

**INTERCOLLEGIATE BUSINESS GAMING**  
The State of the Art

Ronald Jensen, Emory University

“The state of the art” is an appropriate label inasmuch as intercollegiate gaming is more of an art than a science. At least this is true from our approach at Emory, and we have new “artists” every year.

The Emory Intercollegiate Business Game (IBG) has been in operation for nine years. It is a student planned, student administered and student operated program, being a major function of our Graduate Business Association (GBA) which is the MBA social/governmental body. Nine years ago Bill Neace and I suggested the idea to the GBA officers, and they have been running with it ever since. I have been their advisor during this period, but it is their project and I participate only at their specific request and then to the least extent possible. The following paragraphs review some of the essential features and problems of intercollegiate business gaming as I see them in the work of the GBA.

### Goals

The goals are bound to be different for the students administering the game from those who are participants in the competition. The participating schools each have their own goals---from an interesting diversion for the marketing club to the core of a senior policy course. These may very well influence their approach to the competition, and I believe the other two papers of this session address this subject.

For the student administrators the goals are also multiple. They view it as a service to Emory, a service to the participating schools, and a service to themselves. The later may seem somewhat surprising, as they get no pay, lots of work, and sometimes a downward pressure on their grade point average because of the work load. However, they do get considerable experience and maturation which seems to pay off with prospective employers.

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Each year the new students come along wondering if they still want to have the intercollegiate game as their major project, and by the time the current year's game is finished they are busy making plans for the next year. Their enthusiasm seems to increase as they near the end rather than fade away. We have seen this phenomenon with participants in a business game, but it is interesting to see that it can also affect the students who are administering it. This is speculation, but it may be in part because each year there are some elements which could be improved and they become eager to demonstrate their ability to implement the improvements, thus, one of their unspoken goals may be to demonstrate that they can indeed be good managers.

### Cost

Intercollegiate business games can be very costly. The budget for the Emory IBG runs about \$10,000 plus the costs that the participating schools pick up (or are picked up for them by cooperating businesses). This is small compared to a major sports event, but is certainly not a trivial amount. The GBA has just begun to receive a portion of this from the student activity fund, much on the same basis as the debate team. The bulk of the funds are raised by the GBA directly from local business sponsors. This part of the work usually starts in June and continues through the fall. With the rapidly rising costs for meals and rooms, we are unsure of what the situation will be next year.

Of course the cost structure is very dependent upon how the game is handled. The Emory IBG includes an on-site conference in addition to the remote transaction decisions. This involves hotel accommodations and meals for about 150 participants, along with transportation between the hotel and campus. As might be expected, these costs are a large part of the budget, and have increased considerably each year. Participating schools are expected to provide their own transportation to Atlanta and to arrange for absorption of all communications costs between their school and Emory. The only out-of-pocket Costs to decrease recently have been computer operations costs when we shifted from the central university system (direct "real" money charges) to the Business School computer (sunk cost).

The extent of these costs would probably be a severe block to the intercollegiate games if it were not for the recognition that the benefits to the school and to the students is similar to that achieved by intercollegiate athletics, debate, or other such activity. Emory has never engaged in intercollegiate

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athletics on a major scale (only soccer, swimming and tennis). I believe that this has thus benefited other intercollegiate activity such as the business games and the debate team. We feel fortunate that local businesses find the project interesting enough to provide financial support each year.

### Selection of Participants

This can be a touchy subject, as some schools read too much into what some students consider to be very innocent events. Each year the GBA officers make their own rules for inviting schools, but the general approach has been (1) try for broad geographical distribution, (2) consider those who have explicitly written to say that they want to be considered, (3) consider those who have approached previous competitions seriously and have tried to do a good job. Some years the available positions are ~sold out” so that first-come or random selections have been used. The schools not chosen have occasionally taken this very personally.

The problem of participation is compounded somewhat by the fact that Emory is on a rather traditional quarter system while many other schools have semesters, trimesters, inter-sessions, etc. The problem becomes one of how do you get teams organized from these varied schedules to mesh into one uniform competition schedule? It is also compounded on our end by the need to operate when our students are present on campus, and avoid the task of administration and operations during final exam periods. For none years we have hunted for a no-conflict solution, but it usually ends up that some school is not in session during some part of the competition.

### Operations

Each year a new operating crew comes on-stream, and each year the wheel is re-invented. This sometimes upsets participating schools who ask “don’t you ever learn?” to which we reply that we learn every year, it’s just that someone new has to learn. This year’s operations director insists that he will leave a written outline of his job for next year’s director, but we will have to wait to see if it actually happens, as others before him said the same. He actually has part of it written, so perhaps this time it will happen. This past year saw more changes in actual operations than any previous single year, so this would be a good time to document procedures.

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We are probably in a unique position to handle certain otherwise messy problems for administering an intercollegiate game. Decisions and results are sent by teletype to permit reasonably rapid turnaround. The volumes of data involved in the results would prohibit manual transmission, so punched paper tape is used via the tape reader on the teletype. (Even so, it took about 4 1/2 hours of transmission time to transmit 26 sets of results per decision period this past year. Use of multiple teletypes could reduce this elapsed time at additional expense.) The School of Business has its own computer, which includes a high speed paper tape punch. Routines were created to enable the computer to prepare transmission tapes, complete with addresses, special messages, etc. for each participant so that it minimized the load on the operators. The methods of operation would have to be revised considerably if this were not possible. Having a very short turn-around time at the computer is also very important if results are to be made available in a short period of time. Even with the operators in class until 5 p.m. we were able to start sending out results in the early evening of the same day that decisions were submitted.

Over the years we have used various versions of a management game which I wrote in 1965-66. This game has undergone considerable revision and expansion until it reached its present form.<sup>1</sup> Many users and participants in education and management have provided feedback which led to much of the improvement, so its present form can be attributed to a rather broad user base. For use in the Intercollegiate Business Game we frequently alter some parts of the "standard" game. Each year the operations staff want to make some changes in the simulation itself (or at least the industry simulated). They wish to simulate a new product, or add or delete variables, or revise a format. This can be expensive in terms of computer time for development, man-hours of labor, and can require intimate knowledge of the simulation program. On the first item, our computer is a sunk cost so this is no longer a real problem. The simulation program originated at Emory, so we do have an advantage in familiarity with the program. In addition, the basic design of the game lends itself to these modifications, as most functions are table driven or contained in small replaceable (or easily modified) subroutines. Usually this is where they frequently call for the advisor, but when necessary they

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<sup>1</sup> game is now available as THE BUSINESS MANAGEMENT LABORATORY from Business Publications, Inc., Dallas, Texas. 1973

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have done rather well on their own. This introduction of change occasionally leads to other problems, as Murphy's law has not been repealed, but it also adds interest for the operators and we believe for the participants. If the changes are not drastic, and they do not wait until the last minute to insert them, they usually go very smoothly.

### Summary

Considering that the efforts are very direct and the benefits are indirect, why then do we sponsor an Intercollegiate Business Game? To have fun, since this is a fortuitous side effect of business games, but mostly to have an educational experience in management unlike any which could be approached in the classroom. It will be an art rather than a science as long as each group of student administrators or participants are allowed to set their own objectives and establish their own style, but that will probably be for as long as the Emory IBG exists.