FRAMING THE FUTURE OF BUSINESS SIMULATION
AND EXPERIENTIAL LEARNING

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Last month, when the Western Academy of Management met in Las Vegas, I had another opportunity to visit the gamesters’ Mecca. As in all previous visits, I continued to marvel at the capacity crowds publicly and prodigiously betting up to $2000 on the turn of a card, a wheel or a roll of the ivories. Although nearly everybody loses, and quite a few go broke in Las Vegas, the players’ zest is unmatched because they are all playing games. But what kind of games are they playing? Baccarat, 21, craps, roulette—all elementary, super-simple. Not a single Las Vegas game uses an algorithm or requires a computer.

This caused me to reflect: If so many supposedly sane people can get so much joy even while tossing away their hard-earned cash, then these simple games of chance must have some sort of hidden appeal that we, as game-designers, must find and emulate. If only we could inject a small portion of the Las Vegas formula into our own games, how much more zestful, productive and profitable would be our endeavors. If we could do this, then I see a splendid future for ABSEL.

With this in mind, let’s look at the basic ingredients of a Las Vegas game such as 21. What does it have that gives it this near-universal appeal? I have stressed the notion of simplicity. The formal education to get to know the mechanics of this game takes perhaps an hour. Within the second hour, except for a few university professors of statistics, almost everybody becomes an expert. And this ease of expertise, together with the risk-taking titillation and the very essential element of keen competition, gives universal appeal to games such as 21. These, together with a few other forces such as the all-pervading element of greed, the burning desire to get something for nothing, combine to give us the Las Vegas syndrome.

But how does this affect you and me and the long-run success of business simulation and experiential learning? Consider the very first business game—The American Management Associations introduced this novel idea in 1957. Initially it was intended as a top management simulated experiential learning device. The experiment received a most favorable press and some top executives, and even chief executives, actually played the game. But after the honeymoon period, the headlines on game playing diminished, and top management relegated game playing to middle management development programs. Today no self-respecting top executive of large-scale enterprise could be enticed into the typical business game-playing situation.
In other words, we have lost our originally hoped-for clients. This grieves me because I have spent over a quarter of a century studying boards of directors, hoping to find ways to study, measure and improve corporate governance. I am appalled at how little has been legally or morally expected from corporate directors. Even today the neophyte director passes no formal exams, fills no application forms, and in most cases never gets into open competition for selection. After election, there is no public record of his participation in board meetings or even of his attendance. Because of these shortcomings, the area of boards of directors is in ferment with Congress, the Courts, and the public--all demanding full disclosure.

The point I wish to make: Since corporate governance is my personal, all-consuming love, I should be putting my keenest thinking and striving into building an effective game for boardroom members. I have the expertise, acquired over a quarter of a century of observation and study. I should stress that whereas it took a quarter of a century to get this expertise, in the Las Vegas syndrome the expertise is gained in minutes!

If you and I and others do likewise; if we fully utilize in game structuring and playing not only the expertise of our basic disciplines (marketing, management, accounting), but more importantly, if we juncture our prime academic loves (our sub-disciplines and mini-specialities), then we will increase the odds tremendously.

Currently I am doing just that with corporate governance. I foresee the day when all major corporations will insist that candidates for board rooms will have the equivalent of an NBA. Actually, we will have certification with a designation such as CPD, Certified Public Director. With this in mind, I have structured a very simple gimmick. It is so simple I even hesitate to call it a business game. I have tested it only twice; once in the building phase with a class of very cooperative MBA students at the University of Oregon and more recently I used it in the Tennessee Executive Development Program where I gave it the Sabbath Postprandial Test, on a Sunday night after a day of class and after a sumptuous roast beef dinner which had been preceded by a rather happy, happy hour. Results--extremely encouraging. My budding executives refused to stop playing even as the “pumpkin hour” approached. But enough on my own Trans Vance Airlines CEO Game, about which I hope to report in more meaningful detail next year at our Knoxville meetings.

Simply, what I want to emphasize is that if we combine our expertise with the zeal and zest that we give to our prime academic loves (or even to our academic lusts), then ABSEL will have much better odds for winning than you can get in any Las Vegas game.