

- 
- 1) Internationalization & Practice-oriented Teaching**
  - 2) Research in sustainable, Value-based business**
- 

Using business simulation, using



in an international university setting

---

---

---

**International Business Simulation**

### Teachers involved per university

University	Country	Lecturer	Email

The list is not complete, and the list will probably be a bit longer, but these partners are expected to join (as communicated earlier)

- Belgium
- Brazil
- Egypt
- Germany
- Ghana
- The Netherlands
- Russia



# Introduction

This report consists of 2 parts:

- 1) The management simulation game
- 2) The research part

Both parts are connected

The project is to play an international on-line management game in mixed, cross cultural teams of students from various universities around the world. Next to giving the students an extensive experience of management simulation, the real focus will be on giving the students an intercultural experience: working/decision making in virtual groups with people from different backgrounds/cultures. To maximize this learning outcome, the game will be extended with game related assignments students have to work on. These extra assignments will include reflection

Next to the game and the assignments, the students will fill in questionnaires to collect data concerning cultural differences and their impact on the way the students play the game. The questionnaires will be designed to help students reflect on their own and team, to strengthen the learning outcomes. The data collected will also allow the participating universities to do (joined) IB-related research for publications.

Both parts will be separately be discussed in this document.

# Part 1: The management simulation game

## The game

It has been decided to continue this year with the Cesim game. Several alternatives have been evaluated, but none of the other games outperformed Cesim for the purpose it will be used for in our curriculum: giving our students an real, online, complex experience of international cooperation.

### Some guidelines

- Based on your input, the will be played as previously indicated in spring semester 2020, from 4 May till 11 June 2020. This might cause some of you a problem in your year planning. The last rounds can be seen as assessments, so could be part of exam weeks.
- Per week there will be 2 rounds: 1 will be open for a long period of time, the second will have to be done in time pressure. The latter one has to be scheduled at every partner at the same time, so students can analyse and make decisions together. So students should have these times free to play the game. Below I gave an indication, based on Dutch time, taking time differences into account for all joining. Potential public holidays etc have not been taken into account, as this will be part of the 'doing business abroad' experience and should be dealt with by the teams themselves
- In the ideal scenario we will only have teams in which each team member will be from a different continent/country. Zuyd will coordinate this, as soon as you have given the necessary student details
- Communication will take place via e-mail, facebook, whatsapp, skype, etc ... but Zuyd will provide (for free) all participants with a Blue Jeans account (sort of skype) in which we will create for all teams a secure digital office.
- There will be 'live broadcast presentations', for example the kick-off. In this setting presentations will be interactively viewed at all locations. To increase the international experience, it would be nice if all partners will have short presentations during the period of the game.
- Assessment of the game is NOT per university, but per team. The groups will be divided over Tutors, based on the number of students per partner participating. This will mean that Zuyd will do most assessments, and transfers the results (as a %) per student to each partner.

## CESIM GAME PLANNING 2020

Date/date	CESIM Global Challenge	Home work
Preperation	Students complete the personal data in research area	
4-6 May	Each partner organizes session for own students to get used to the system (quick start guide and manual will be supplied)	Read manual & think individually about possible strategy
7 May 14.30-16.30 (Dutch time)	Introduction to the game Strategy building Development of Groups	<b>A</b> <b>Complete personal info</b>
Monday 11 May 14.00-17.00 (Dutch time)	Practice Round  Analysis of the Practice Round	<b>Assignment 1</b> <b>Company name, defining USP's &amp; strategy</b> <b>Appointing roles/areas</b>
Thursday 14 May 14.00-17.00 (Dutch time)	Round 1: Analysis of the First Round	<b>B</b> <b>Complete info 2</b>
Thursday 21 May 14.00-17.00 (Dutch time)	Round 2: Round 3	<b>Assignment 2</b> <b>After round 3:</b> <b>Team reflection on teamwork and strategy (How to continue!)</b>
Thursday 28 May 14.00-17.00 (Dutch time)	Round 4: Round 5:	<b>C</b> <b>Complete info 3</b>
Thursday 4 June 14.00-17.00 (Dutch time)	Round 6: Round 7:	<b>Assignment 3</b> <b>After round 7:</b> <b>Team reflection on teamwork and strategy (what worked and what did not)</b>
Thursday 11 June 14.00-17.00 (Dutch time)	Online Presentations	<b>Assignment 4</b> <b>Upload team presentation based on assignment3</b>  <b>D Complete info 4</b>

