Chapter 4
Business Simulation Games:
A Direction in the New Era of Teaching and Learning

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ABSTRACT

The history of the development of business simulation games started in 3000 BC, and the development of modern business simulation games began in the 1950s. Since the introduction of modern business simulation games, it has grown rapidly and is widely used by corporations, managers, educators, development consulting firms, and collegiate business programs for training and teaching purposes. A dynamic business environment and changing economic conditions require the reorientation and modification of educational programs. The learning process should focus on strengthening knowledge, skills, behaviours, and attitudes according to market needs and wants. The use of business simulation games in education can overcome this problem and even increase student motivation and engagement. This chapter covers three main sections: (1) history of business simulation games, (2) types of business simulation games, and (3) the use of business simulation games in teaching and learning.

INTRODUCTION

The world is changing now (Turns, 2020)

A dynamic business environment and changing economic conditions require the reorientation and modification of educational programs. The learning process should focus on strengthening knowledge, skills, behaviours, and attitudes according to market needs and wants. Students also need to have entrepreneurial intentions to have an in-depth understanding of market dynamics, financial management skills, and exchange methods.

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Even, Covid-19 pandemic changes the world and global outlook. The education needs to change to better prepare the young generation for what the future might hold. The changes include educating citizens in an interconnected world, redefining the role of the educator, teaching life skills needed for the future, and unlocking technology to deliver education (Luthra & Mackenzie, 2020).

Also, one of the problems in education is the boredom of students in the classroom. The effective use of games can spark interest and enhance active learning in business courses (Ritzko & Robinson, 2006). The use of business simulation games in education can overcome this problem and even increase student motivation and engagement (Zirawaga, Olusanya, & Maduku, 2017). Games offer a unique structure to complement traditional teaching strategies and make learning more enjoyable for students (Boyle, 2011). The role of games in education can be referred to in Figure 1. To this end, business simulation games can play an essential role as a true representation of market operations in a virtual environment (Zulfiqar, Sarwar, Aziz, Chandia, & Khan, 2018).

Figure 1. The use of games in education
Source: (Boyle, 2011)

Since the introduction of modern business simulation games in 1955 (Faria, 1998), it has grown rapidly, and it is widely used by corporations, managers, educators, development consulting firms, and collegiate business programs for training and teaching purposes (Faria, 1987, 1998). Business simulations currently support three types of applications: educational programs, training firms, and evaluating business strategies (Gonen, Brill, & Frank, 2009). Since the late 1960s, over 90% of AACSB business school members have used business simulation games (Faria & Nulsen, 1996).

This book chapter covers four main sections: