

CASES AND BUSINESS GAMES: THE PERFECT MATCH!

Antonio Carlos Aidar Sauaia
University of São Paulo
asauaia@usp.br

ABSTRACT

While generally defined in opposition to each other, both Case Studies and Business Games are reported in the literature as being participant-centered learning methods. This paper, a review of literature, considers the challenge of sequencing in tandem both methods in order to explore the potential synergy generated from their combined use. While Case Studies encourage learning based on analysis and discussion of past examples from “real life” and position students as active readers of realistic stories, Business Games promote experiential and anticipatory learning based on “trial and error” decision-making where players are protagonists in managerial roles. Combining both methods may bring about a journey over time starting in the past and evolving “back to the future”.

INTRODUCTION

Since 1974, 20 years after business games were introduced in academia (they were introduced during the fifties), there has been a belief that business simulation is not a complete educational tool and could be complemented or supplemented by other teaching and learning methods. In the early years of the development of business simulations, the primary objective was often to demonstrate the capabilities of the computer rather than to teach business management skills and techniques. In the early years and to a large extent now (Leftwich, 1974:61), participation in simulations has proceeded on the basis of following hunches and trying to outguess the computer program. So long as simulations were performed on this basis, it was doubtful whether they were worth the cost of the computer program time that it took to score them. Technology has dramatically changed this scenario.

Today, 50 years after its adoption, the real worth of business simulation is in the opportunity it presents in learning to analyze data and using such analysis as the basis for simulation decision-making. However, one cannot assume that the participants will be able to relate various analytical techniques learned in standard accounting and finance courses to the simulation data. Although participants may have learned techniques such as cash flow analysis and cost-volume-profit analysis, they may have never had the opportunity to apply the techniques to the overall business environment such as is represented by the output of most business simulations. There is quite a difference between seeing the need for and applying financial analyses when presented

with a complete set of business financial data and solving text-book problems where the only data required demonstrating a specific technique is provided. In addition to the problem of transferring knowledge from specialized courses to the business simulation, participants may have never taken such specialized courses or they may have had them so far in the past to require refreshing. With this context in mind, the purpose of this paper is to review the literature and propose an approach to combine the use of business simulations and case studies created from the business simulation data to overcome whatever shortcomings may exist in the participants' background.

TEACHING METHODS FOR THE CAPSTONE COURSE

People learn differently. Some prefer one-way teacher-centered lectures, while others prefer two-way participant-centered discussions. Others prefer multi-way experiential activities such as role playing games or business games although complexity of these games may cause stress depending on individual learning style. There is no single teaching-learning method that is able to equally involve all participants in an educational session. As a consequence researchers continue investigating ways to improve methods like cases and business games and building combinations that satisfy a variety of learning needs usually found in a heterogeneous audience.

For quite some time now, there has been a debate among ABSEL members with respect to the benefits of using a total enterprise business simulation as opposed to the case study method as a learning tool considering that both incorporate the integration component (i.e., Miles, Biggs and Schubert, 1986; Gosenpud and Washbush, 1993; Leonard and Leonard, 1995; and about a hundred papers in BKL, 2005 version). This debate is still alive and probably will remain so for a long time (Waggener, 1977; Markulis, 1985; Teach, 1990; Malik, Howard, & Morse, 1997).

As an example, in a twenty-five year old study Parasuraman (1980:192) noted certain critical concerns regarding the usefulness of simulation games as educational tools. Based on an examination of relevant research studies related to the evaluation of simulation games, he argued that there was no conclusive evidence in support of the superiority of simulation games over traditional teaching methods. Since then, Business Policy has been the subject of numerous ABSEL articles particularly those debating the merits of cases vs. simulations; or lectures vs. discussions. Two issues

Exhibit 1: Teaching and Learning inventory

Spectrum Directly Available to Case Method	*	1. Reading	Cognitive Component (Reality external to learner) Experiential Component (Reality internal to learner)
	*	2. Lecture	
	*	3. Experiential Lecture	
	*	4. Discussion	
	*	5. Case Study	
	*	6. Role Playing	
		7. Instrumentation	
		8. Structured Experience	
		9. T-Groups	

Adapted from: Lord, R.J. and Newson 1977:383

dealing with pedagogical methods continually arose: for example, whether one is more “realistic” than another and whether one is more “experiential” than another (Exhibit 1). There is an assumption that some sort of realism and experientially based instruction are imperative for a Business Policy course (Markulis, 1985:168).

Along with the growth and development of the Business Policy and Strategy area, there has been a growing interest in how to best teach the “capstone” course. This debate on pedagogical effectiveness seems to lie in part in the unclear definition of objectives the course (or instructor) is seeking to fulfill. Anderson and Woodhouse’s research (1984:152) reported student perceptions of the relationship between three pedagogies (lecture, case study, and simulation) and course objectives relating to knowledge, attitude, and skill acquisition. The study differentiated from other research in that all three pedagogies were integral elements of the same course, allowing the respondents to give their perception of the relative effectiveness of the pedagogies. Results indicated perceptual differences in the effectiveness of pedagogies in attaining the desired goal.

There is a variety of ways available to those teaching students of business to become more effective decision makers. The oldest is the traditional method that combines classroom lectures and discussion. Another is the “case method” pioneered by the Harvard Business School some fifty years ago. A third is a combination of traditional lectures and discussions with cases. A newer method of growing popularity is to complement traditional lecture-discussion classroom sessions with a business game (Hackleman & Wendel, 1979:203).

Preparing to teach experiential courses with new Business Simulations is a time consuming activity, and game administrators may find more efficient ways of preparing new Case Studies from participant manuals and playing differently the well known simulation they are familiar with.

Since 2001, at the annual Harvard Business School Colloquium on Participant Centered Learning (CPCL) deans and professors from business schools throughout the world have taken part in an intensive in depth training program on discussion leadership. This program on participant-centered learning, although identified differently, is based entirely on the ideas and philosophy of ABSEL. The motivation for this paper arose during the participation of the author in CPCL-Aug/2004.

CASE STUDIES

The Case Study teaching method was developed at the Harvard University Medical School at the end of 19th century, and adopted by other schools (Harvard Law School and Business School) at the beginning of the 20th century (CPCL, 2004). The case method is really a focused form of learning by doing (Hammond, 2002). The task of the instructor is to facilitate discussion, pose questions, prod, draw out student’s reasoning, play the devil’s advocate and highlight critical issues. At times the instructor will present the targeted concept and invite students to organize their thoughts on the blackboard to create new insights by using the newly introduced concept. Only occasionally will the instructor give his own views. The case method of learning does not provide *the* answer. Rather, various participants in the discussion may develop and support *several* viable “answers”. If the teachers know the outcome of the case they may share it at the end of the discussion.

According to Glueck and Stevens (1983,7), “Cases are not designed to illustrate optimum conditions, but to serve as learning mechanisms which will allow you to distill your experience, the theories you have learned and the research you have carried out and apply them to a given situation.”

A strong case study class should target three levels (Ashish Nanda – Associate Professor, HBS, CPCL, 2004):

- 1) Level of the Head – intellectual learning
- 2) Level of the Heart – passion about something
- 3) Level of the Spirit - “If I were in that place I would have done that!”

Simply stated, the case method calls for discussion of real life situations that business executives have faced. Reading a case study and the information available from executives involved one will put themselves in the shoes of the protagonists, analyze the situation, decide what they would do, and come to class prepared to support their conclusions (Hammond, 2002). Since case studies cut across a range of organizations and situations, they provide an exposure far greater than students are likely to experience in the day-to-day routine.

In regards linking case studies and reality, Mintzberg and Quinn in their well known book *The Strategy Process: Context and Cases* (1993:xii-iii) propose that cases are not intended to emphasize any particular theory but present a

Developments in Business Simulation and Experiential Learning, Volume 33, 2006

specific slice of reality, leading to different conceptual interpretations of certain phenomenon. They are sometimes placed in rough groupings because they approach some common aspects of analysis or synthesis. Concepts introduced in early cases tend to build knowledge that may be applied those appearing later. Problems and their organizational context move from the simple to the complex. In order to prepare students use whatever concepts they find helpful both from theoretical readings and from personal knowledge. The cases themselves deal with real people in real companies. The reality they present is enormously complicated; their dynamics may include a veritable Who's Who of characters from today's headlines or any other reference imaginable. Any credible source of information may be used to solve problems. Part of the fun of such a policy and strategy courses is understanding how major decisions were made and their consequences were – local, national, even international – up through today's headlines.

These are all living cases. In the strictest sense they have no beginning or end. They have been written in as lively a style as possible; we (Mintzberg and Quinn, 1993) do not believe business school needs to be dull. Each case deals with a major transition point in the history of an enterprise. Each can be used in a variety of ways to emphasize a particular set of concepts in a particular course. Each case is intended to be used as a basis for class discussion. Many lend themselves to sophisticated financial, industry, portfolio, and competitive analysis as well as discerning organizational, behavioral, and management practice inquiries, and many contain entrepreneurial and technological dimensions.

