium** $S \subseteq [n]$; ties broken to maximize $f(S)$.

Step 3: Outcome is realized: either success (reward 1) or failure (reward 0).



Agent i 's utility:

$$\alpha_i \cdot f(S) - c_i \cdot \mathbf{1}[i \in S]$$

Principal's utility (profit):

$$(1 - \sum_{i=1}^n \alpha_i) \cdot f(S)$$

Multi-Agent Binary-Action Model

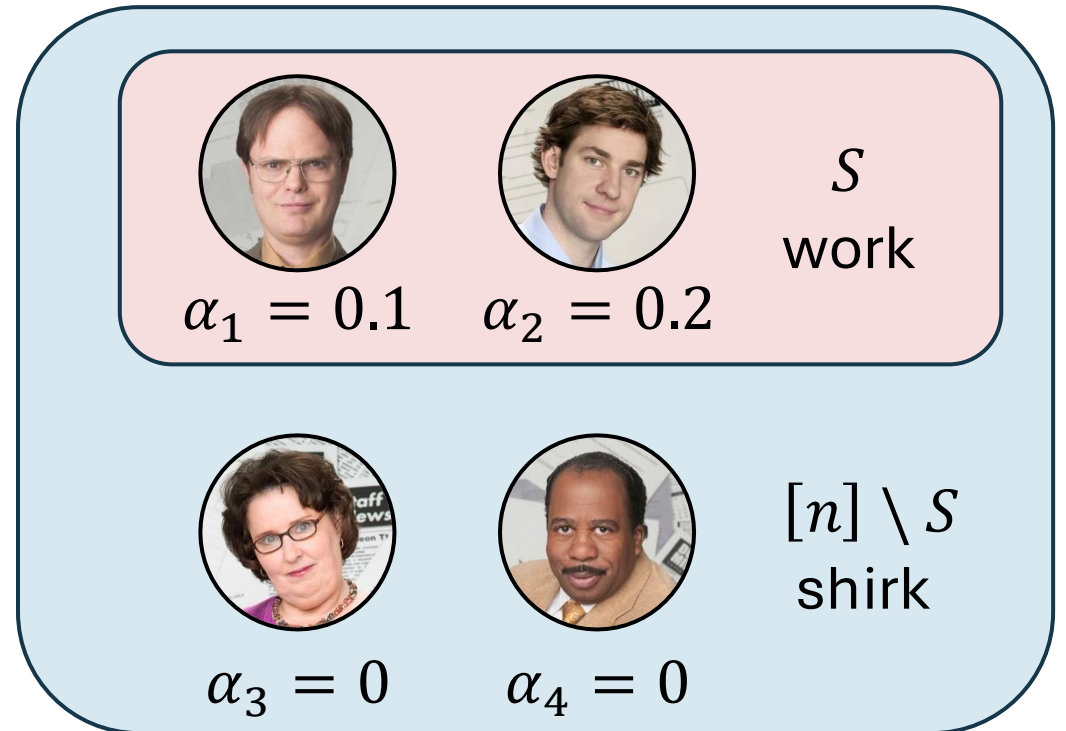
Our Goal: efficiently compute contract $\vec{\alpha} \in [0, 1]^n$ and $S \subseteq [n]$ which approx. maximizes principal's utility $(1 - \sum_i \alpha_i) f(S)$ Subject to S being a Nash equilibrium induced by $\vec{\alpha}$.

maximize $(1 - \sum_{i=1}^n \alpha_i) \cdot f(S)$

subject to

$$\alpha_i \cdot f(S) - c_i \geq \alpha_i \cdot f(S \setminus \{i\}) \quad \forall i \in S$$

$$\alpha_i \cdot f(S) \geq \alpha_i \cdot f(S \cup \{i\}) - c_i \quad \forall i \in [n] \setminus S$$



All About f

XOS (fractionally subadditive)

$$f(S) = \max_{\ell \in L} \ell(S)$$

L is a collection of additive functions
(marginals can decrease or increase)

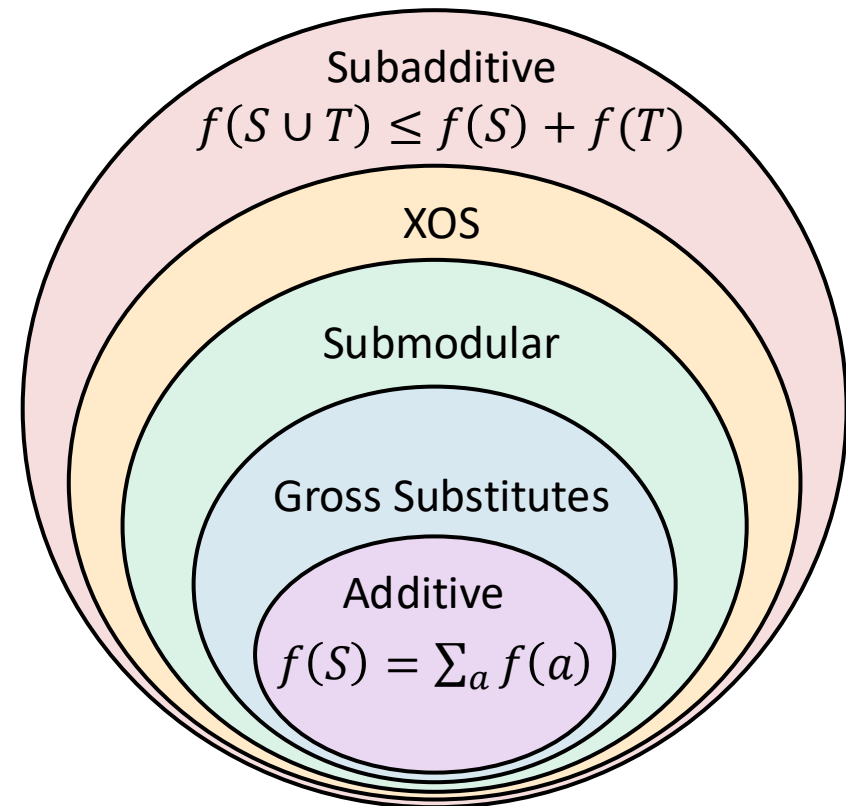
Submodular f

$$\forall S \subseteq T \subseteq A, \quad \forall i \in S$$

$$f_i(S) \geq f_i(T) \text{ (decreasing marginals)}$$

$$f_i(S) = f(S) - f(S \setminus \{i\})$$

This **hierarchy** of set functions captures the combinatorial structure of $f : 2^{[n]} \rightarrow \mathbb{R}_{\geq 0}$.



All About f

The function $f : 2^{[n]} \rightarrow \mathbb{R}_{\geq 0}$ has exponential representation size.

We access f via either:

Value Queries

Input: $S \subseteq [n]$

Output: $f(S)$

Demand Queries

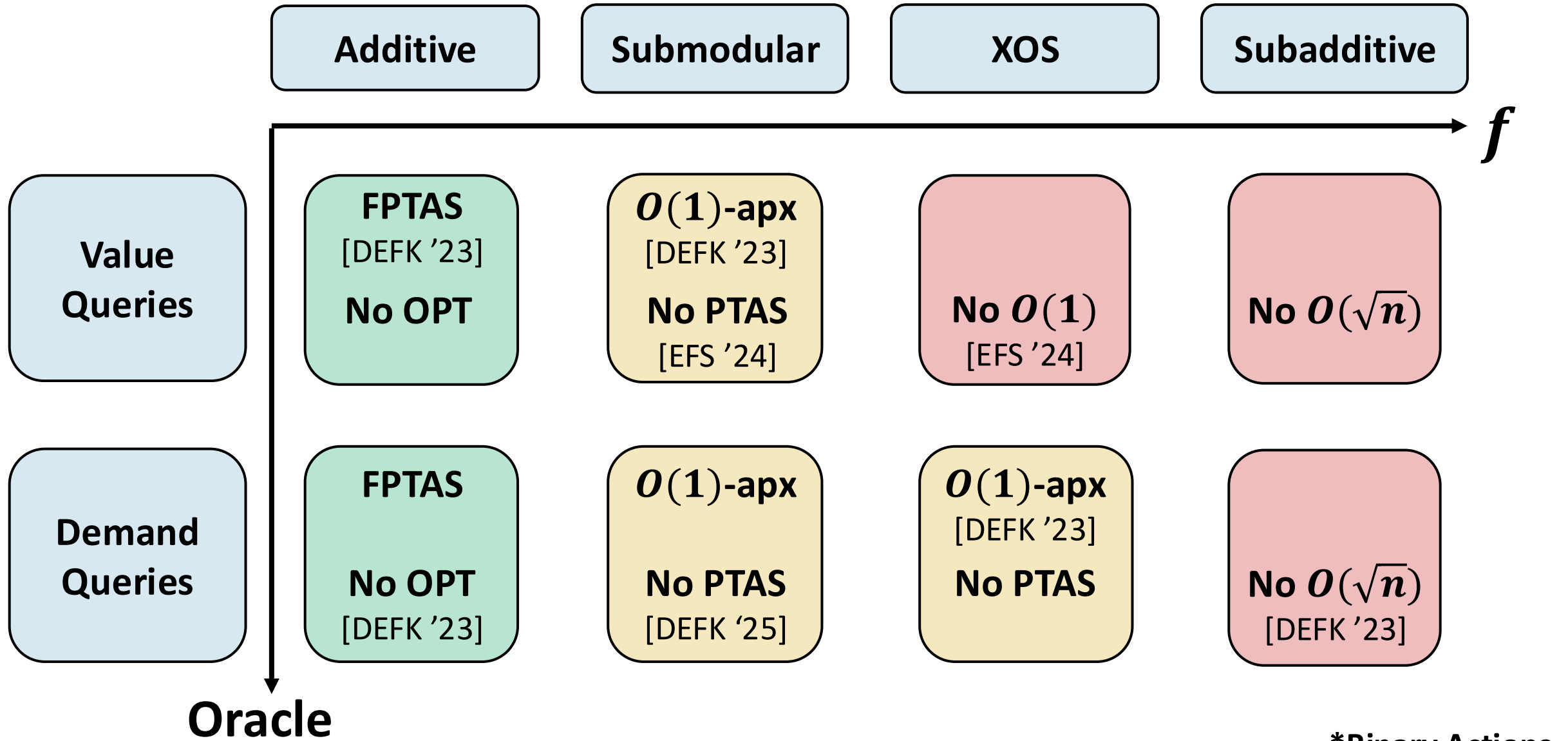
Input: $p \in \mathbb{R}^n$

Output: $D \in \operatorname{argmax}_{S \subseteq [n]} (f(S) - \sum_{a \in S} p_a)$

