

## Developments In Business Simulation & Experiential Learning, Volume 24, 1997

### COLLEGE STUDENTS NEED SIMPLE COMPUTER SIMULATIONS, ESPECIALLY FOR INTERNATIONAL BUSINESS COURSES

Larry Bridwell, Pace University

In teaching an undergraduate course entitled, International Management Environments: Europe, I searched for a computer simulation that would assist students in learning about the dynamics of international business, especially exchange rate factors. I selected the excellent Multinational Management Game, but realized too late that the simulation was far too sophisticated for my class, both in terms of my teaching objectives and for the background of too many students.

With the benefit of this experience, I now realize that what I needed was a simple simulation that did not require elaborate cash flow calculations or sophisticated accounting knowledge. There is a place for advanced simulations--capstone courses where students are well educated and considerable classroom time is available. For an introductory course in international business, a simple simulation which takes about sixty to ninety minutes of classroom time for each of approximately five sessions would be ideal. Such a simulation would give students an opportunity to practice international strategies and to learn about exchange rate dynamics, but would require little student or teacher preparation. Most teachers of international business courses struggle to cover the complexities of their subject within the constraints of a single semester--too much classroom time for a computer simulation could require sacrifices of other material that may not be acceptable.

Part of the rationale for the above recommendation comes from my having used three different simulations in corporate settings. One is the sophisticated Strategic Management Game, which I have used for financial managers. The second is an electric utility version of the same game, which did not require an advanced understanding of accounting. The third is the Mega simulation from Europe which requires almost no financial background from participants but which can be a powerful educational tool even though it was designed for maximum student

simplicity.

My classroom experience with the Multinational Management Game was the wrong simulation in the wrong place at the wrong time. Many of my students were international business majors who had minimal accounting or cash flow understanding and the dynamics of the simulation were frustrating for them. They frequently said this material is covered in Business Policy. What may have happened in the minds of many students, right or wrong, is that they believe that courses other than business policy should not have sophisticated computer simulations. In addition, when they take business policy, they can make use of an extensive network of student commentary about the computer simulation used in the capstone course.

What I would advocate is a curriculum that has a series of simulations that gradually become more advanced, culminating in sophisticated business policy simulations. Ideally, in an early business course following Fundamentals of Accounting, an elementary simulation is used which introduces basic business dynamics. In subsequent courses, other variables are introduced, such as marketing factors in marketing courses, or exchange rate factors in international business. Except for the business policy capstone courses, students and faculty should not be unduly hindered by sophisticated financial or accounting analysis.

To give an indication of the negative classroom impact of using the sophisticated computer simulation, my overall instructor rating for the course Managing International Environments: Europe was 4.2 on a scale of 5.0. For the three years previous to this course, my rating for this course had averaged 4.7. This was a significant deterioration with many students complaining about poor time management, which I directly attribute to

## **Developments In Business Simulation & Experiential Learning, Volume 24, 1997**

student frustration with not enough time spent on explaining or preparing students for the computer simulation and the lack of classroom time for other subjects.

The one benefit of the computer simulation which may help the students in other courses is that several students said they did not realize that accounting and cash flow analysis was so important. As a former financial manager in the International Group of General Electric, I agree, but this point can be more efficiently learned by a series of computer simulations with the sophistication gradually increasing until the capstone course.

As global understanding becomes more important, all students should be made aware of international business dynamics. A user-friendly quality simulation would take a tremendous contribution and I look forward to using such a simulation in future international business courses. Someone, please develop it.