## 1. Introduction

In management positions, an ever more critical factor is the collection, selection and analysis of a variety of information originating from both the company and the market. It is on the basis of this information that the policy for reaching the organisation's goals can be developed. This goes not only for companies, but increasingly for non-profit organisations as well.

The management game is an instrument for collecting, selecting and analysing information and for training policymaking on the basis of the results. It is a computer simulation designed to reflect the reality.

Computer simulations like the CESIM Global Challenge are an increasingly popular tool in both education and industry, with annual competitions now being organized within companies and other universities. More than just the thrill of victory, this is about generating publicity as well as, of course, the training and team-building aspects for the participants (managers and/or management trainees).

A few of the benefits of the management game:

- The student is forced to choose a specific strategy and (to a certain degree) stick to it. A company that does not follow a guiding principle in its decisions may be successful in the short term, but definitely won't be in the long term! *Failing* to follow a strategy very quickly leads to contradictory decisions and waste, to the detriment of profitability. For example, changing products and/or distribution channels too frequently leads to unnecessary extra costs.
- The student is forced to make decisions in an international team context, which means arguing for personal preferences among a group. Here, delegating duties is advised, especially when under time pressure. Consider: some rounds teams have only 2 hours to analyze results and make new decisions. This would be impossible without delegating. But in the end, the team has to get back on the same page.
- The student is faced with factors that are at odds with the intended planning and policy, so flexibility also becomes necessary. Factors at work in the game include decisions of the competition, as well as potential game-changers like changing interest rates, the economy, and unexpected strikes. So far no additional game-changers have been used, nor are any planned.
- The student is forced to integrate market research, marketing and economics and distill them into a coherent policy. Marketing and strategic policy must be particularly dictated by cost price, balance sheet and profit and loss account.
- The student is forced to analyze detailed and complex statistical material before making a decision. In addition to the key figures produced in the game itself, the players can also generate their own key figures, and of course, can use software tools like Excel to do so. This type of software also proves its worth in calculating out ("simulating") policy alternatives to their conclusion.
- Throughout, the competition and gaming element provides an extra source of stimulation and effort on the part of the participants.

## 2. Context

The objective of this course is training management skills in an international run environment, and in particular gaining practise in making marketing management decisions. This starts with a predefined strategic marketing policy that the participant chooses based on a typical commercial objective dictated from above, namely the pursuit of maximum profit.

This process of going through what in business is referred to as the "management cycle" is done in the context of a computer simulation (or "management game").

## 2.1 The Management Game CESIM Global Challenge

The management game is an instrument for collecting, selecting and analysing information and for training policymaking on the basis of the results. It is a computer simulation designed to reflect the reality. The game we are going to play, the CESIM Global Challenge, takes place in a market environment in which a number of companies in a pool compete against each other. The product segment chosen for the game is mobile phones, but what exactly the product is doesn't really matter. It might just as well be cars, catering, banking services or smart phones. The important thing is that the skills described above are trained and can be applied in all possible markets.

The participants are broken up into teams of about 4 students, who then become the management team of a (fictitious) company. This team has to try and beat (or stay ahead of) the competition in the group, i.e. the other management teams. They do this by making decisions on seeking all kinds of market research, completing the marketing mix, financing, production and capacity volume and in some cases partnering with other companies.