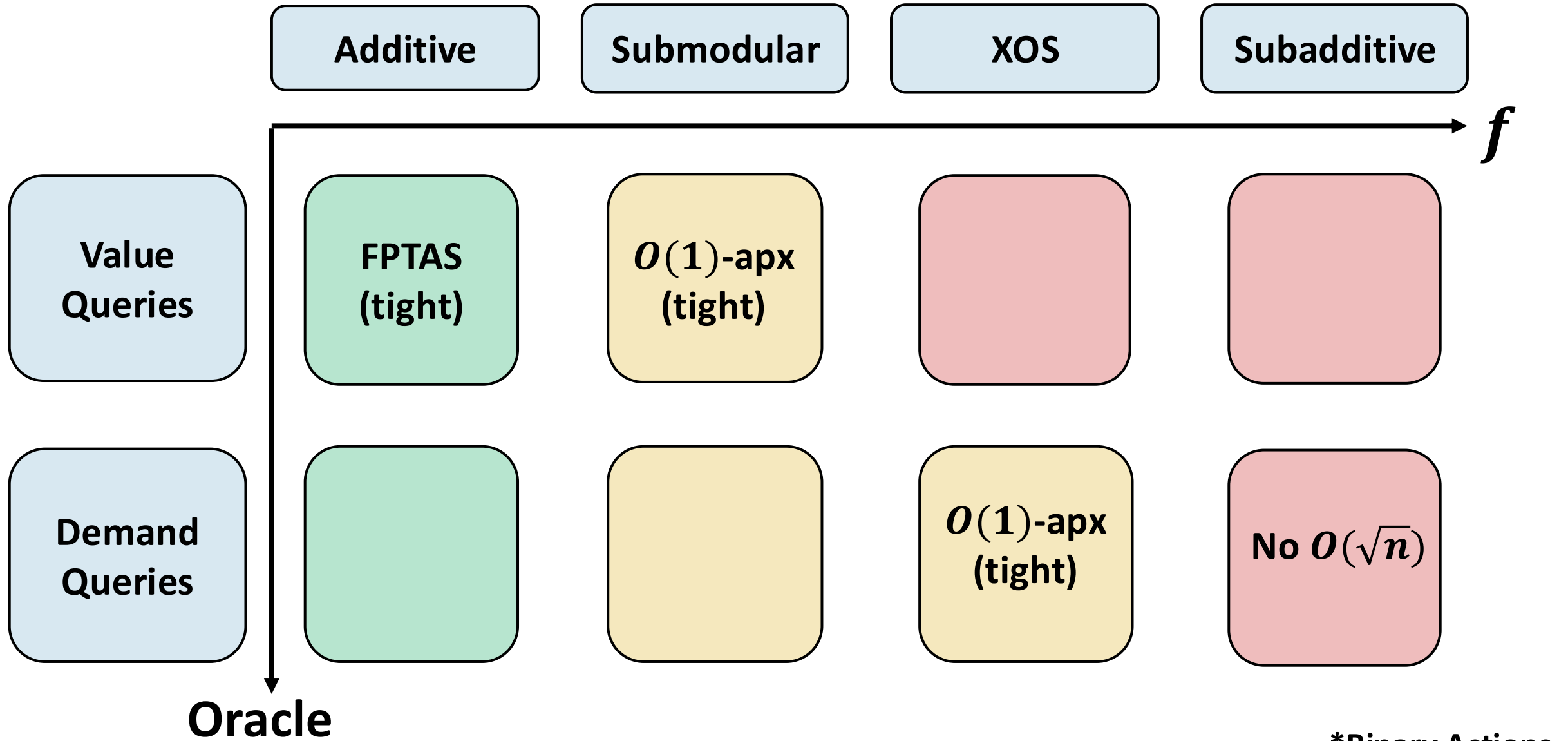
Value queries can be approximately simulated with demand queries.

Results for Binary Actions

The Computational Landscape*



The Computational Landscape*



Challenges and Techniques for Binary Actions

Simplifying the Optimization Problem

$$\max_{\alpha, S} (1 - \sum_{i=1}^n \alpha_i) \cdot f(S) \quad s.t.$$

$$\alpha_i \cdot f(S) - c_i \geq \alpha_i \cdot f(S \setminus \{i\}) \quad \forall i \in S$$

$$\alpha_i \cdot f(S) \geq \alpha_i \cdot f(S \cup \{i\}) - c_i \quad \forall i \notin S$$

$$\max_S g(S) = \left(1 - \sum_{i \in S} \frac{c_i}{f_i(S)}\right) \cdot f(S)$$

where $f_i(S) = f(S) - f(S \setminus \{i\})$
(marginal contribution to S)

Optimal Payments: For every agent $i \notin S$, set $\alpha_i = 0$.

For every agent $i \in S$, the following must hold

$$\alpha_i \cdot f(S) - c_i \geq \alpha_i \cdot f(S \setminus \{i\}) \iff \alpha_i \geq \frac{c_i}{f_i(S)}$$

utility for exerting effort

utility for shirking

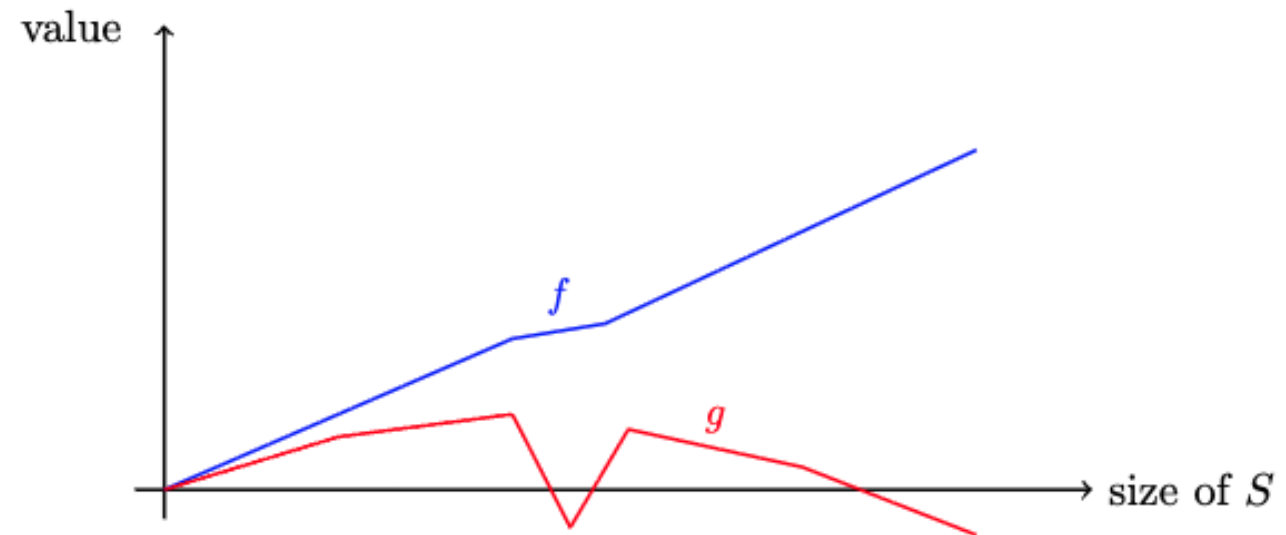
Objective g Lacks Structure

$$g(S) = \left(1 - \sum_{i \in S} \frac{c_i}{f_i(S)}\right) \cdot f(S)$$

Example: $f(S)$ depends only on $|S|$,
and f is XOS

g is a mixed-sign objective:
not monotone and possibly negative

additive f	$\Rightarrow$	submodular g
submodular f	$\Rightarrow$	subadditive g
XOS f	$\Rightarrow$	no guarantees



Verify additive to SM

Three Recurring Techniques

Goal: maximize $g(S) = \left(1 - \sum_{i \in S} \frac{c_i}{f_i(S)}\right) \cdot f(S)$

Technique 1. **Decomposing** g (AKA light/heavy agents)
[DEFK '23, DEFK '25, FGPS '25, FGPS '26, DFGK '26, ACC+ '25]

Technique 2. How to query a **demand oracle**
[DEFK '23, DEFK '25, FGPS '26, DFGK '26]

Technique 3. Hide a **special set** of agents
[DEFK '23, DDPP '24, DEFK '25, EFS '24, FGPS '26]

Decomposing g

$$\text{Let } S^* \in \operatorname{argmax}_S \left(g(S) = \left(1 - \sum_{i \in S} \frac{c_i}{f_i(S)} \right) \cdot f(S) \right)$$

Goal: Find $S \subseteq [n]$ such that $g(S) \geq \Omega(1) \cdot g(S^*)$

For subadditive f , one of the following achieves this:

Best **single agent**

$$\max_i g(\{i\}) = \left(1 - \frac{c_i}{f_i} \right) f_i = f_i - c_i$$

(Naively in poly-time)

Best **team under budget**

$$\max_S f(S) \text{ s.t. } \sum_{i \in S} \frac{c_i}{f_i(S)} \leq 1/2$$

(The hard part)

How to Query a Demand Oracle?

Goal: Maximize $f(S)$ subject to $\sum_{i \in S} \frac{c_i}{f_i(S)} \leq 1/2$

Demand Query. $p \in \mathbb{R}^{[n]} \mapsto D \in \arg \max_{S \subseteq [n]} (f(S) - \sum_{i \in S} p_i)$

Lemma 1 [DEFK '23]. Let $S^* \in \arg \max g(S)$. It holds that $\sum_{i \in S^*} \sqrt{c_i} \leq \sqrt{f(S^*)}$

Run **demand query** with prices $p_i = \frac{1}{2} \sqrt{c_i f(S^*)}$. Let D be a demand set.

$$f(D) \geq f(S^*) - \sum_{i \in S^*} p_i = f(S^*) - \frac{1}{2} \sqrt{f(S^*)} \sum_{i \in S^*} \sqrt{c_i} \geq \frac{1}{2} f(S^*)$$

Assume for now that $f(S^*)$ is known

Solving the Budgeted Problem (Almost)

Goal: Maximize $f(S)$ subject to $\sum_{i \in S} \frac{c_i}{f_i(S)} \leq 1/2$

Run **demand query** with prices $p_i = \frac{1}{2} \sqrt{c_i f(S^*)}$.