BUSINESS GAMES

The Eastern European simulation and gaming executive committee, a member of ISAGA, claim that the first business game was used in June, 1932. A special celebration marked the 60th Anniversary the birth of the business game in the USSR, St. Petersburg 1992 (Faria et al, 1993:152). On the other hand, from the American viewpoint, the very first business game was introduced in 1957 by The American Management Association. Initially it was intended as a top-management simulated experiential learning device. The experiment received mostly favorable press and some top executives, and even chief executives, actually played the game. However after a honeymoon period, headlines on game playing were scant as top management relegated game playing to middle management development programs. Vance (1975:5) recognized that at that time “no self-respecting top executive of large-scale enterprise could be enticed into the typical business game-playing situation”.

No matter what perspective is held, many decades have passed since the initial waxing and winning in popularity of business games among top management. Designers had to prove their academic credentials to assure participant's involvement as observed by Vance in Las Vegas' games. Since then business games have evolved rapidly taking advantage of technology for processing more complex algo-

rithms and connecting distant players in a virtual adventure never thought possible in the past.

What then is the role of games, queried Cahill (1984:158)? We look upon structured experiences (games) as vehicles for bringing application to a point of contributing to the learning process. Thus, our objective is to provide feedback to the students through the use of games. There is little “cognitive” factor to this objective. Rather we use games to ensure that the students:

1. Become aware of the interdependence of functional areas, and their interrelationship with the overall “health” of the enterprise;
2. Experience the group decision making process, where delegation of responsibility, division of labor, negotiation and group decision making predominate;
3. Experience the joy (sorrow) of living with the analyses and decisions of the individual and the group over time;
4. Understand the extent to which financial reports, though abstract, are vital to successful operations;
5. Perceive themselves as operating in a “real” environment, leading to an awareness of self and others.

Management simulations are generally believed to generate significant levels of interest and motivation on the part of students. However, the major advantage of simulation is that it dramatically provides most the sense of closure and achievement that the case method sorely lacks. Students can analyze the history of the company and the industry that the game provides, develop what they believe are appropriate objectives, strategies, and policies based on this historical analysis and indicate the decisions that they believe should be made to implement these strategies. The next step in the simulation approach is to use the student decisions as input to a simulation model, providing rapid feedback to the student on the effectiveness of the strategies and the decisions that emanate from these strategies. Such feedback provides not only closure for the student but new information which can be used to modify the strategies, policies, and decisions that will be used as input to the model for the next report period. Incremental experience and learning from this experience takes place on a recurring basis as decision input generates feedback on results which stimulates learning, which results in modified (and hopefully improved) decision input, etc., etc. Learning becomes a sequential, cyclical process in which learning builds upon past learning (Cahill, 1984:158).

Top management total enterprise (TE) business games attempt to replicate the salient features of the decision-making environment faced by the firm's strategic decision makers. “A total enterprise game is a term used to refer to games that include all of the main functions of business as decision inputs– marketing, production and finance” (Keys, 1987).

Developments in Business Simulation and Experiential Learning, Volume 33, 2006

Exhibit 2: As the Case Study analysis ends, the Business Game decision-making strategic adventure begins.

Case Studies Activities	Business Games Activities	Approach
Role played by protagonist in the past	Games played at the present and in the future	Analytical
Read the text: 15 pages of text and exhibits	Read the text: participant manual	Analytical
Memorize facts of the story	Memorize facts of the story	Analytical
Identify the management issues	Identify the management issues	Analytical
Prepare the assignments	Prepare the assignments	Analytical
Analyze the situation with a conceptual framework	Analyze the situation with a conceptual framework	Analytical
Answer questions at the end of the case	Answer questions at the end of the case	Analytical
Attend a class conducted by a well trained teacher	Attend a presentation	Analytical
Participate actively in a class discussion	Participate in a class discussion	Analytical
Continuing use for future Case Study classes	Join a team based on a selected criteria	Analytical
	Take over the managerial role	Strategic
	Formulate the Strategic Plan	Strategic
	Implement the Strategic Plan	Strategic
	Present a final seminar at a debriefing session	Analytical

CASE STUDIES OR BUSINESS GAMES?

Actually there is no such exclusive choice in case studies or business games. Cases and Business Games are active, self-directed, humanistic, progressive and student-centered forms of education and learning: students must be actively involved in the learning process (Garvin, 1969:4-5).

Knowles (1985) humorously describes the typical academic environment “the typical classroom set-up, with chairs in rows and a lectern in front, is probably the least conducive to learning that the fertile human brain could invent”. Certainly the classroom and, especially, the lecture theatre, are designed to reinforce the authoritative position of the lecturer and discourage participation by the students. The reverse is true for executive courses (Hall, 1995:21). In Business Administration courses instructors are always trying to reproduce the organizational ambiance at school while exemplifying how things are done in the real world of business. Promoting participant-centered learning is simply an objective response to the reality that students will face outside academia.