The company consists of the following decision-making departments:

- Global business
- Demand
- Production
- R&D
- Marketing
- Logistics
- Finance

### ***What are the winning criteria?***

The teams are evaluated by cumulative total shareholder return, which indicates the value created to the company's shareholders over the period under play. The companies' market value is determined through the discounted cash flow method. Cumulative total shareholder return is the capital gains (market value of the company divided by the number of shares outstanding in the end versus the beginning), plus the dividends per share paid out throughout the game. Alternatively, other measures can be used as the winning criteria. Sales revenue, profit for a specific round, operating (EBIT) margin, and Return on Capital Employed (ROCE) are useful performance measures. While they are useful measures for estimating the success in the short term, they all have their pitfalls in efficiently analysing company performance in the long run. Also, the chosen strategy (low cost vs. niche) causes direct comparison by these criteria to be challenging.

## 2.2 Learning outcomes

By participating in a game, a participant can learn from experience. Broadly speaking, the goal is not to learn how to play the game well. For us the main learning outcomes will be:

- **broadening horizons, contextualising**
- **teamwork and cooperation**
- **intercultural awareness**
- **intercultural communication**
- **communication**
- **decision-making**

The assignments and set-up are directed to these outcomes. Next to that, side outcomes will be:

- increasing awareness of real world aspects
- integrating learned material
- guiding principles in a learning process
- strategy
- customer orientation

- financial management
- quality orientation, results orientation
- enterprise
- crisis management

In the set-up of our curricula the most important learning outcome is that student experience the difficulties of working in international team, with team members they do not know at the start and which are on a different location. For this reason the teams will be made as diverse as possible. The aim is to have no team members located at the same location (country)

### 3. Organisation

#### 3.1 General

Many of these things will be explained in more detail, closer to the starting date, but to give some indication what is to be expected:

##### Registration:

The students can start registering to the course after the introduction. Students must register via the website [www.cesim.com](http://www.cesim.com), top right there's a button 'register'. The course code is 'XXXXXX'<sup>1</sup>. Students must enroll themselves in the color-code group in which they have been placed.

##### Supervision

In 4 weeks, the students will play 7 rounds of CESIM Global Challenge, following the schedule given and a final presentation. There will also be a number of additional assignments. The students will be broken into teams, each with its own tutor/instructor (local). There will be contact moments with the tutor/instructor, at which time questions may be asked.

##### Results

The results of the rounds and practice rounds will be published on [www.cesim.com](http://www.cesim.com). After a deadline for a round has passed, the results for that round are available in the Results area of the game. These lists will present the detailed results of each team, as well as each team's position in comparison to the others in the group. They will be posted immediately after the deadline for the rounds, so it is important to keep in mind that decisions should be implemented long enough before the deadline to show their effects.

##### Online game availability

The game is always open, and the rounds are run at set times. This means that teams can login and enter decisions at any given location. However, obviously, intra-team communication is of critical importance.

##### Groups:

(depends on the amount of students): 10 groups from 3-4 students each in one UNIVERSE (depending on student amount year 2018). Each universe acts as a single *market* in which teams compete against each other.

Note that In each round, players make decisions for the corresponding year. In that time, of course, anything can happen in terms of the economy. With that in mind, remember that messages, press releases, etc. that you will receive throughout the game may or may not have to be taken into account in your policy.

---

<sup>1</sup> To be announced in a later stage



## Part 2: Research

Having many students working together in an international business simulation gives the opportunity to study the influence of cultural differences in business context. Playing this game, with this diverse, international group of (business) students will create a huge possibility to collect data on:

- 1) the accuracy of cultural models
- 2) the impact culture/cultural dimensions plays on the application of management topics like
  - decision making,
  - cooperation,
  - conflict handling,
  - negotiations,
  - leadership styles,
  - communication etc.

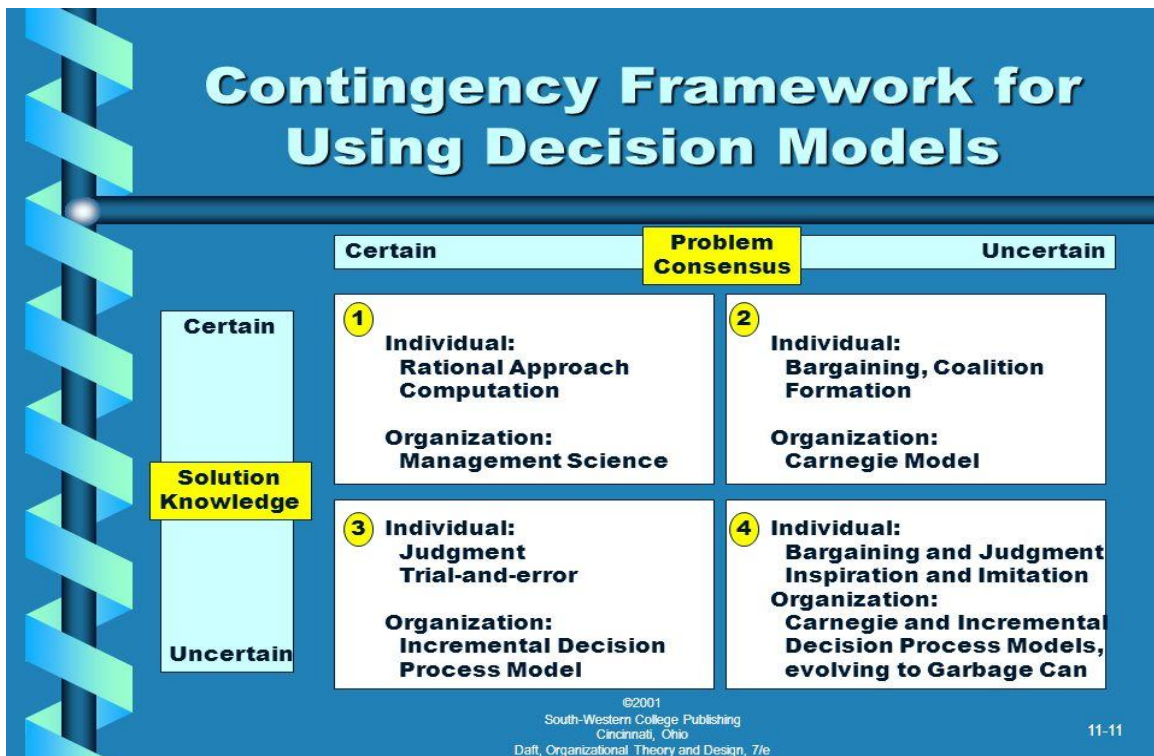
It has been proposed to focus this year on studying the cooperation and decision making, as the main learning outcome for the students is cooperate in international teams and make decisions together. The aim of the research is to study how the different cultural backgrounds:

