REPORTING LESSONS LEARNED:
WHAT GETS REPORTED; WHO GAINS VALUE

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ABSTRACT

Lessons Learned Reports (LLR) outline a team's activities and experiences when participating in a course simulation. The LLR should document the value gained by students suggesting the learning value of using simulations. The value of LLR is discussed with some suggestions offered to help make this approach more meaningful

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INTRODUCTION

To complete and pass our Business Policy and Strategy Formulation course, students must attain a C grade or better in the College of Business's (COB) capstone course. The total grade captures student activities such as taking exams, writing an individual case analysis, doing homework/quizzes, participating in case analysis and class discussion, and demonstrating business function competency through a course simulation, the *Capstone Business Simulation (Capsim)* by Management Simulations, Inc. Within the course simulation, students must successfully perform in three areas: 1) simulation game performance, 2) writing an industry and company strategic plan, and 3) group contribution. One requirement of the simulation's strategic plan and report is to include a Lessons Learned Report (LLR) of team experiences during the "game". The LLR not only documents the value of the simulation experience as articulated by students, but also can suggest the value of Capsim/simulation learning and to show integration of the COB curriculum.

COLLEGE OF BUSINESS GUIDANCE

This Business Policy and Strategy course is the COB capstone course and a course requirement for completing the business discipline degree. All business majors must take this course before graduation. There are prerequisite courses required to enroll in this course such as: financial and managerial accounting, marketing, operations management, and finance. Preparations for teaching this course, as well as any other, is to perform a thorough review of *what abilities each graduate of the COB should be able to accomplish* (Hornyak, 2003). The abilities desired in COB graduates also reflect the overall broad desires from the university-level. Our college mandates students to (University of West Florida, College of Business, 1997):

1. Obtain a thorough knowledge of the basic functional tools of business

2. Become aware of ethical, social, political, regulatory, and international environmental issues on business and able to use contemporary technology to gather information, analyze the issues, and report on projects

3. Develop through hands-on practice, an appreciation for diversity and teamwork that includes the need to consider different perspectives and ways of dealing with issues while working to build consensus for action.

4. Demonstrate mastery of oral and written presentation skills that include the appropriate integration of various technologies.

5. Demonstrate an ability to integrate and synthesize the basic foundation knowledge of business with related skills in such a way to make competent decisions

6. Come to understand that education is a life long journey that does not end with the awarding of a degree.

Each capability above is a desirable outcome within ALL COB courses. However, due to the stovepipe functionality in the business discipline, it is difficult to adequately address each of the desired graduate abilities in each functional course. The Business Policy and Strategy Formulation course is the COB capstone course because it successfully addresses and measures each of these outcomes. Our college requires students to be competent in their ability to work in teams. This is an attribute desired by the area business community and is also a necessary capability to successfully complete this or any other course in the COB program. Thus, team building must be a central pillar in the Business Policy and Strategy Formulation course because all business functions rely on teamwork. Thus, each of the course's graded activities becomes a measurable testament to accomplishing the key traits of any COB graduate.

Our capstone policy course is developed around strategic management theory and based on the COB mandates. Peach (1996) uses Wellington & Faria's (1995) research findings that show a positive relationship between simulations and strategic management. Strategic management is considered to exist when a simulation team develops clear goals, performs external and internal environmental analysis, introduces clear strategies, monitors performance, and takes corrective action (Peach, 1996).

SIMULATION PERFORMANCE: RESULTS & PLANS

In our course, an overall simulation grade is based on the *team's* simulation grade plus individual peer evaluations. The team's simulation grade is driven by: 1) the team's final game-to-date score and 2) the quality of its plans/performance reports. Peer evaluations are peer assessments of the relative contributions made by team members to the team's effort. These evaluations are included in the final simulation grade calculations after all simulation scores have been tallied.

Game results. For company performance or simulation results, up to half of the team's simulation grade is based on the team's final game-to-date score. The overall score is calculated using the weighting of four key performance measures: 1. Cumulative profit - 20 %, 2. Market Share - 15%, 3. Return on Equity - 50%, and 4. Market Capitalization - 15%. These weights are instructor selected and adjusted to emphasize not only the importance of profitability but also the balancing of debt and equity (Fritzche & Cotter, 1990).