The use of computer simulation in the Business Policy Courses has been hampered by a widespread misunderstanding of the purposes of these courses. Another obstacle has been a belief that it is not possible to incorporate simulation into the case method in such a way that the advantages of both methods are retained and the shortcomings of both are minimized. A combination pedagogical technique called the Simulated Case (Cahill, 1984:157) is revisited, its characteristics are discussed, and the manner in which it would be used is described.

As an example, Airline (Smith, 1988:246) is a strategic management simulation/case study of the regional commuter airline business. The case study portion of the players’ manual presents a real airline business, including the history of the industry and the company; of particular importance is that the company presented in the case is in a simulation scenario where it can be taken over. Students are asked to present to the instructor a solution to the case in individually written reports. This exercise occurs early in the semester and prior to team formation. Thus, individual

students enter the simulation process with some important startup activities already completed:

1. They have a vocabulary for the industry. In this case they understand the unique language of productivity and profitability in the airline industry.
2. They have developed some idea of current issues facing the industry.
3. They understand the critical events that have lead to changes in the past.
4. They have already formulated (individually) a turn-around strategy.

The transition to the simulation environment is made when teams are formed. At the initial briefing, this movement from individual to group decision-making needs to be explicitly addressed since individual team members may have developed different strategies while solving the case. Students may be instructed to discuss their individual case results so that the decision premises are shared and group evaluation can begin to take place.

As in Airline simulation/case, every business game can be formatted to a briefing section as a Case Study. The previous story is presented in the manual as the previous management point of view. Protagonists reported in the case made decisions in the past that have to be analyzed (Exhibit 2) by the present managers. Reading the 15 pages text and memorizing facts of the story, students identify the major management issues in the case. They analyze the situation with a conceptual framework answering questions put at the end of the case. After preparing the assignments they attend a class conducted by a well trained teacher and participate actively in the discussion conducted through the story told in the case. At the end, a variety of ideas brought into the discussion by students and the teacher are organized in a coherent framework illustrating how to apply conceptual models to a particular management situation. There is no intention of using the reported actions and the results as examples of best practices.

The final product of the analysis based on past actions is a set of proposals based on subjective perceptions and inferences made by students with the help of the teacher. As opposed to cases, business games go further as they take the

Developments in Business Simulation and Experiential Learning, Volume 33, 2006

analysis into account to formulate strategy and promoting strategy implementation in a comparative or competitive basis. Evolving from the past analysis, games are played at the present and in the future (Exhibit 2). Participants join a team as a consequence of different criteria for grouping students, and take over the managerial role. After formulating and implementing the strategic plan, they present a final seminar reporting the results and the performance each team have reached during the rounds of play. The experiential learning in business games starts in the analytical approach of the case, proceed to the strategic decision making process at the present and in the future producing an experience never reached by cases only. Besides, there are strengths and weaknesses present in both participant-centered learning methods: cases and business games.

Combining cases and business games is a way of promoting at the same course analytical exercises to framework conceptual models, and after that advancing to a strategic decision making process. This combination is a very constructive approach that establishes a complementary match between the two techniques. Besides, it represents a journey starting in the past and advancing back to the future.

CASE STUDY STRENGTHS

Case studies (or just Cases in this paper) have played a minor, but significant, role in the growth and development of ABSEL. In early conferences and proceedings, references to case studies were infrequent, and debates were often held to discuss whether cases were actually a part of experiential learning. The involvement of ABSEL and its members in case research and case application raises several critical issues (Schreier 1981:71).

The Case Study method is believed to be advantageous because it allows students obtain a better understanding of management issues by giving “real life” examples, and learn to apply their analytical abilities to challenging business situations. While some cases reflect contemporary situations, some cases are thought to be timeless and used regularly to exemplify universal principles as portrayed in particular case circumstances (Markulis, 1985:168). Cases studies are first and foremost teaching vehicles (Roberts, 2001). As suggested by this author, to write an effective case, the instructor must clearly define teaching objectives. Once this is achieved, “the case can then be designed backwards from that end point”. Suppose that the instructor of a course on “Management Practices” wants “to discuss hiring employees”. The instructor then needs to determine what important and specific lessons they wish to impart to the class on this topic. “The entire class could revolve around interviewing techniques; it might focus on the criteria for defining the requirements of a particular job or, on performing reference checks. Indeed, the class might focus on all of these”.

But simply knowing these topics is not enough, reinforces Roberts (2001). “The case writer needs to know what specifically is important about, for instance, interview tech-

niques. If the instructor believes that it is important to analyze the applicant’s work history in light of the requirements of the open position, then the case needs to include this data”.

