

*Invited lecture/Research*

Innovative Approaches in Teaching Business Courses: Start-Up Simulation in the Change Management course; students' experience

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Abstract:

Simulation is an experiential learning process that speed-ups learning process and make it more interesting and practical. According to Hakeem (2001), when students are involved in different activities of experiential learning, they better understand the subject in comparison with students who just have lectures-only classes. Moreover, experiential learning raises critical thinking abilities and self-directed learning (Kreber, 2001). In business schools simulations have been used to manage trading skills (Truscott et al., 2000) and business ventures development (Goosen et al., 2001). For the Change Management undergraduate course of the Business School there was offered a simulation "Start-Up Wars" that was developed by one of the USA start-ups. This simulation was created especially for colleges and universities students with a goal to introduce students with the real stories of different start-ups and practice making decisions on a daily routine with a goal, according to the scenario, to survive for the first ninety days. Each new day brought a new challenge. By solving everyday entrepreneur's tasks students have experienced and applied their knowledge into practice in different directions such as strategic thinking, marketing, decisions making, used their managerial and leadership skills, teamwork, planning, and financial modeling. After the simulation students provided the feedback on their experience and met through online session with the developers of the simulation where students shared their experience, ideas and general understanding of the activity. Overall, students provided positive feedback about conducting simulations in the learning process and raised their interest in using business simulations as class activities. Students highlighted the beneficial and practical component of simulations in understanding the business world.

Keywords: simulation, start-up, change management, experiential learning, innovative approach, students, business school.



1. Introduction

The purpose of the current article is to share about innovative approaches in teaching business courses for undergraduate students in order to make the learning process more interesting, informative and practical.

The modern tendencies in teaching process and innovative technologies require instructors to think about new methods in teaching to attract students to the learning process. One of the innovative approaches are business simulations with different scenarios where students could apply their knowledge, creative and analytical thinking, decision making skills, try to think as real businessmen in a real business situations taking into account the market challenges. So, using such business simulation was the main goal. The course chosen for this activity is a 'Change Management' course of one of the business schools in Kazakhstan – Kazakh-British Technical University. The majority of students are on their third and fourth year of study, majors are Finance, Marketing, Management and Accounting specializations.

Change management course is the course where students learn how to manage changes in the organization, how to make different types of analysis and make decisions that allow to achieve the main goal of the company – make improvements in different directions. Using simulations in the course of Change management is a very interesting experience as students do different things, they change their usual process of learning. Changes in learning, personal life, in decision making are the main concept of the course.

According to Aldrich (2003), simulation is the experiential learning process that speeds-up learning process. It enhances students' learning experiences by providing them with hands-on, experiential opportunities to apply theoretical concepts in a simulated business environment (Aldrich, 2003). Billimoria (2000) suggests that educators should lead new innovative approaches in teaching and create 'value innovation' for students (Billimoria, 2000). The literature on this topic highlights several benefits, challenges, and effective practices associated with integrating simulations and business games into business education (Doyle & Brown, 2000; Kolb, 1984).

2. Methods

The Simulation approach for business courses was chosen because of several benefits for students (Thompson & Stappenbeck, 1995; Fripp, 1993).

First of all, it is innovative and newest way of delivering knowledge and this gives students absolutely another way of learning and understanding their knowledge through their own experience by making decisions based on real time situations. So, it allows students to apply theoretical knowledge in a realistic business context, enhances their understanding of complex concepts.

Second, such experience actively engages students in the learning process. The interactive nature of simulations encourages participation, collaboration, and critical thinking.

Third, simulations help students develop a range of skills, including decision-making, problem-solving, strategic thinking and teamwork.

Fourth, the application-oriented nature of simulations enables students to bridge the gap between theory and practice. It reinforces theoretical concepts by immersing students in scenarios that mirror real business challenges. According to Kreber (2001), simulations and experiential exercises foster students' learning and, especially, 'critical thinking ability' skill.

Fifth, simulations provide a risk-free environment for students to experiment with different strategies and decisions. This allows them to learn from failures and successes without real-world consequences (Kolb, 1984; Thompson & Stappenbeck, 1995). In the simulation that we used with students in the class there were given three trials to start and run a business. All students failed in the first and second trials. If students make the analysis and understand the challenges, they usually start earning some profit in the third trial and survive.