This yields a rewarding set D with $f(D) \geq f(S^*)/2$

What about the **budget constraints**? One can efficiently compute $D' \subseteq D$

1. Reward guarantee: $f(D') \geq \frac{f(D)}{O(1)} \geq \frac{f(S^*)}{2 \cdot O(1)}$
2. Budget feasibility: Payments at most $1/2$

$O(1)$ -Approx. to the Principal's Utility

Goal: Find $S \subseteq [n]$ such that $g(S) \geq \Omega(1) \cdot g(S^*)$

Best single agent
(Brute force)

Best team with payment $\leq 1/2$
(The hard part)

Repeat and
guess $f(S^*)$

$$D \in \arg \max f(S) - \sum_{i \in S} \frac{1}{2} \sqrt{c_i f(S^*)}$$

Compute a good subset $D' \subseteq D$

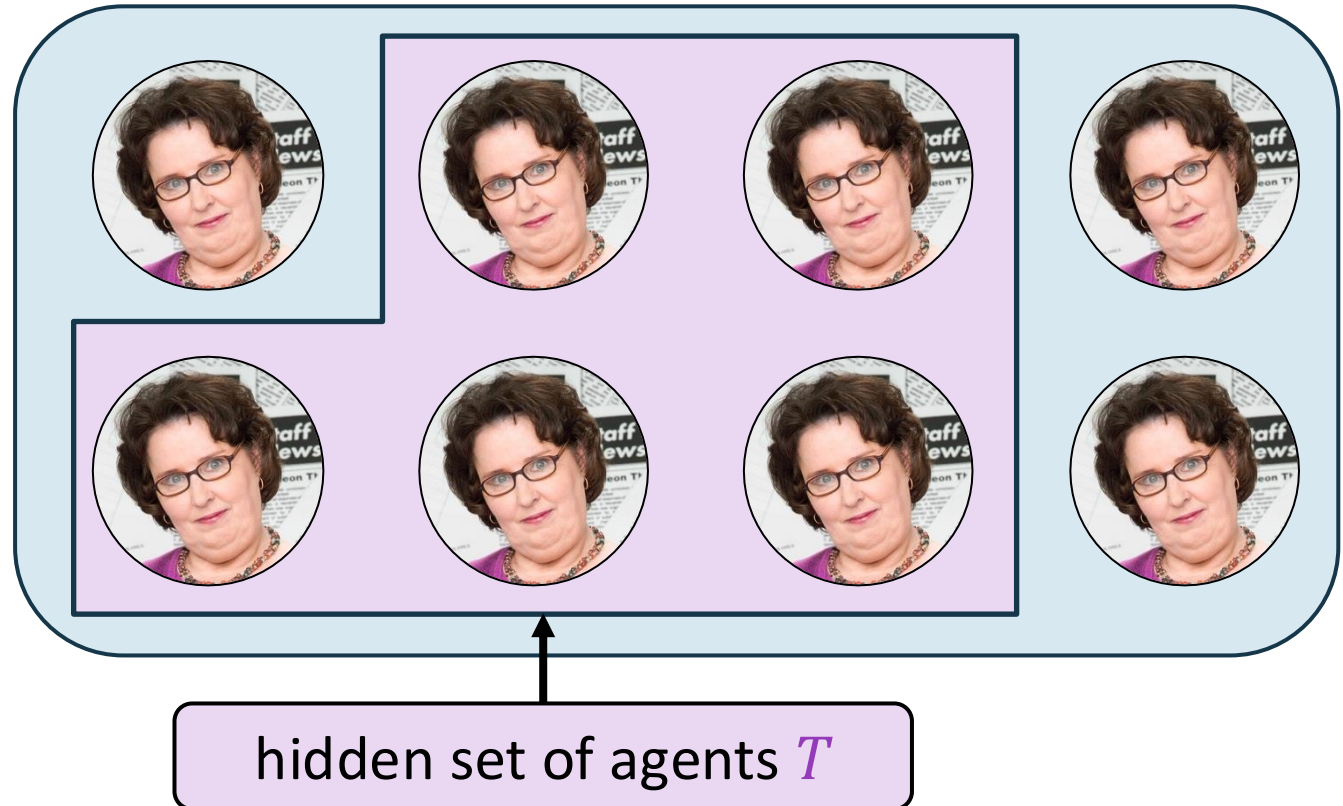
Hide a Special Set

- (a) A **hidden set** is required to find a **good contract**.
- (b) **Exponentially-many queries** required to find the **hidden set**.

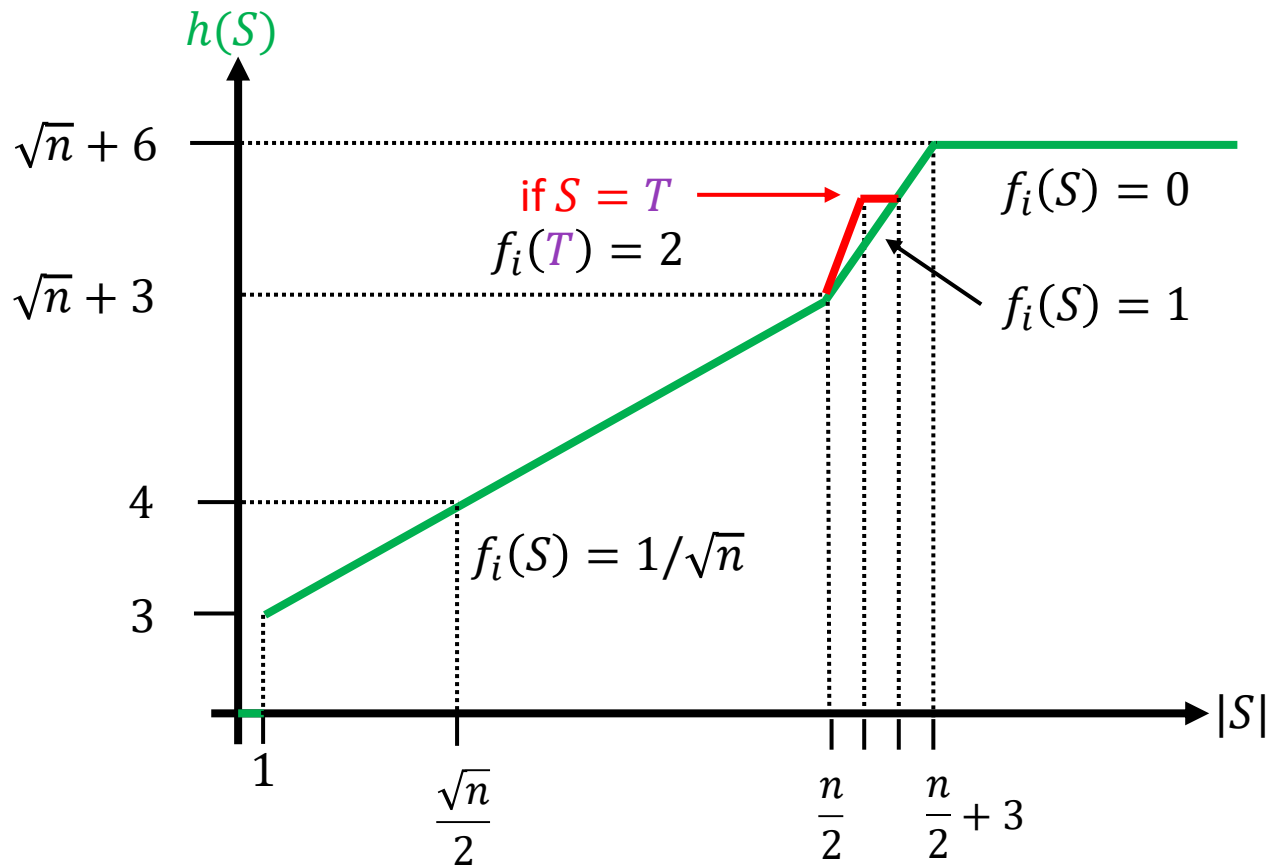
(Next slide) Theorem [DEFK '23]:
No $O(\sqrt{n})$ -approximation
for subadditive f .

Many other hardness results
rely on this technique.
[DEFK '25, EFS '24, FGPS '26]

Unconditional hardness



Hide a Special Set for Subadditive f



For T of size $n/2 + 1$,
 $f(S) = h(S) + \mathbb{1}[S = T]$

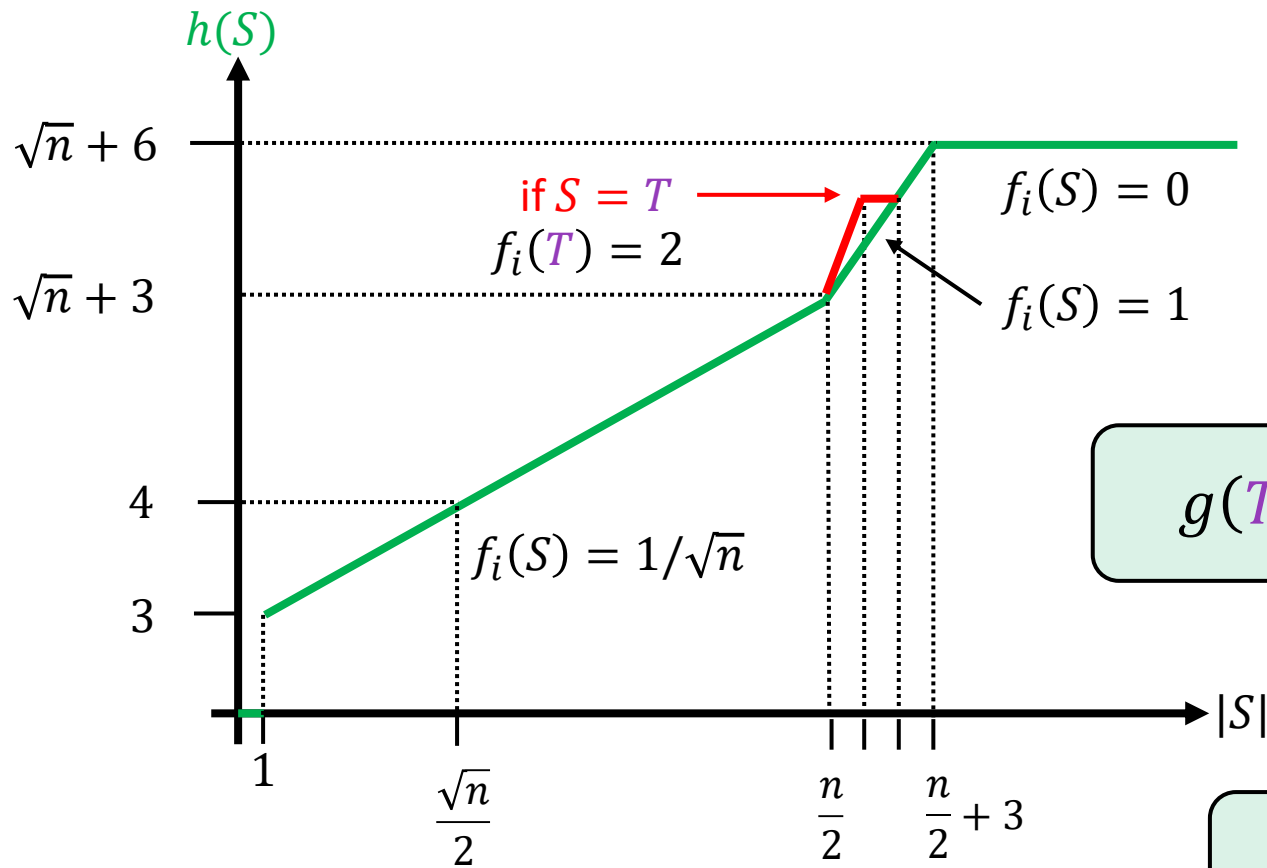
Set $c_i = 2/n$.