DEVELOPING A TEACHING CASE

As previous studies note, “Case studies are not intended to serve as endorsements, sources of primary data, or illustrations of effective management. They are prepared as the basis for class discussion” (Roberts, 2001). Cases or “case studies” are used at business schools for teaching purposes. In a “case study” students are assigned a case, which describes a business issue from the perspective of the case protagonist posing a problem such as:

1. How should a new product be priced?
2. Should the firm be organized along functional or product lines?

Cases are used as metaphors for a larger category of business problems, says Roberts (2001). As he announces in his study “Developing a Teaching Case (Abridged)”:

“By addressing several pricing problems in a marketing course, for instance, students are assumed to develop a perspective on what factors influence this set of decisions in all situations. In the process of considering a pricing decision for an industrial product, students might learn to consider the price of competitive products, the cost of the product, the value of the product to the customer, as well as the possible substitutes for the products, as factors that need to be considered before making a pricing decision”.

He advises that “not only must a case provide sufficient detail to allow the student to grapple with the problem in a realistic way, but the case must also present the context and the protagonist in a rich fashion. This allows the student to identify with the manager and other decision makers in the case, and to gain some appreciation for the complexity that the “real world” always imposes on choices and decisions”.

Furthermore, Roberts (2001) states that “there are several important assumptions that lie behind the case method as a teaching approach, and which, in turn, lie behind the development of the case” and points:

- There is business knowledge” to be generalized – if all business knowledge were situation-specific, students would have to analyze an infinite number of cases to be prepared for a job in business.
- Successful knowledge application depends on the specifics of the situation – if business was truly a science, we might simply teach “laws” and “principles”.
- The instructor sufficiently knows “the territory” well enough to select case situations that highlight relevant dimensions of the problem.

CASE DISCUSSION

Modern textbooks and practitioners of the case method have not fully explained the responsibilities of the student in the case method. This failure has led to confusion as to the value of the case method and its alleged shortcomings. The case method, rather than being a single approach, actually encompasses a spectrum of approaches. The role of the instructor in this spectrum can range from lecturing to abstaining from the discussion, depending on the instructor's view of the case method and the material being taught. Dooley and Skinner have categorized instructors' roles with entertaining yet descriptive nicknames: facilitator, coach, quarterback, demonstrator, etc (Currie, 1981:68). Whichever technique the instructor chooses under the case method, they still impart their particular value system upon students and actually may reduce the value of the case method by preventing student independence.

From the student point of view preparing the participant-centered class involves considering general guidelines and adapting them to create a method that functions better.

1. Read the first few paragraphs, and then go through the case almost as quickly as you can turn the pages.
2. Read the case very carefully, underlining key facts and writing notes in the margins as you go.
3. Note the key problems or issues on a pad of paper. Then review the case again.
4. Identify and classify relevant issues for each problem area.
5. Do appropriate qualitative and quantitative analysis.
6. Develop a set of recommendations, supported by your analysis of the case data.

Up until this point, the best results will follow if the participants have previously worked together. If there is time before class, it is useful to engage in informal discussions with fellow participants about the cases. The purpose of this discussion is not to develop a consensus of a "group" position; rather, it is to help members refine, adjust and amplify their own thinking.

Almost inevitably, class begins with a "cold call", a provocative question the professor poses to one specific student to open the case and ignite the thinking of the class as a whole. From this opening question and the response, the class collectively dives into a riveting eighty minutes of analysis, argument, insight, and passionate persuasion. This is a sharp contrast to the traditional teacher-centered classroom where the teacher leads the discussion.

Management cases provide a concrete information base for students to analyze and share as they discuss management issues. Without this focus, discussions of theory can become quite confusing. One person can have in mind an organization or situation that is very different from that of other discussants. As a result, what appears to be a difference in theory will – after much argument – often turn out to be simply a difference in perception of the realities surrounding examples.

The cases are not intended as examples of either weak or exceptionally good management practices, nor, as we noted, do they provide examples of the concepts in any particular approach to strategy. They are analytical discussion vehicles for probing the benefits and limitations of various approaches. They are analytical vehicles for applying and testing concepts and tools developed in each person's education and experience. Almost every case has its marketing, operations, accounting, financial, human relations, planning and control, external environmental, ethical, political, and quantitative dimensions. Each dimension should be addressed in preparations and in classroom discussions, although some aspects will inevitably emerge as more important in one situation than another.

Currie (1981:68) suggests the following five-point program for informing students of their tasks on cases:

1. Explain the value of the case method, either in learning principles, applying principles to actual situations, conceptualizing problems or developing judgmental skills.
2. Explain methods of effective oral or written presentation. This topic is treated very well by most texts.
3. Explain the role of students relative to one another and relative to the instructor. Particular roles may change according to the educational objectives or teaching techniques of the instructor, but "the case method" as developed at the Harvard School of Business CPCL involved maximal participant interaction together with minimal dependence on the instructor.
4. Explain that there are no correct or incorrect answers to problems, only alternative courses of action based upon each person's value system and conception of the problem.
5. Perhaps most importantly, explain that students should continually evaluate problems in light of alternative value systems. Anyone who has taught a business discipline for more than a few years recognizes that ethical and sociological forces are dynamic and that managers must adjust continually to a changing business environment. New analytical techniques are developed at a rapid pace, so managers who are unwilling or unable to take the risk of a fresh approach to an old problem may be doing themselves and society a disservice.