The simulation is conducted in a *foot race* format. Each company's performance is judged *relative to five other COMPUTER-DRIVEN companies in the industry*. Thus, each team is being measured against the particular decisions and actions that team is making and not the particular actions taken by the other computer-driven or student teams in the course's industries. Thus the total course simulation is run with multiple industries. Each team "plays" against the same environment and competitor decisions so the teams are graded based on the type and quality of decisions it makes. Weights for the performance measures can suggest what kinds of financial and strategic objectives a company should develop.

Strategic plans and final report. The final half of the simulation grade is based on the quality of the team's simulation reports and LLR. A team will submit its initial 1) "Company Mission & Objectives", 2) "Industry & Competitive Analysis", 3) "Company Situation Analysis", and 4) "Company Strategy" reports during the first six weeks of the semester. After all four initial reports are graded and returned, an interim Capsim business plan is developed to consolidate the four previous reports into ONE document. In addition, a final Capsim strategic plan and LLR is submitted the last class period. The final Capsim strategic plan document will be graded according to 1) the quality of the plan (completeness, challenging/reasonable objectives, and well-articulated strategy) and 2) the consistency of the plans with the team's actual decisions.

LESSONS LEARNED REPORTS.

What gets reported? The LLR is the team's perspective about achieving, or not achieving the team's strategic plan. Insight and value can be gained by the thoroughness of the team's company strategy evaluation and why some were successful or not. From the simulation's beginning, students are advised that the more effort put in to making logical and coherent plans, the better the simulation performance will be. By reading the LLR, it shows elements of student awareness and learning being attained that support course-learning objectives and accomplishing COB student mandates. Selected examples of key lessons learned by students in our summer 2003 Business Policy Course are:

- Team Baldwin found, "funds were limited and unavailable to "free-up" the required resources to achieve original objectives." "Team Digby learned that setting objectives is very difficult but critically important to meeting goals and to keeping focused on their strategy."

- "In the midst of the game we noticed we overlooked the potential of segments that were not the focus of our mission or strategy." Team Chester states, "problems originally arose because we did not formulate a clear vision and mission to support what our strategy was going to be from the beginning."

- Team Chester continues, "the strength of our team was its group members and the way all worked together. This exercise was a great practice for the future when we all will be placed in group settings and put under strict deadlines. The simulation forced us to communicate about every company issue and move."

- Team Erie claims, "the overwhelming lesson taken from the class and simulation was consistency of action. In short, form a strategy and stick to it."

There is considerable information available from the student LLR's concerning what they learned about business through the simulation. Students do suggest incredible value in learning the strategic management process models that help understand and solve simulation game and business problems. Forming objectives and sticking to a plan or strategy is shown to be essential to team and organizational success. The pros and cons of group/teamwork are highlighted within the course's simulation component. How the groups are formed and then tied to the team performance are excellent methods to reinforce the critical importance of work place group behavior.

Who gains the value and insight from the student perspectives? This is a key reason for the LLR. One easy answer is the instructor. The instructor can connect key elements from the class (e.g. case studies, guest speakers, movies, and articles used in class discussions) to see how students use them to reinforce key course concepts. This confirms the importance of using a variety of pedagogical

approaches in the classroom. The instructor can use the LLR help identify critical strategic management concepts for future in-class emphasis. For example in the LLR, students discuss the importance of, but also the difficulty involved in, developing key simulation game objectives. Based on this, instructors should dedicate additional class time to constructing financial and strategic objectives for the simulation. Does the class gain value from the LLR document?

Unfortunately, students in the class do not have a chance to see the value gained from sharing fellow students' experience with the simulation. The time limitations in a fifteen-week semester, the simulation does not finish in adequate time for students to exchange team developed LLRs. The simulation is operational for four practice rounds followed by an eight-round competition period. Usually, the final strategic plan and LLR is due the last day of the semester, leaving no real time to exchange LLR information. How can students gain value from resulting simulation experience?

CLOSING THOUGHTS

Reading the student LLR helps the instructor to assess the value being gained by students from the course and in particular, the simulation. For students to gain full value from writing the LLR documents, students must see and be able to discuss with others the important perspectives gained from this exercise. Some preliminary suggestions on making the LLR more meaningful for any course using this approach:

1. Have each team develop a "legacy guide" for any team to take under advisement if playing the simulation again in the future.

2. Have teams select a course "buddy" team to meet with and question/examine each other's LLR. The "buddy" team then has to provide a written review of their "buddy's" LLR for course points

3. Have every class member review each LLR and then rate the LLR to select the best.

By having the teams and course members looking at what others' view as being the salient simulation "game" success points reinforces the most important course concepts and college mandates that students need for graduation and future employment.

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