Recall $g(S) = \left(1 - \sum_{i \in S} \frac{c_i}{f_i(S)}\right) \cdot f(S)$

For $|S| \leq n/2$, payments ≤ 1
 imply $|S| \leq \sqrt{n}$

For $|S| \geq \frac{n}{2} + 3$, marginals are 0.
 Agents with 0 marginal cannot be incentivized.

Hide a Special Set for Subadditive f



Set $c_i = 2/n$.

Recall $g(S) = \left(1 - \sum_{i \in S} \frac{c_i}{f_i(S)}\right) \cdot f(S)$

$$g(T) = \left(1 - \underbrace{\left(\frac{n}{2} + 1\right)}_{|T|} \cdot \underbrace{\frac{2/n}{2}}_{\frac{c_i}{f_i(T)}}\right) \cdot \underbrace{\Omega(\sqrt{n})}_{f(T)} = \Omega(\sqrt{n})$$

$$g(S) \leq \left(1 - \left(\frac{n}{2}\right) \cdot \frac{2/n}{1}\right) \cdot \Omega(\sqrt{n}) \leq 0 \quad (S \neq T)$$

For T of size $n/2 + 1$,
 $f(S) = h(S) + \mathbb{1}[S = T]$

See [DEFK '23]: (a) Demand queries reveal negligible information on T . (b) f is monotone subadditive.

Second Part

Part II Outline

The multi-agent **multi-action** model

New challenges and techniques

Extensions (of binary-action and multi-action models):

Budgets and fairness constraints

Project assignment

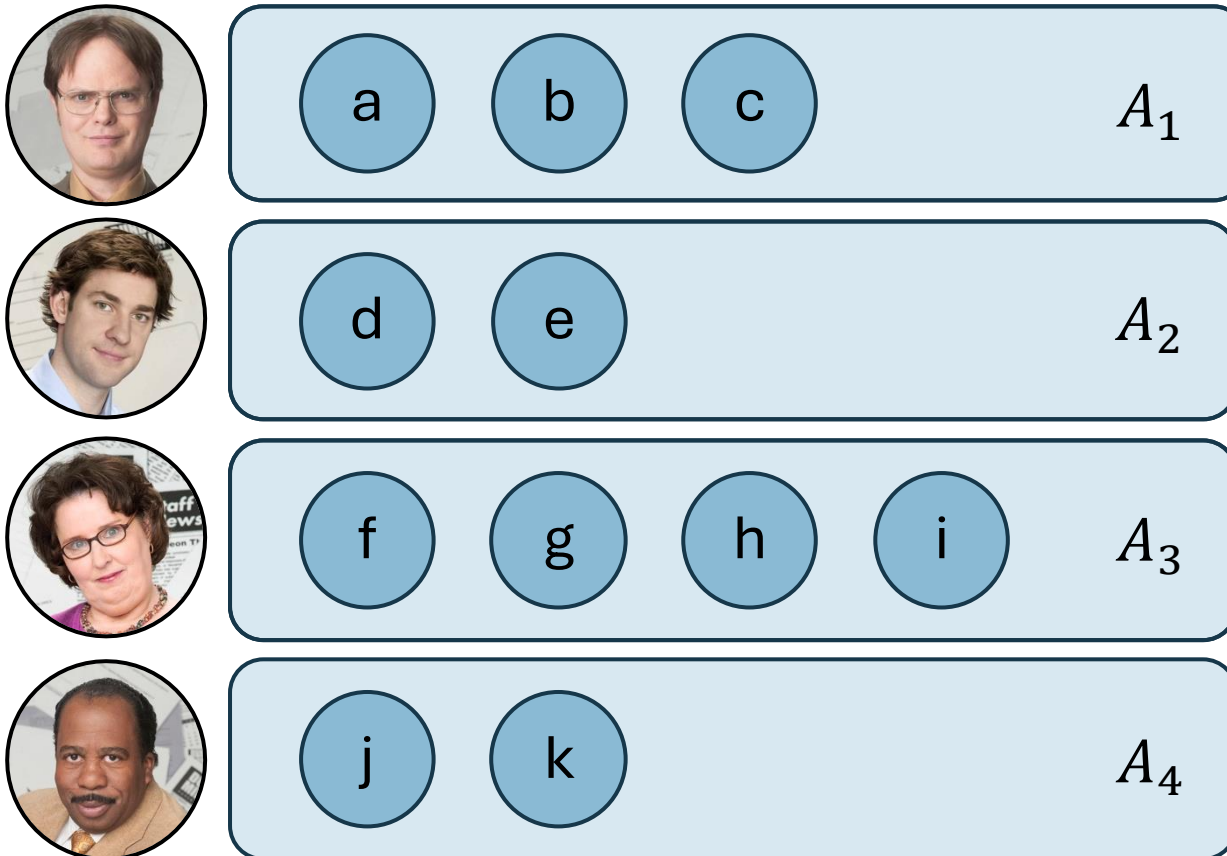
Beyond principal's utility

Future directions

Multi-Action Model

Multi-Agent Multi-Action Model

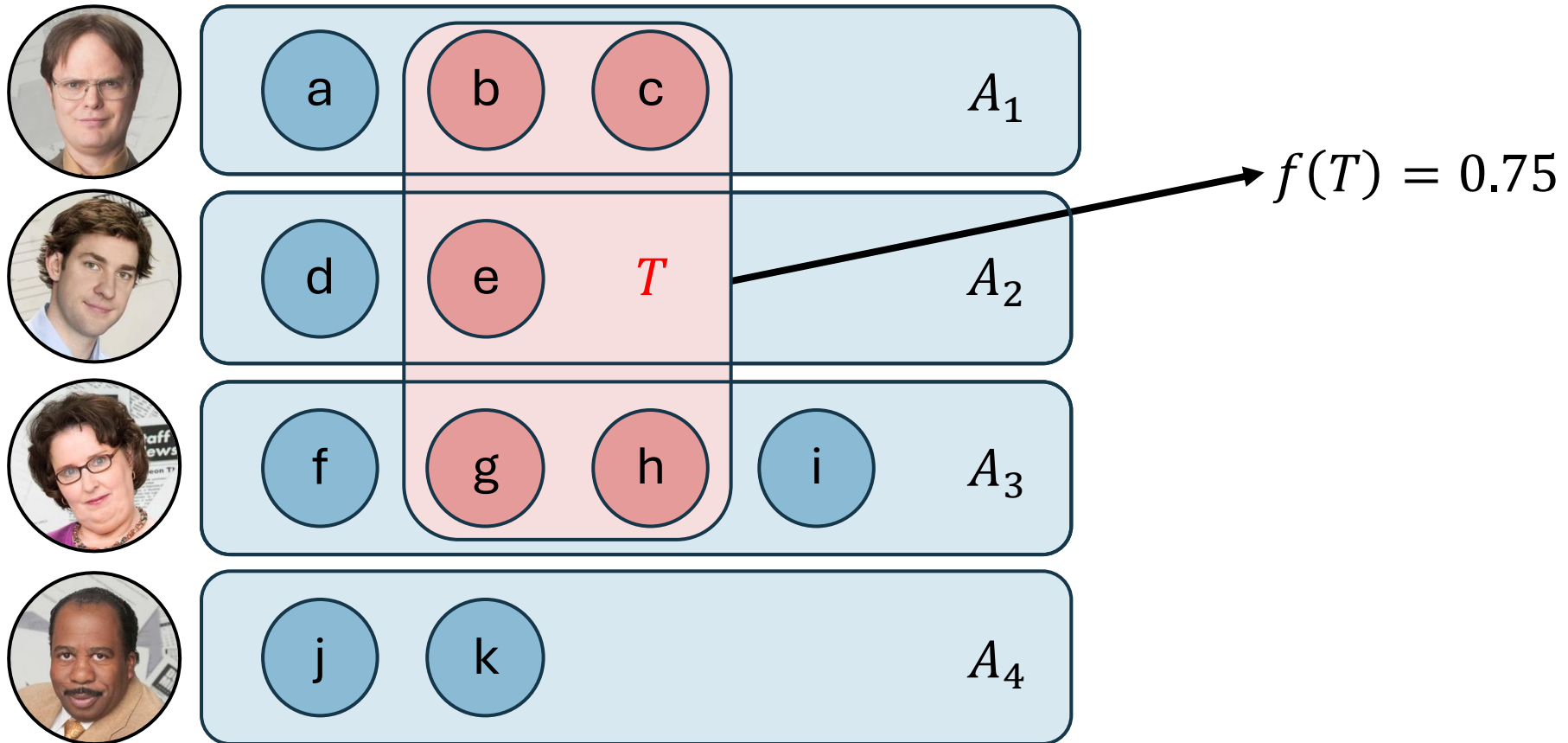
Known: n agents. Each agent i has set of **individual actions** A_i .
 A is the union of all actions.



If $|A_i| = 1$ for all i ,
then we are in the
binary-action model [DEFK
'23]

Multi-Agent Multi-Action Model

Known: n agents. Each agent i has set of **individual actions** A_i .
Function $f : 2^A \rightarrow \mathbb{R}_{\geq 0}$ maps set of **taken actions** T to success prob. $f(T)$.



