

Business Simulation Games: Real World Learning

Real life is complex. You never have perfect information. You never have enough time and you must make immediate decisions to resolve issues you face. We often fail and learn by our mistakes, becoming much better at the decisions we make the next time, even though the next time the specific situation may be quite different.

The business world isn't easy. But a child's way of learning, playing games, is a powerful way to help people learn concepts and immediately apply them in a controlled environment where there is no adverse consequence with making mistakes.

A business simulation game replicates reality. It compresses time and allows participants to experiment and experience that reality. A business simulation promotes teamwork and is a competitive activity in which participants, within a structured set of rules or guidelines, contend with obstacles, make decisions and work together toward a goal.

Business Games and Risk Management

In early April, Project Manager Richard McKenzie gained firsthand experience leading a cross functional team with a multi-million dollar budget in building a highway. During the project, some workers went on strike, the road was rerouted due to a landslide, and Richard faced last minute cost overruns. Still, he and his team forged ahead.

Experts say adults absorb information better when they use it, not just hear it. Deep learning almost always requires some struggle, mental energy, and some hands-on experience. This is accomplished by challenging participants to solve a problem on their own during the simulation. Whether their outcome is correct is less important initially than the thought process they went through.



Simulations of workplace scenarios can help participants gain realistic managerial experience.

Business simulation games can be applied to a wide variety of subject areas. In this particular game, the focused learning is around Risk Management. Richard and the other participants were not only challenged to apply and learn risk management concepts, but also experienced the human dynamics of teams.

The team dynamic is important because making effective risk management decisions in organizations requires input and experience from multiple people. To be successful, participating teams must