As proposed by Ronstadt (1988:1) students are encouraged to develop their own individual system for case preparation and discussion in order to benefit the most from the participant-centered educational experience based on learning by doing approach, the same observed in business games. Those who have developed such a system received much more than simply being exposed to a variety of business situations.

EXPERIENCING BUSINESS GAMES

Simulations and their users present designers with a dilemma. Instructors want the simulation to teach or demonstrate a particular economic phenomenon, to be easy to use, and inconspicuous to their course. Participants need some realism and want the experience to be worth the effort and a great learning experience, as well as a pleasurable one. In a study researching educational and video games, Malone (1981) found the three most critical factors that must be included in a substantive simulation are: 1) challenge, 2) fantasy, and 3) curiosity. The totality of a business setting is usually much too complex to be included in any simulation. However, what should be included and excluded? What are the learning objectives? What preparation must be undertaken by the game administrator before running the simulation? What should be the prerequisite knowledge or experiences of the participants? All of these questions must be answered by the designer prior to the construction of a useful business simulation (Teach, 1990:94).

Led by the instructor, students learn by reading, analyzing, and discussing the facts and describing past decisions made by managers in a previous Case Study. Although there is still an external conductor setting the pace and the priorities, it brings about the view of the protagonist in the case. A Business Game, even one based on an initial case study, should transfer a great deal of power to students with no restrictions, while applying the same general rules to every participant in the player's manual. As real life, decisions made are future oriented, promoting anticipatory learning to be interpreted at last with the instructor helping to produce student to student feedback.

Unlike Case Studies, Business Games focus on participant decisions and promote participant-centered learning as a natural evolution from past examples to experiential learning, based on real-time decisions made by participants themselves. Application of the factor analysis has revealed ten dimensions that summarize *satisfaction* and *learning* in Business Games. One of the most important (accounting for 30.6% of the variance) was "Cognitive Learning", thus indicating that the Games were seen by players first as *learning* experience that also brings *satisfaction* (3.9%) i.e., a means of gaining knowledge, skills and behavior in a pleasant and joyful environment (Sauaia, 1998:283).

EVOLVING FROM CASE STUDIES TO BUSINESS GAMES

It is easy for practitioners to observe that most of the Business Games are described in the player's manual as a business Case. Even though, there is no such a standardization advising game administrators to start them in a participant-centered approach like case writers usually have recommended (Mintzberg & Quinn, 1993; Wheelen & Hunger, 1993; Roberts, 2001; Hammond, 2002). Consequently, game administrators tend to ask students to read the manual and be prepared to an open class where a lecture is suppose

to be given to help students with the general rules in the simulated environment. There are a few business games that do not even have a player's manual, presupposing that the students are prepared to play the simulation by simply bringing to the class the common sense of the day-to-day life. Since Business Administration is not a science where one could expect clear rules and deterministic results, all of these approaches may provide learning in a broad sense. For those who choose a more controlled and planned participant-centered learning process, the ideas here presented are 1) collected in the specialized literature describing the experience of practitioners and 2) a consequence of the author's twenty years of academic learning as a Business Game administrator for graduate and undergraduate programs.

Confucius, Sophocles, Santayana, and others have posed that the ideas have to be practiced to develop into a meaningful learning. Since then, various terms have been used to label the process of learning from experience. John Dewey (1915) discussed "learning by doing", while Wolfe and Byrne (1975) used the term "experienced-based learning". The term "trial and error" learning is used to explain inductive learning processes. The AACSB Task Force (1986) used the term "applied experiential learning", combining the learning from the "real world" situation with the necessary condition of concepts, ideas and theories to the interactive setting. Since then ABSEL members have been using the term "experiential learning", covering the same domain as the other terms (Gentry, 1990:2).

Hoover and Whitehead (1975:25) have given the following definition of experiential learning: "Experiential learning exists when a personally responsible participant cognitively, affectively, and behaviorally processes knowledge, skills, and/or attitudes in a learning situation characterized by a high level of active involvement."

Perhaps a superior approach is the one taken by the AACSB Task Force, which essentially presented a continuum of pedagogies. At the low end (those with little or no experiential learning potential) were the basic lecture, the seminar discussion, and a library research paper. These approaches with some experiential learning potential were problem solving, laboratory and experiential exercises, case discussions, study group discussions, and individual case write-ups. Pedagogies with increasing experiential learning potential were group case assignments, simulation games, descriptive/analytic field projects, and consultative field projects.