Multi-Agent Multi-Action Model

Known: n agents. Each agent i has set of **individual actions** A_i .
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Step 1. Principal commits to a **contract** $\vec{\alpha} = (\alpha_1, \dots, \alpha_n) \in [0, 1]^n$
offering agent i an α_i -fraction of the reward.



$$\alpha_1 = 0.1$$



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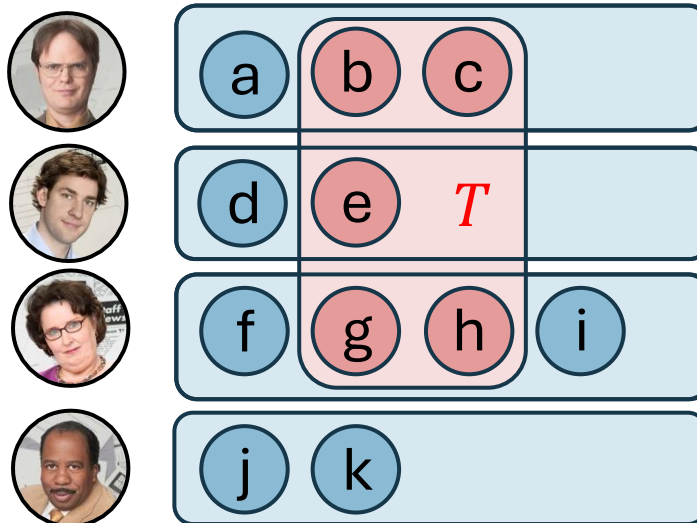
$$\alpha_4 = 0$$

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Step 2. Each agent i strategically chooses a **subset** of actions to take.
Agents form a **pure Nash equilibrium** $T \subseteq A$; ties broken to maximize $f(T)$.



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Step 3. **Outcome is realized:** either success (reward 1) or failure (reward 0).



Agent i 's utility:

$$\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a$$

Principal's utility (profit):

$$(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$$

Multi-Agent Multi-Action Model

Our Goal: efficiently compute contract $\vec{\alpha} \in [0, 1]^n$ and $T \subseteq A$ which approximately maximizes principal's utility subject to T being a Nash equilibrium with respect to $\vec{\alpha}$.

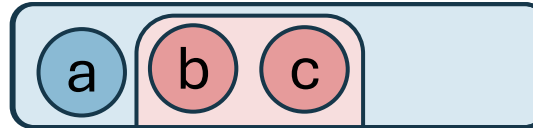
maximize

$$(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$$

subject to

$$\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a \geq \alpha_i \cdot f(T'_i \cup T_{-i}) - \sum_{a \in T'_i} c_a \quad \forall i \quad \forall T'_i \subseteq A_i$$

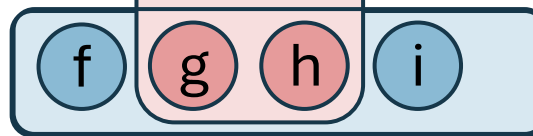
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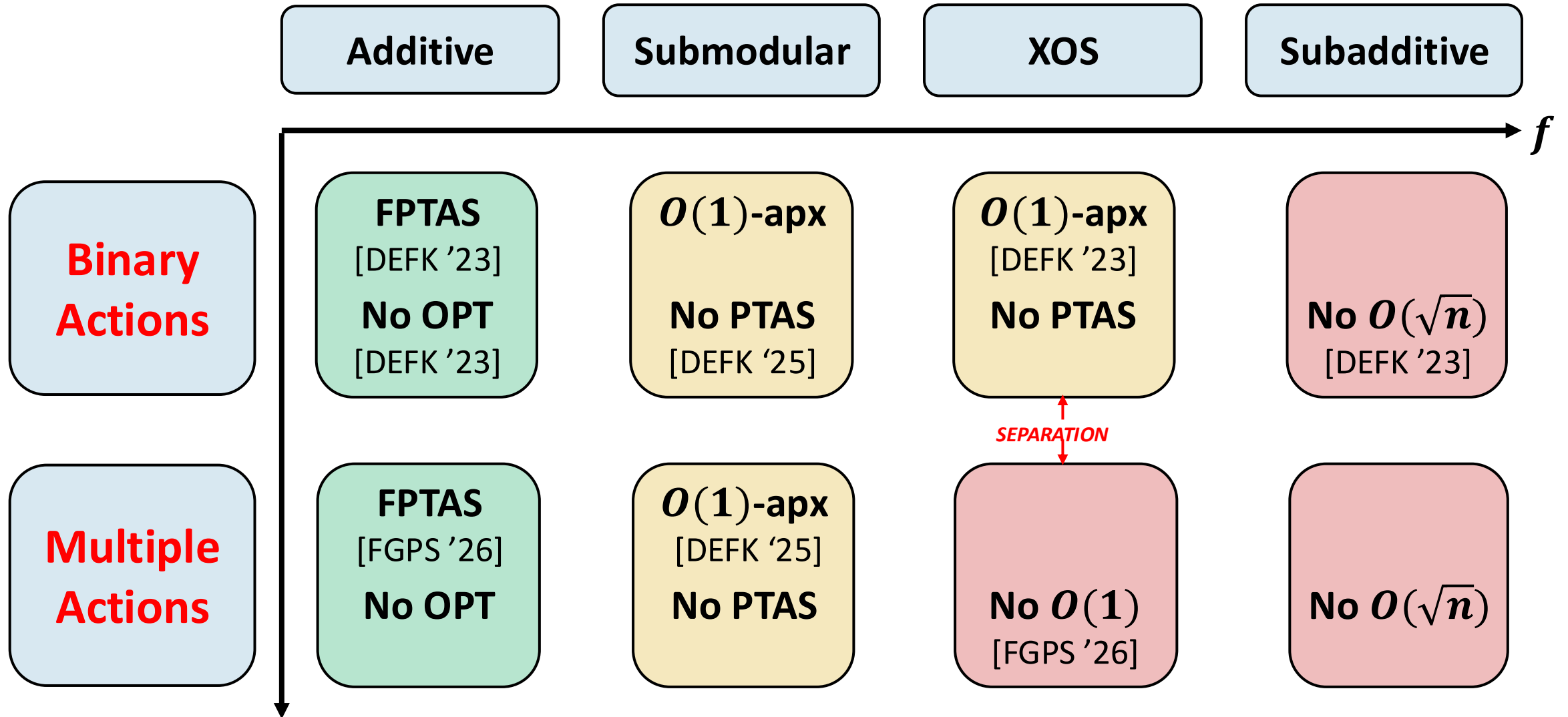


$$\alpha_4 = 0$$



Results for Multi-Action

The Computational Landscape*



*Assuming Value and Demand Queries

New Challenges and Techniques

Key Challenges and Techniques

Recurring themes behind the positive and negative results
for the multi-action model

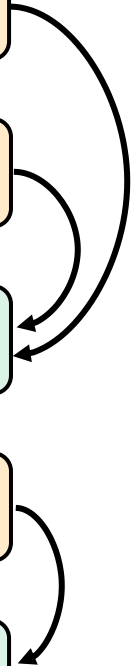
Challenge #1: There are **exponentially many constraints**

Challenge #2: Lack of agent **best-response monotonicity**

Technique #1: **Subset stability** and **dropout stability**

Challenge #3: Demand oracles are **agent-agnostic**

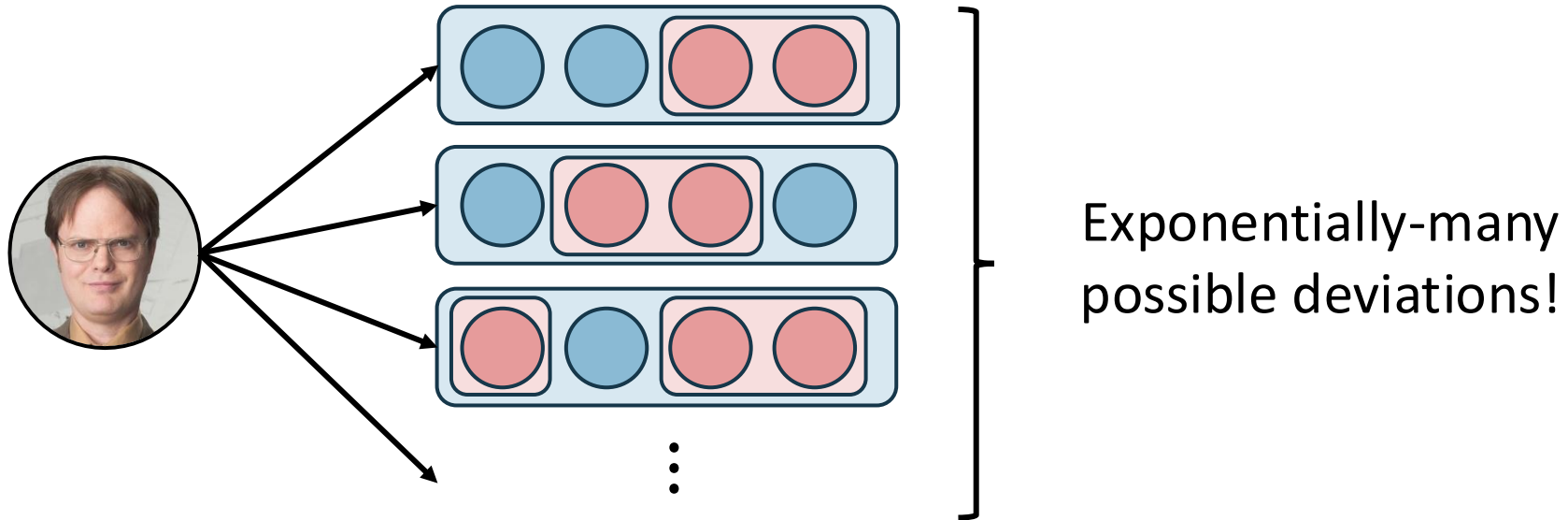
Technique #2: Approximate **agent-aware** demand queries



Exponentially Many Constraints

maximize $(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$

subject to $\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a \geq \alpha_i \cdot f(T'_i \cup T_{-i}) - \sum_{a \in T'_i} c_a \quad \forall i \quad \forall T'_i \subseteq A_i$

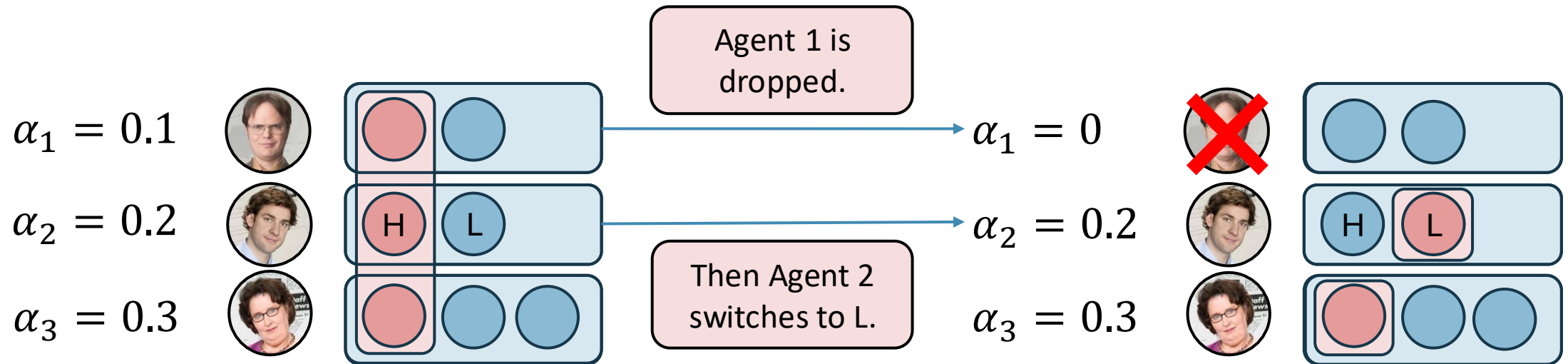


No **closed-form** payment rule, unlike for binary actions, where the optimal payment is $\alpha_i = \frac{c_i}{f_i(S)}$.