Sixth, the use of simulations often increases students' motivation and interest in the subject matter. The dynamic and competitive nature of business games can inherently engaging. By the results of the semester, one student opened its own business and started earning. In the last day of the class, he declared that the simulation tended him to think about a



new opportunity to open a business and he opened drop shipping business taking into account the experience and knowledge that he got during the practice. Moreover, he was the only one student who successfully played the simulation from the first trial and showed great results with a big profit.

3. Results and Discussion

The outcome and results of using simulations during the class activities are based on students' feedback.

Moreover, after playing the simulation there was conducted a separate session with the developers of the simulation. During such live session online students shared their experience and asked questions, they also provided feedback about some challenges that they have experienced during the practice and recommendations what could be improved, what was unclear and some other useful thoughts and ideas. As the developers of "Startup Wars" simulation shared on their website: "Startup Wars is truly a platform built "For Students, By Students" (Available from: <https://www.startupwars.com/our-mission/>)

Using such activities as simulations showed students interest in the learning process, raised their engagement in study, discussions and cases analysis, participation in different class's activities raised, students became more friendly, they started experiment more. The students' absenteeism decreased, they started actively participate in other different activities in the class.

About the Start-Up Simulation design. There are Four different types of start-ups:

- Mobile App developing
- Coffee-shop
- Hand-made shop
- T-Shirt company

According to the scenario there were given 90 days to survive; three trials (in order to improve the performance).

Daily decision were made on different issues: marketing, business model, human resources, and finance. Three levels: basic, intermediate, advanced were included. Moreover, different resources were provided for educators and students (tutorials, visuals for instructor for analysis and discussion). Student's results were shown when the student bankrupted.



Figure 1. Student's progress day after day: what was done, completed, what decision was made.

Another student successfully survived during first ninety days, and some goals were achieved. For example, the student established brand reputation, generated revenue with a crafting company (from USD 1,000.00 to USD 5,000.00 that is a good result).

It shows that student can plan, delegate and distribute the resources. This was one of the successful cases when the student successfully completed first ninety days and managed



revenue (he has achieved USD 80,546.00) (Figure 2). The Report also provided a detailed distribution of the finances (Figure 3).

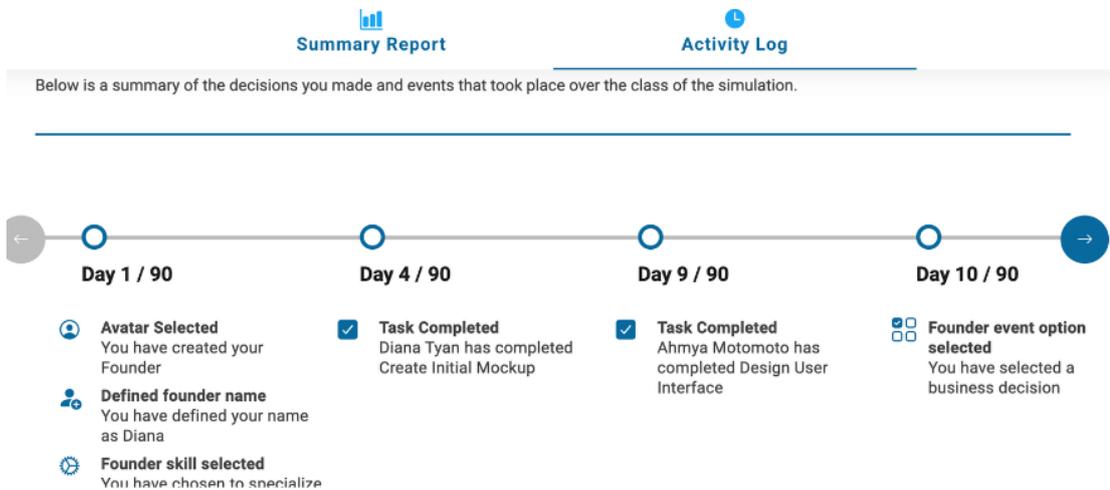


Figure 2. Student's milestones reported.

