

# Developments In Business Simulation & Experiential Exercises, Volume 20, 1993

## AN MBA BUSINESS SIMULATION: EXECUTIVE INTERACTION

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### ABSTRACT

The need for MBAs with more substantial real business training is critical in today's business environment. CEOs have found that the biggest problem with newly minted MBAs is their lack of supervisory skills, communication abilities and leadership qualities. To facilitate the development of communication skills and the ability for the professional presentation of analysis as is required in the corporate workplace, the Oklahoma State University College of Business Administration MBA program established the Executive Interaction business simulation. Student's work together on a case which is presented to a Board of Directors comprised of business leaders.

### INTRODUCTION

Executive Interaction (EI) is an extracurricular activity of the MBA program at Oklahoma State University designed to stimulate professional and social interaction among MBA students, faculty and businesspersons. This program affords the MBAs the opportunity to develop and apply analytical techniques, to develop communication skills and to experience an actual executive confrontation/cooperation situation. EI brings students together to work as members of consultant teams and to provide them the opportunity to integrate diverse viewpoints, to coordinate strategies for an organization and to have the opportunity to present their recommendations to a representative "Board of Directors" in a simulated business environment. They do not receive an academic grade for their participation as it is outside of course curriculum. Their reward is the experience, self-confidence and networking they experience in the simulation.

The primary purpose of Executive Interaction is to develop the students' communication skills. The secondary focus is on the quality of the case analysis. To this end, all of the students participate in a communications workshop. They are formed into teams with four members on a team. They then get a case to analyze. They make team presentations before a faculty panel proxying a board of directors. Then the top three teams, as selected by the faculty panel, make presentations in an open forum to a board of directors composed of business executives from major corporations.

### PROGRAM IMPLEMENTATION

A communications workshop is offered by the College of Business Administration Business for the MBA participants. For many years, Business Communications faculty, professional trainers and consultants have conducted the communications workshop. The communications workshop emphasizes the delivery techniques necessary to convey the main ideas of the team to the board of directors.

Several concerns are addressed when teams are formed with four members per team. Gender is considered. The proportion of males to females is about the same on each team. The number of international students on each teams is about equal. The number of first-year MBAs and second-year MBAs is about equal on each team. The MBA administration spends a great deal of time attempting to even up the skills, backgrounds and intelligence on each team. In fourteen years of Executive Interaction there has never been a complaint that some teams were stacked, or that a team was unfairly advantaged over the others.

As the team works together on the case, all the aspects of team building are experienced. Divergent viewpoints must be listened to. A plan of analysis must be drawn up. Responsibilities must be divided, shared and carried out. Organization of efforts must be coordinated. The actual presentation duties must be decided. The team portion of the case is an integral part of the Executive Interaction program.

The initial presentations are to a Board of Directors composed of faculty members. The faculty participants on the board of directors number three (one each from the disciplines of Marketing, Management and Finance). Each faculty person is encouraged to actively interact with the team members during the presentation. Team members are evaluated on the way they handle friendly and unfriendly questions, the way they recover from interruptions, and the way the team answers specific questions (who answers the questions and how well the responses answer the questions). The three finalist teams are announced early at a post-presentation party where the MBA program supplies the food and drinks.

### EXECUTIVE INTERACTION

The three advancing teams present their cases to real business executive directors. The main criterion usually used by the executives participating in the program is the presence of the team. In this facet of the presentation the executive participants look for clarity of ideas, smooth flowing (slick) presentations, and confident team members. Executives typically listen for thirty minutes, only interrupting with questions of information.

After the three finalist, the executives meet to select the best team. Every year, the executives select the top team in only a few minutes. All the teams then have an informal meeting with the executives, faculty, MBA staff and interested students, as lunch is prepared. Executives are interspersed with MBA students during the Executive Luncheon. After the luncheon the winning team is announced. An informal social follows lunch as winners are congratulated and the other teams' members are lauded. In this session the executives feel able to point out specific items that should or should not be done in a corporate presentation and why. This interaction with the executives helps the MBAs to understand the real business aspects of their simulated case presentation.

### CONCLUSION

Executive Interaction has been run at Oklahoma State University by the MBA program for 14 years. During that period, about forty MBAs a year have participated in the business simulation. The overall evaluation by the MBAs of the process is very positive. Whenever MBA alumni gather, if they did Executive Interaction, they will always laugh about the experience, and they usually mention how much like their real business experiences Executive Interaction is.

Executive Interaction supplements and expands formal classroom instruction. MBAs apply theories and techniques to a real-life situation. They practice team building, as they must integrate diverse viewpoints. MBAs develop and sharpen their communication and analytical skills. MBAs get to interact with successful executives and receive professional advice. The participants earn the added benefit of interacting socially with faculty and business executives for a well-rounded experience.