Lack of Best-Response Monotonicity

Best-Response Monotonicity: When an agent is dropped, each remaining agent will only add actions.

Can be **violated** for **multiple actions** with submodular f .



Holds for **binary actions** with submodular f , since threshold for exerting effort is $\frac{c_i}{f_i(S)} \geq \frac{c_i}{f_i(S \setminus \{j\})}$ by submodularity of f .

Subset Stability and Dropout Stability

Pure Nash Equilibrium (PNE)

maximize $(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$

subject to $\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a \geq \alpha_i \cdot f(T'_i \cup T_{-i}) - \sum_{a \in T'_i} c_a \quad \forall i \quad \forall T'_i \subseteq A_i$

Relaxed Constraint #1: Subset Stability [DEFK '25]

$$\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a \geq \alpha_i \cdot f(T'_i \cup T_{-i}) - \sum_{a \in T'_i} c_a \quad \forall i \quad \forall T'_i \subseteq T_i$$

Relaxed Constraint #2: Dropout Stability [DEFK '26]

$$\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a \geq \alpha_i \cdot f(T'_i \cup T_{-i}) - \sum_{a \in T'_i} c_a \quad \forall i \quad (T'_i = \emptyset)$$

Doubling Lemmas: Fix contract $\vec{\alpha}$.

For submodular f and subset stable T , **any** PNE T' of $2\vec{\alpha} + \vec{\epsilon}$ satisfies $f(T') \geq f(T)/2$.

For XOS f and dropout stable T , **some** PNE T' of $2\vec{\alpha}$ satisfies $f(T') \geq f(T)/2$.

Demand Oracles Are Agent-Agnostic

maximize $(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$

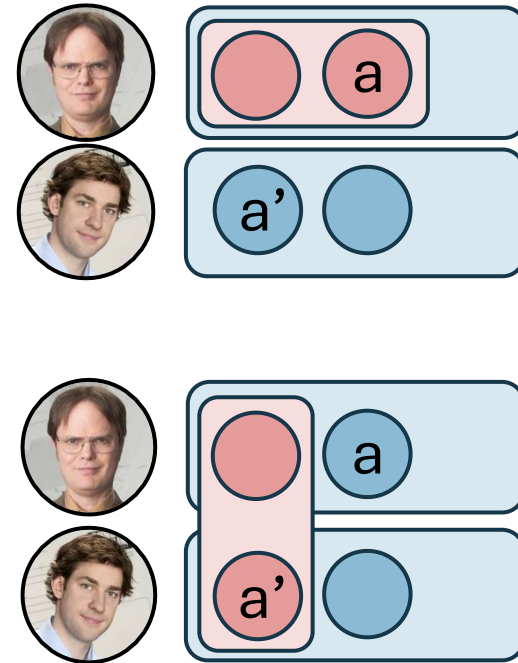
subject to $\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a \geq \alpha_i \cdot f(T'_i \cup T_{-i}) - \sum_{a \in T'_i} c_a \quad \forall i \quad \forall T'_i \subseteq A_i$

Demand Queries

$$\vec{p} \in \mathbb{R}^A \mapsto S \in \operatorname{argmax}_{S \subseteq A} (f(S) - \sum_{a \in S} p_a)$$

Demand queries are **agent-agnostic**:
They ignore **ownership of actions**

Payments are generally lower when **fewer agents** control the actions



Approximate Agent-Aware Demand Queries

maximize

$$(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$$

subject to

$$\alpha_i \cdot f(T) - \sum_{a \in T_i} c_a \geq \alpha_i \cdot f(T'_i \cup T_{-i}) - \sum_{a \in T'_i} c_a \quad \forall i \quad \forall T'_i \subseteq A_i$$

Demand Queries

$$\vec{p} \in \mathbb{R}^A \mapsto S \in \operatorname{argmax}_{S \subseteq A} (f(S) - \sum_{a \in S} p_a)$$

Agent-Agnostic

Idea #1: **Bundle Pricing** [DEFK '25]

$$S \in \operatorname{argmax}_{S \subseteq T} (f(S) - \sum_i \sqrt{\sum_{a \in S_i} p_a})$$

Idea #2: **Agent Cardinality Constraint** [FGPS '26]

$$S \in \operatorname{argmax}_{\#agents(S) \leq k} (f(S) - \sum_{a \in S} p_a)$$

We can **approximately** solve both types of demand queries:
 $f(S) - p(S) \geq \beta \cdot f(S^*) - p(S^*)$

Extensions

Extensions

Budget Constraints + Alternative Objectives

[Aharoni, Hoefer, Talgam-Cohen, EC 2025]

[Feldman, Gal-Tzur, Ponitka, Schlesinger, EC 2025 & ITCS 2026]

Supermodular Rewards

[Deo-Campo Vuong, Dughmi, Patel, Prasad, SODA 2024]

Multiple Projects

[Alon, Castiglioni, Chen, Ezra, Li, Talgam-Cohen, EC 2025]

Equal-Pay Contracts

[Feldman, Gal-Tzur, Ponitka, Schlesinger, EC 2026]

Budget-Feasible Contracts

Budget constraint: $\sum_{i \in [n]} \alpha_i \leq B$ for some $B \in [0,1]$.

[Aharoni, Hoefer, Talgam-Cohen, EC 2025]

[Feldman, Gal-Tzur, Ponitka, Schlesinger, EC 2025 & ITCS 2026]

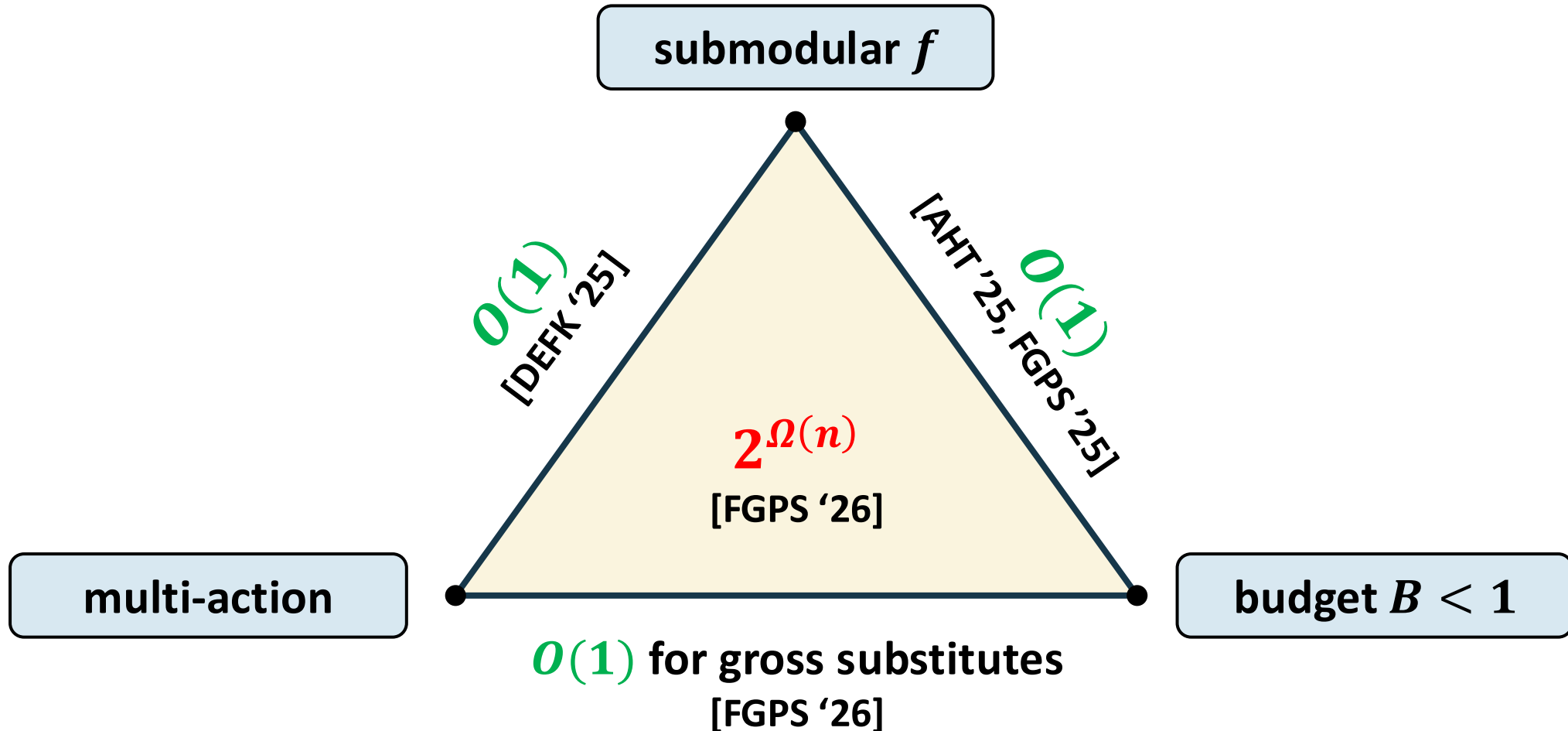
All **negative** results extend automatically.

Theorem [AHT '25, FPGS '25]: For binary actions,
all **positive results** extend to budgets.

Theorem [FPGS '26]: For multiple actions,
(a) **separation**: hardness result for **submodular** f with $B < 1$.
(b) $O(1)$ -approximation for **gross substitutes** f with a budget.