Paulo Freire (1998:xi) whose work was one of the first to challenge teacher-centered learning proposed a model rooted in the learners' experience of the world. Freire's invitation to adult literacy learners is, initially, that they look at themselves as persons living and producing in a given society. He invites learners to come out of the apathy and the conformism in which they often find themselves. Freire challenges them to understand that they are themselves the makers of culture, leading them to learn the anthropological meaning of culture. When men and women realize that, ...

Developments in Business Simulation and Experiential Learning, Volume 33, 2006

they become literate, politically speaking. As they discuss the object to be known and the representation of reality to be decoded, the members of a "culture circle" respond to questions generated by the group coordinator, gradually deepening their readings of the world.

Over the years, ABSEL, through its acceptance of conference papers, has indicated that the following approaches may involve experiential learning: assessment centers, forums, group discussions, panel meetings, live cases, writing experiences, student-written textbooks, computer assisted instruction, COMPUSTAT tape usage, communication workshops, Delphi forecasting, time management sessions, game show formats, learning cooperatives (where students take the responsibility for teaching themselves), internship programs, job search preparation, on-the-job training, field trips, and cases. Applying the criteria developed earlier, it is clear that a number of these may not qualify for having strong experiential learning potential (Gentry, 1990:18).

In learning how to manage, students are required to demonstrate skills of analysis and decision making in concert with a substantive knowledge of the functional areas. This implies that the educational program devote time to developing an awareness of the managerial environment, to recognize interdependencies and to develop situational judgment on what is important (and what is not). The time required for the development of these analytical skills is significant, and they are developed at the expense of substantive content. In contrast, courses about management expose a student to a great deal of theory and abstraction in a short period of time. These courses have a more passive and observational approach to management. They are technique-oriented and they seldom address the context in which the knowledge may apply. Knowledge of techniques rather than an ability to perceive and address problems is often the leaning outcome of these classes. For almost two decades, the academic literature has reported the ongoing debate concerning the usefulness and relevance of games as teaching tools. This debate and the expanding use of games have led the authors to re-examine how and why games are used. This reflection has led to the realization that while games do have a role to play in the teaching process, that role is limited. Games are only part of an effective teaching process. They can be used to help reinforce concepts, and to help students accept and apply concepts and knowledge gained elsewhere from lectures, cases and discussions. While games are effective in helping students move from "understanding" knowledge to "accepting and internalizing" that knowledge, they are limited in their ability to generate content. For this reason instructors are not concerned with replacing cases and other teaching approaches with games, but rather are concerned with how to best integrate games with cases, discussions and lectures. (Lord and Newson, 1977:381-7)

The traditional lecture method has been used, as has the case method. However, business games and the experiential exercises are becoming more common in the teaching and training environments. In the case method, one reads a sce-

nario (usually derived from real life), defines the problem, determines a set of feasible alternatives, evaluates these alternatives in some objective manner, and selects the one that best meets the desired goals as interpreted from the case materials. The setting remains static and new information is not always available after the end of the case. In a simulation, one experiences the problems of a firm as reported in, and interpreted from, the financial and operating statements provided at the end of each round. Then one attempt to solve as many of the problems as possible in a highly dynamic situation while living with the solutions for as long as the simulation continues (Teach, 1990:93).

Briefing a Business Game with Case Studies: a set of cases related to different industries should be carefully prepared and selected to focus separately the main issues in the Business Game intended to be highlighted. The sequence of cases presentation and discussion should take into account the program as a whole, the course insertion, and the students' profile. After overcoming the knowledge acquisition and stressing the main concepts dominated by the class, teams could be formed based on an objective criteria discussed in one of the case studies. Activities are sequenced started with the preparation of a SWOT analysis, and planning (strategy formulation) the decision-making (strategy implementation). After that success and failure could be analyzed and addressed, and recommendations to investors and other stakeholders could be made as a form of sharing of the best practices adopted in the course. As Case Studies focus on analysis and discussion, Business Games are oriented toward decision-making and control process from a systemic perspective. Instead of treating these techniques as being separate from one another, they can be clearly harmonized to each other with apparent and synergistic participant-centered learning orientation.

As Freire (1998:xi) suggested, students will be encouraged to "the act of reading the world by reading the word", in this case the world of business and the word of managers.

