

THE GLOBAL BUSINESS GAME: A STRATEGIC MANAGEMENT  
AND INTERNATIONAL BUSINESS SIMULATION

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ABSTRACT

The millenium's newest computer-based business game will be presented by its author. The presentation will cover the rationales for the various design decisions that were made, the wide array of talents assembled by its publisher, South-Western College Publishing, and a "walking tour" of the simulation's Player and Game Administrator Windows©-based applications.

*The Global Business Game* is a very flexible simulation set in the television set manufacturing industry. Players face the challenge of working with companies that are under attack, must compete internationally if they are to survive and must provide a wider base of consumers with sets possessing greater complexity. To insure a "world class" learning experience for all players, the simulation offers the following features which can be added or subtracted from the game by the Game Administrator:

- Global Focus. Competition is based in countries representing the world's three major trade blocs of NAFTA, EU and APEC and the United States, Mexico, Germany, Spain, Taiwan and Thailand.
- Flexible Business Environment. The Game Administrator can decide on the number of products manufactured and sold, the economic parameters controlling the economies involved and the countries and country of incorporation for the industries involved.
- Generic and Business Level Strategies. Players can design and implement the most complete array of strategies provided by any game.
- International Dynamics. Students can experience currency fluctuations, value-added taxes, dividend taxes, technology transfers,

joint ventures, product patent cross licensing, differing labor wage rates, culturally-related productivity and absenteeism rates as well as off-shore manufacturing opportunities.

- Supported by Windows© 95/98/NT. The game employs standard Windows© functionality including pre-formatted raw data for Excel use.
- Market Research Studies. In addition to a wide range of standard reports, further market research studies can be purchased in order to plan which markets to enter and to gain and retain competitive advantage.
- Critical Incidents. The Game Administrator can invoke up to ten Critical Incidents over the course of the game. These incidents are in mini-case form and highlight the "soft" side of the strategic manager's decision-making situation.
- Reality-Based. Real world data can be used for each country in operation as well as for the various financial markets within which they reside.

Exhibit 1 summarizes the game's major features which will be presented during the game's demonstration.

REFERENCES

Wolfe, J. (2000). *The Global Business Game: A Strategic Management and International Business Simulation*. Cincinnati: South-Western College Publishing.

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## EXHIBIT 1 GAME CHARACTERISTICS

CHARACTERISTIC	RANGE
Industries	1-9 separate industries; Any number of separate "games" or playing sessions.
Firms per industry	3-9
Economic blocs	1-3— NAFTA, EU and APEC
Countries	1-6— Germany, Mexico, Spain, Taiwan, Thailand and the United States
Currencies	1-7— US dollar, New Mexican peso, German Mark, Spanish Peseta, New Taiwan dollar, Thailand baht and the European Union's euro
Financial markets	1-3— New York City and New York Stock Exchange (Dow-Jones Industrial Average), Frankfurt and Frankfurt Stock Exchange (DAX-30) and Tokyo and the Tokyo Stock Exchange (Nikkei 225)
Products	1-4— 25" and 27" television sets and both sizes for private label sales and sub-contracted operations
Shipping methods	1-3— Surface, Air Express or a combination of Surface and Air Express shipping methods
Manufacturing methods	1-4— Man-attended assembly line, Automated assembly line with two types of Automaton and Subcontracted products
Factories	1-6— Single country or multiple countries
Factory capacity changes	1-4— Increase Base Capacity, purchase Automaton Type 1s, purchase Automaton Type 2s, Transfer Automaton Type 1s and transfer Automaton Type 2s. Inter-company Automaton transfers possible.
Maintenance	1-3— General Factory Maintenance, Maintenance Automaton Type 1s and Maintenance Automaton Type 2s
Shift options	1-3— First shift, Second shift and Overtime
Factory staffing	1-2— 25" TV set workers and 27" TV set workers per shift
Raw materials	2-6— Two groups with three different quality grades within each group
Wholesaling types	1-2— Independent or Company-Owned
Sales promotion methods	2-3— Advertising, Base salaries and commissions for sales force by product lines
Sales force staffing methods	1-2— Hiring of experienced Sales Representatives or hiring Sales Trainees
Employee training	0-4— Programs for Line Workers, Automaton Technicians, Sales Representatives and Sales Trainees
Product quality methods	1-5— Raw materials grade, Automaticity, Supervisors, Quality Control budgets and Inspection Programs
Finance options	1-7— Sell Stock, Retire Stock, Issue Bonds, Call Bonds, Short-Term Loans, Intra-Company money transfers and Overdrafts
Report types	1-2— Standard output and special Market Research studies
Company performance criteria	1-6— Profits, Rate-of-Return on Assets, Rate-of-Return on Equity, Earnings per Share, Stock Price and Composite Performance Index