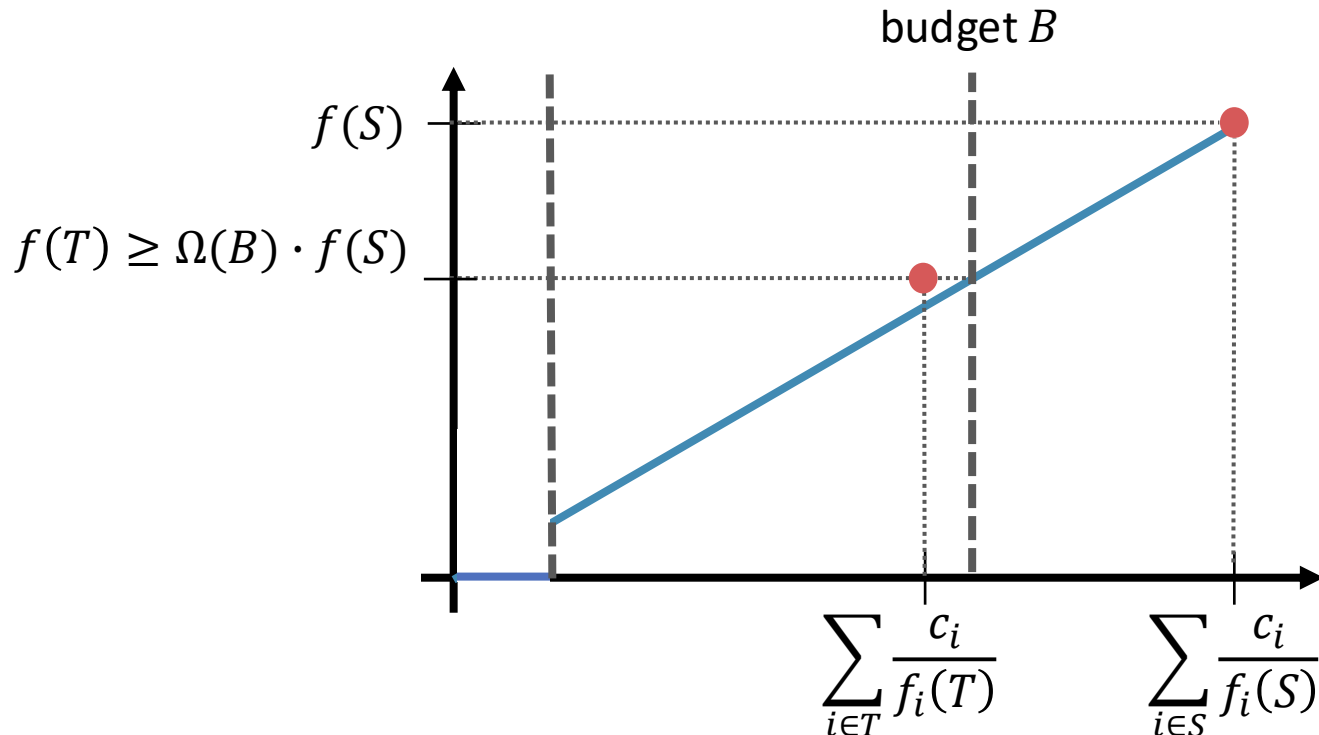
Budget-Feasible Contracts

Budget constraint: $\sum_{i \in [n]} \alpha_i \leq B$ for some $B \in [0,1]$.



Budgets with Binary Actions

Downsizing Lemma: For binary actions, XOS f , and any* budget B , we can efficiently reduce any team S to a budget-feasible team $T \subseteq S$, while incurring only a loss to reward that is linear in B .

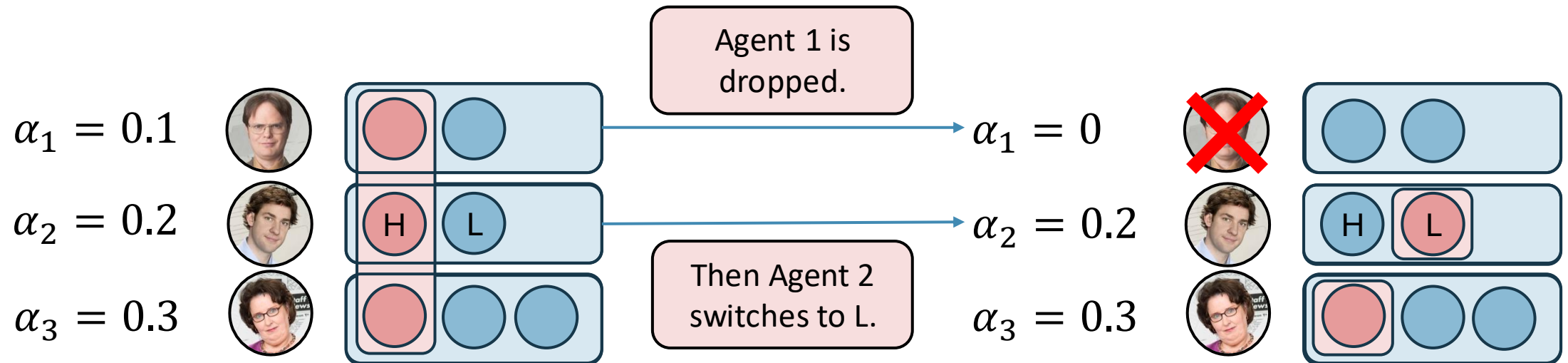


*up to the cost of incentivizing a single agent

Budgets with Multiple Actions

Best-Response Monotonicity: When an agent is dropped, each remaining agent will only add actions.

Recall that this property **fails** for multiple actions with **submodular** f .



Theorem: Best-response monotonicity **holds** for **gross substitutes** f .

This can be used to establish a **downsizing lemma** for multi-action.

Alternative Objectives

[AHT '25] [FGPS '25]

Principal's utility: $(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$

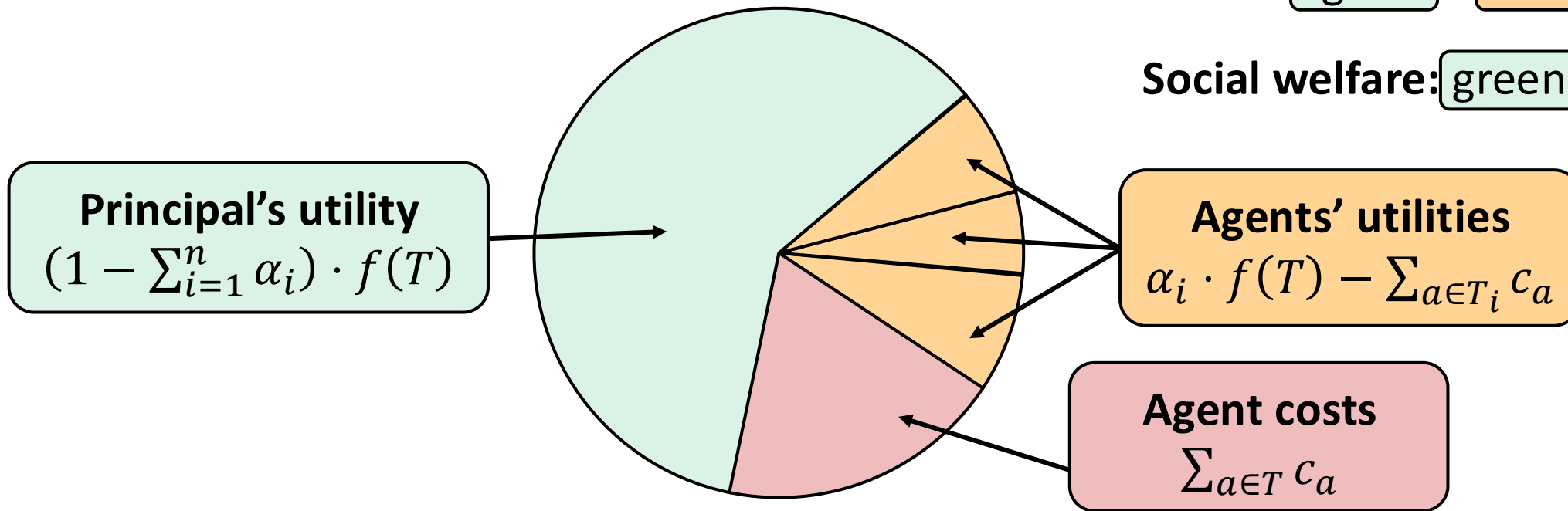
Social welfare: $f(T) - \sum_{a \in T} c_a$

Reward: $f(T)$

BEST objectives

Reward: green + orange + red

Social welfare: green + orange



Alternative Objectives

Principal's utility: $(1 - \sum_{i=1}^n \alpha_i) \cdot f(T)$

Social welfare: $f(T) - \sum_{a \in T} c_a$

Reward: $f(T)$

} **BEST objectives**

Theorem [AHT '25, FPGS '25]: For binary actions,
all $O(1)$ -approximations extend to all **BEST objectives**.

Theorem [FPGS '26]: For multiple actions, $O(1)$ -approximation
for **gross substitutes** f extends to all **BEST objectives**.

Multiple actions with **submodular** f :