REFERENCES

- Alex, Theodore *et al.* (1990) *Guide to Business Gaming and Experiential Learning*. James Gentry, Ed. Nichols/GP, New York, Kogan, London.
- Anderson, Philip H., and Woodhouse, Robert H. (1984) The Perceived Relationship between Pedagogies and Attaining Objectives in the Business Policy Course. *Developments in Business Simulation & Experiential Learning*, Volume 11, pp. 152-156. Reprinted in The Bernie Keys Library, available from <http://www.abssel.org>
- Cahill, Thomas E. (1984) The use of Simulation in the Teaching of Business Policy. *Developments in Business Simulation & Experiential Learning*, Volume 11, p.157-160. Reprinted in The Bernie Keys Library, available from <http://www.abssel.org>
- CPCL - Colloquium on Participant Centered Learning: Class Notes. Harvard Business School, Aug 04-14, 2004.

Developments in Business Simulation and Experiential Learning, Volume 33, 2006

- Currie, David N. (1981) The Role of Students in "The Case Method" *Developments in Business Simulation & Experiential Exercises*, Volume 8, p.68. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Freire, Paulo. (1998) Teachers as Cultural Workers: Letters to those who dare teach. Westview Press.
- Gentry, J. Teach. (1990) What is Experiential Learning? *Guide to Business Gaming and Experiential Learning*. James Gentry, Ed. Nichols/GP, New York, Kogan, London. pp. 9-20.
- Hackleman, Edwin & Wendel, Richard. (1979) The Business Simulation - an Effective Learning Instrument. *Journal of Experiential Learning and Simulation 1*, p.203-9. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Hall, Jeremy J.S.B. (1995). "Chalk & Cheese: Executive Short-Course vs Academic Simulations." *Developments in Business Simulation & Experiential Learning*, Volume 22, 1995 p.19-23. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Hammond, John S. (2002) *Learning by the Case Method*. Harvard Business School Case No. 9-376-241, April 16., 2002.
- Hunsaker, Johanna S. (1981) An Empirical Analysis Relating the Learning Style Inventory to Memory and Logical Ability. *Developments in Business Simulation & Experiential Exercises*, Volume 8, p.126-128. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Jennings, David. (1996) Strategic Management and the Case Method: Survey and Evaluation *Developments in Business Simulation & Experiential Exercises*, Volume 23, Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Leftwich, Howard. (1974) Constructing mini-courses to Supplement Business Simulations. *Simulations, Games and Experiential Learning Techniques*, Volume 1, pp. 61-63. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Lord, R.J. and Newson, E.F.P. (1977) Games: Substance versus Experience in a Case Environment. *Computer Simulation and Learning Theory*, Volume 3, p.380-388. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Malik, S. Dolly, Howard, Barbara J. & Morse, Kenneth O. Business Plans, Case Studies and Total Enterprise Simulations: A Natural Co-existence. *Developments in Business Simulation & Experiential Learning*, Volume 24, 1997 p.158-63. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Markulis, Peter M. (1985) The Live Case Study: Filling The Gap Between The Case Study And The Experiential Exercise. *Developments in Business Simulation & Experiential Exercises*, Volume 12, p.168-71. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Mintzberg, H. & Quinn, J.B. *The Strategy Process: Context and Cases*. Prentice-Hall, 1993.
- Parasuraman, A. (1980) Evaluation of Simulation Games; a Critical Look at Past Efforts and Future Needs. *Experiential Learning Enters the Eighties*, Volume 7. p.192-4.
- Roberts, Michael. *Developing a Teaching Case (Abridged)*. Harvard B. School Case No. 9-901-055, June 28, 2001.
- Ronstadt, Robert. *The Art of Case Analysis: a Guide to the Diagnosis of Business Situations*. Lord Publ, MA, 1988
- Sauaia, A. C. A. (1998) Business Games in Brazil - Learning or Satisfaction *Developments in Business Simulation and Experiential Learning*, Volume 25, pp.277-283. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Schreier, James W. Research Questions for Cases. *Developments in Business Simulation & Experiential Exercises*, Volume 8, 1981, p.71. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Smith, Jerald R. (1988) Minimizing Startup Anxiety: Case Studies of no Simulation Experiences. *Developments in Business Simulation & Experiential Exercises*, Volume 15, pp. 246-247. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Teach, Richard D. (1990) Designing Business Simulations. *Guide to Business Gaming and Experiential Learning*. James Gentry, Ed. Nichols/GP, New York, Kogan, London. pp. 93-116.
- Vance, Stanley C. (1975) Framing the Future of Business Simulation and Experiential Learning. *Simulation Games and Experiential Learning in Action*, Volume 2, pp. 5-6. Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Waggener, H. A. (1979) Simulation vs Cases vs Text: An Analysis of Student Opinion *Journal of Experiential Learning and Simulation 1*, 113-118 Reprinted in The Bernie Keys Library, available from <http://www.absel.org>
- Wheelen, T. & Hunger, J. (1993) *Cases in Strategic Management*. Addison-Wesley. 1993
www.hbs.edu. Accessed on Aug/2004.
www.hbsp.harvard.edu/educators. Accessed on Aug/2004.