- impact the cooperation within the team
- how groups come to decisions

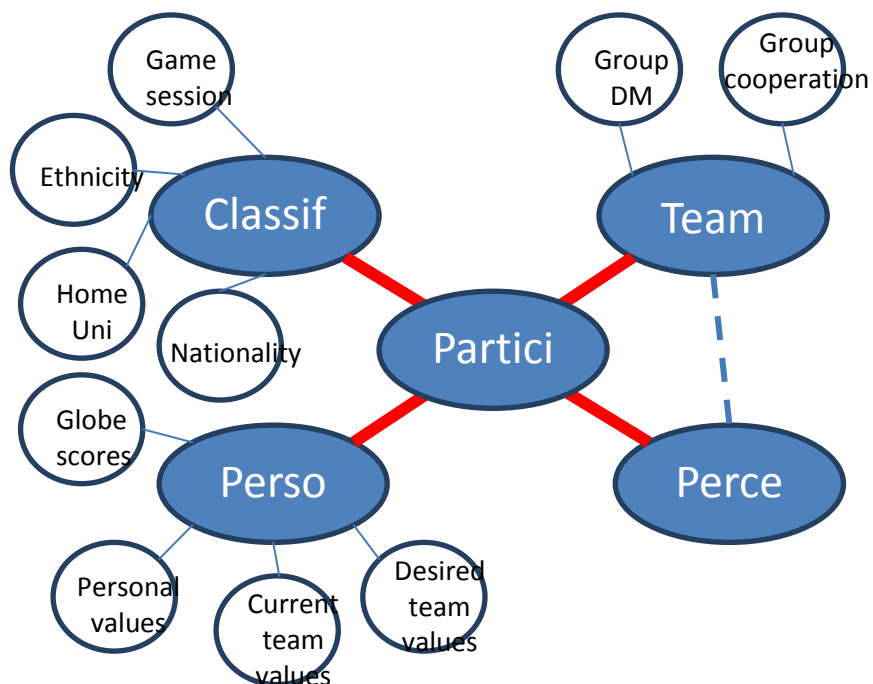
This means that per student the cultural values need to be collected. It still needs to be decided whether this will be done via the Geert Hofstede dimensions or the GLOBE-methods. Next to that, the aim is to gather information on the student's values. This will be done by collecting data based on Barrett's model, as described in his book '*Liberating the corporate soul*'. This model has been chosen, as it will also allow researchers to study cooperation more in detail.

For cooperation no model has yet been selected. Several publications about measuring cooperation in learning teams have been reviewed, but no model seems to fit. Suggestions welcome

For decision making the aim is to find a significant correlation between cultural back ground and personal values on one side, and the preferred way of decision making according to the contingency framework for using decision models (see below)



In order to realize this type of the research, students will be asked 4 times to fill in a questionnaire (moments A, B, C, D in the planning) before, during and after the management game. The foreseen data model looks like



The underlying questions still have to be formulated and the database to store & retrieve data still to be designed.

# Appendix 1: Assignments

## Assignment 1: Analysing market data for strategy setting

The first assignment consist of analysing the company and market information available in the game. Based on a SWOT, the USP's need to be defined and a strategy has to be developed. This strategy has to be worked out in decision guidelines per discipline WT1&3. Based on the competences of the group members roles and areas of expertise have to be appointed, and team rules have to be decided on. WT2

## Assignment 2: Team reflection on teamwork and strategy (How to continue!)

The second assignment consist of a reflection as well as looking ahead. It will also have content as a process perspective. The students will be able to complete and substantiate the following table. This table has to incorporate a financial, marketing, supply chain, management and integrated perspective.

After evaluating the results and the teamwork, we concluded ....		
	Strategy (content)	Teamwork (process)
Looking backwards	<u>What went well?</u>	<u>What went well?</u>
	<u>What needs to improve?</u>	<u>What needs to improve?</u>
Looking Forwards	<u>Changes proposed:</u>	<u>Changes proposed:</u>

### **Assignment 3: Team reflection on teamwork and strategy**

As in assignment 2+:

Include a new SWOT as a management team and compare it with the SWOT in assignment 1: what are the major changes and what caused them.

In this report every team member has to write a personal evaluation on the group process, including a peer assessment. This needs to be managed throughout the game, so lack of cooperation is no option and in case of lack of participation of one group member, the rest of the group has to take appropriate measures in time. Individual peer assessments will be communicated with the home university.

### **Assignment 4**

Summarise the key notes of assignment 3 in a presentation. (Presentation 8-12 slides)

In the presentation students should focus at least on the following issues:

1. Chosen strategy, how applied and main outcomes;
2. Key success factors of your team within the team dynamics;
3. Learning points in regards to the cooperation.

## **Appendix 1: Research information:**

**A.**

**Personal data**

**Choose 10 personal values from Value list**

**Choose 10 desired values from value list regarding cooperation in team**

**B.**

**Questionnaire cooperation**

**C.**

**Choose 10 values most applicable for the team**

**Questionnaire decision making**

**D.**

**Tbd**