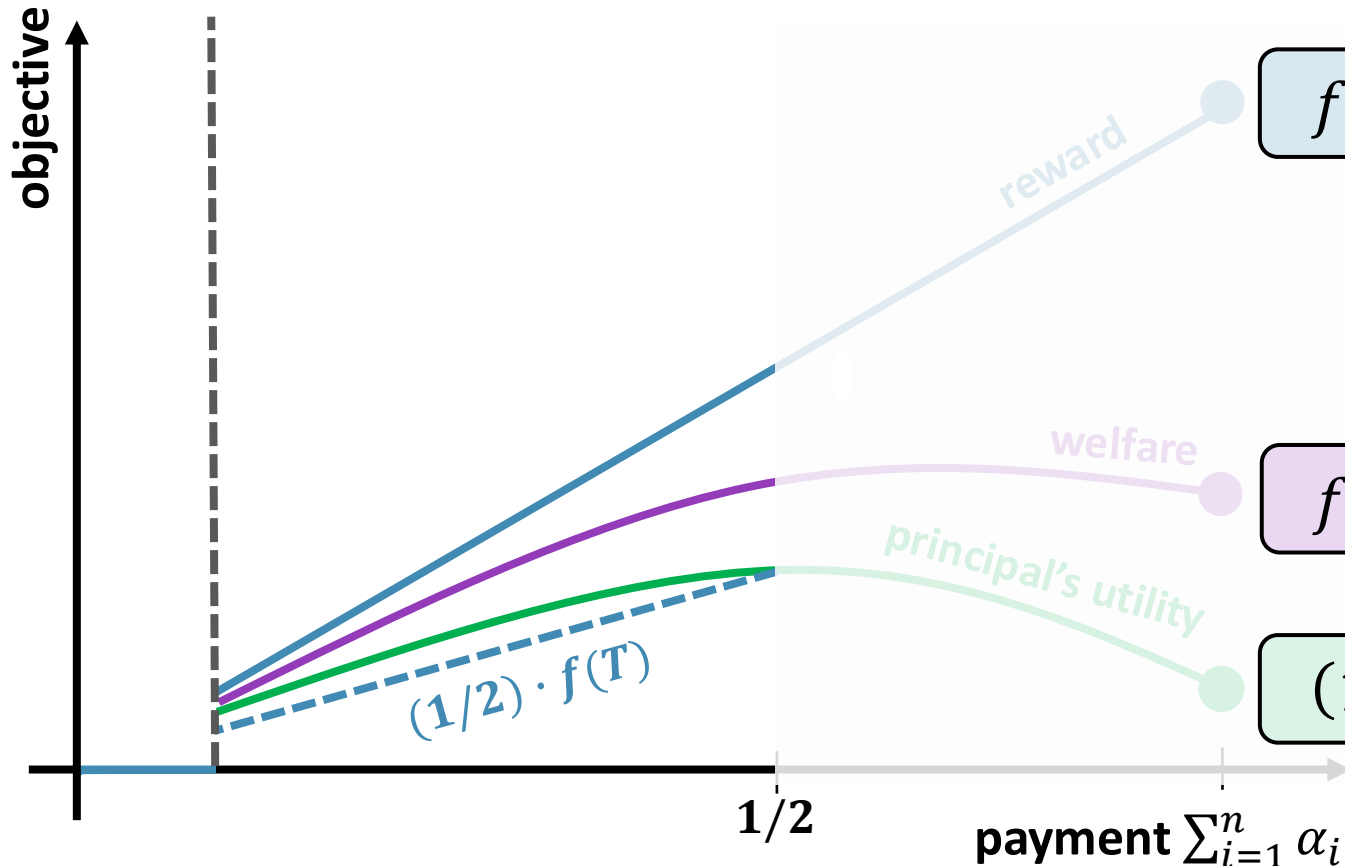
Principal's utility
 $O(1)$

Social welfare
?

Reward
No $2^{\Omega(n)}$

Alternative Objectives

Proof idea: For total payment $\sum_{i=1}^n \alpha_i \leq 1/2$,
reward, welfare, and principal's utility differ by factor ≤ 2



Downsizing lemma shows that scaling the payment to $\leq 1/2$ loses at most an $O(1)$ -factor*

*Handling expensive agents separately

Supermodular Rewards

Submodular:

$$f_i(S) \leq f_i(T) \text{ for } S \supseteq T$$

Submodular: The larger the team,
the **smaller** an individual contribution.

Supermodular:

$$f_i(S) \geq f_i(T) \text{ for } S \supseteq T$$

Supermodular: The larger the team,
the **larger** an individual contribution.

Supermodular Rewards

Theorem: For binary actions with **supermodular** f , obtaining any finite approximation is NP-hard via reduction from **k -clique** decision problem.

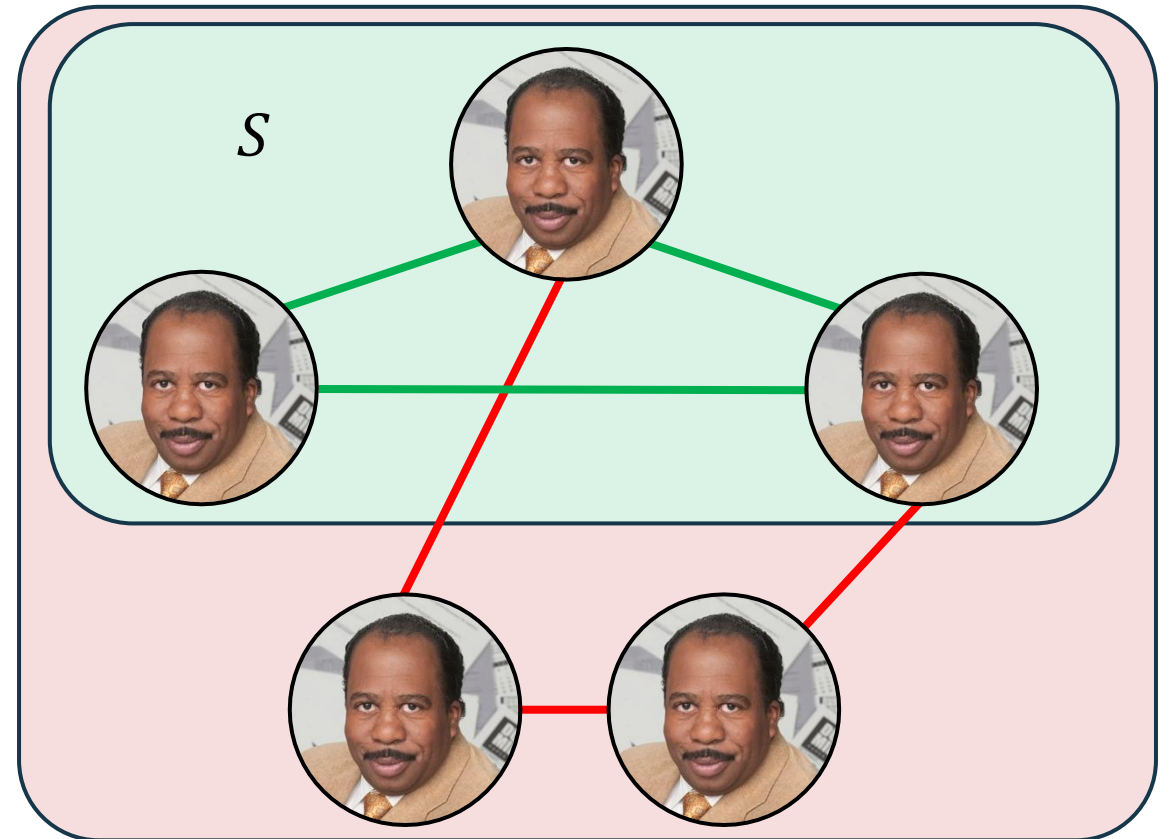
[Deo-Campo Vuong, Dughmi, Patel, Prasad, SODA 2024]

We set $f(S) = |\{\text{edge}(i, j) \mid i, j \in S\}|$
and $c_i = (k - 2)/(k - 1)$ for all i .

If S is a **k -clique**, then
$$g(S) = \left(1 - \sum_{i \in S} \frac{c_i}{f_i(S)}\right) \cdot f(S) > 0$$

because $\sum_{i \in S} \frac{c_i}{f_i(S)} = \frac{k \cdot (k-2)}{(k-1) \cdot (k-1)} < 1$.

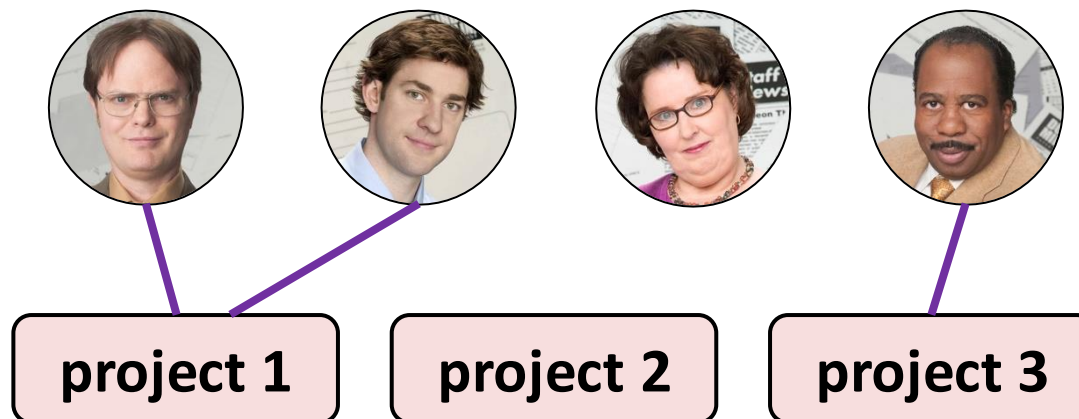
If there is no **k -clique**,
 $g(S) \leq 0$ for all S .



Multiple Projects

Delegating **multiple** binary-outcome **projects** simultaneously.
Each agent can work on at most one project.

[Alon, Castiglioni, Chen, Ezra, Li, Talgam-Cohen, EC 2025]



All **negative** results extend automatically.

Theorem [ACC+ '25]: **$O(1)$ -approximation results** for binary actions with submodular and XOS f extend to multiple projects.

Multiple Projects

Proof idea: A **fractional LP relaxation** of the problem.
Variable $y_{j,x,s} \in [0,1]$ represents the allocation of team S to project j ,
and x is an estimate of the reward generated by that project.

Resembles LP relaxations for **welfare maximization**.

Exponentially many variables but only polynomially many constraints: **Dual LP**
can be solved using separation oracles,
which require solving approximate **demand queries** for $\hat{f} = \min(f, x)$.

Proof also handles heavy agents and rounding fractional solutions.

Equal-Pay Contracts

A contract $\alpha = (\alpha_1, \dots, \alpha_n)$ is **equal-pay** if $\alpha_i = \alpha_j$ for i, j with $\alpha_i, \alpha_j \neq 0$.



$$\alpha_1 = 0.2$$



$$\alpha_2 = 0.2$$



$$\alpha_3 = 0.2$$



$$\alpha_4 = 0$$

In many hardness results for **unconstrained** contracts,
the optimal contract is **equal-pay**.

[DEFK '23] [EFS '24] [DEFK '25] [DDPP '24]

Theorem [FGPS '26, CCL '25]: **$O(1)$ -approximations** for
multi-action and binary-action extend to equal-pay contracts.

Theorem [FGPS '26, DLS '26]: The price of equality is **$\Theta(\log n / \log \log n)$** .

The End

Open Questions?

Learning near-optimal multi-agent contracts
without full information

Complexity in terms of other resources than
computation (e.g. communication)

Agents approximately best respond
(cf. [DRT '2019] [BGCMG '2025])

Are the near-optimal simple PNEs?

Learning dynamics of contracts:
Do agents converge to an equilibrium?

Summary

2023

Multi-Agent Contracts (STOC)

2025

Multi-Agent Combinatorial Contracts (SODA)

[Deo-Campo Vuong, Dughmi, Patel, Prasad, SODA 2024]

[Ezra, Feldman, Schlesinger, ITCS 2024]

[Alon, Castiglioni, Chen, Ezra, Li, Talgam-Cohen, EC 2025]

[Aharoni, Hoefer, Talgam-Cohen, EC 2025]

[Castiglioni, Chen, Li, 2025 & 2025]

[Feldman, Gal-Tzur, Ponitka, Schlesinger, EC 2025 & ITCS 2026 & **EC 2026**]

[Doron-Arad, Shachnai, Shmerler, Talgam-Cohen, **EC 2026**]

[Dütting, Ezra, Feldman, Kesselheim, **EC 2026**]

[Ding, Li, Sun, 2026]

[Lavi, Shachnai, Talgam-Cohen, 2026]

Your work here?