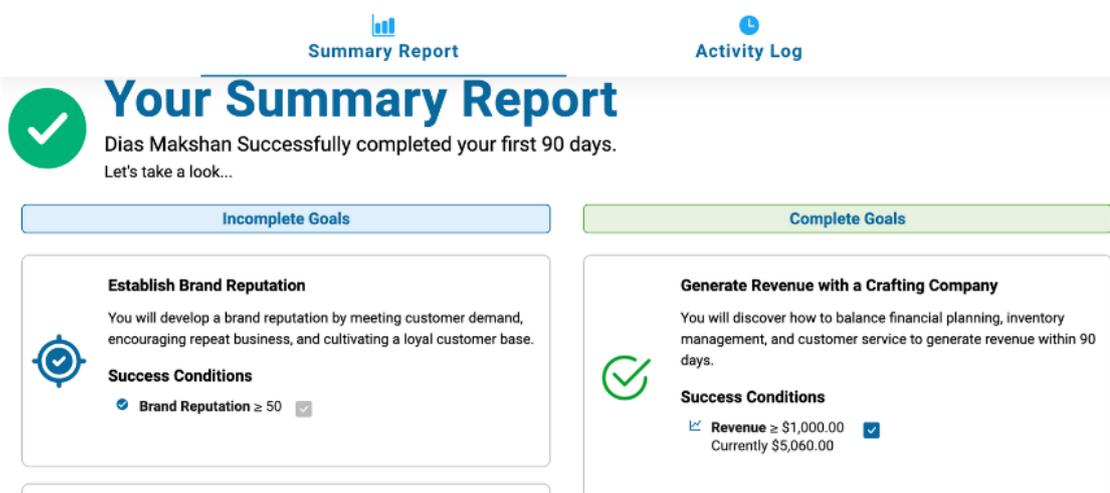


Figure 3. Reports on the successful students' progress.



Moreover, very interesting part is students' feedback about the experience and playing the simulation. Here is one of the feedbacks: "This startup game was fun and learning experience"; "The business simulation game was fun and educational experience"; "A rare chance to put myself in the position of business owner and make important decisions in a supervised but real setting"; "There are some important lessons that I learned from experience:

1. Realistic Scenario: The simulation produced a business setting that closely mirrored the difficulties encountered in real-world situations.
2. Decision-Making: it was hard to make decisions in many areas, such as marketing and production.
3. Learning from Failure: This opportunity enabled me to develop my soft and hard skills. The gained knowledge really helps me."

Another student shared: "STARTUP WARS is an exciting and innovative experience that skillfully combines elements of strategy, business and competition. This game offers players a unique opportunity to immerse themselves in the world of startups, allowing them to experience the joys and challenges of starting and running their own business."

There also was a critical review of personal experience, such as: "So, overall the idea of the programme is great and I really liked it although my entrepreneurship skills and financial decisions made me bankrupt. In my opinion, using the programme in class is great idea, it is interesting to start, it is a courage to continue, get bigger, achieve goals and make a lot of money. Also, at the end of the journey you can make some decisions and get ideas about your strengths and weaknesses. So, now I know that most of the time going for the risk and not having clear picture of financial part of the business is my error, my weaknesses." It is really interesting to see how students played, experienced and what finally they said or thought about such experience. I am very grateful for such experience provided by the developers of this Start Up Wars. Hope to continue cooperation in the future to give students more opportunity to practice and learn new skills through such interesting activity.

4. Conclusion

'Start Up Wars' as simulation is a very useful experience that challenges the students and makes the learning process more interesting and various. It gives opportunity to students to think differently, make tough decision, to understand about business processes, also change something (e.g., to be more confident). The literature on using simulations in the learning process emphasizes the transformative impact of experiential learning on student outcomes. While challenges exist, effective implementation strategies and a commitment to leveraging simulations as tools for active engagement contribute significantly to the educational experience. Continuous research in this area seeks to refine and expand the use of simulations across diverse educational contexts. Moreover, there is a strong impact on students outcomes:

- Improved retention: studies suggest that students who engage in simulation-based learning may retain information better compared to traditional instructional methods.
- Enhanced critical thinking: simulations have been associated with improvements in critical thinking skills as students actively analyze and respond to complex scenarios.
- Better decision-making skills: exposure to decision-making in simulated environments contributes to the development of better decision-making skills among students.
- Increased motivation: simulations are often linked to increased student motivation and interest in the subject matter, leading to more active participation in the learning process.

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