

# research results

## Making Sense of Business: A Simulation™

### Industry

Telecommunications

### Organization

Bell Canada  
Montreal, Canada

### Need

Operating a business successfully is more complicated than most employees realize. Employees often do not understand how their work affects the organization as a whole or why organizational decisions are made. In addition, it is unlikely that employees will support business decisions and initiatives they do not understand. Bell Canada, a leading provider of telecommunication services, realized the importance of employee support in building a successful business. Thus, Bell Canada took action to help its employees gain a better understanding of business operations and decision-making processes.

Bell Canada sought to provide its frontline employees with a broader understanding of business operations by implementing DDI's Making Sense of Business: A Simulation™. Making Sense of Business is a fun, effective, and interactive simulation that increases employees' awareness and understanding of basic business principles and operations. The simulation requires teams to run their own "businesses" by

making timely decisions regarding budgets, resources, and investments. The hands-on experience also helps employees realize the dynamic nature of business.

### Research

#### *Design and Participants*

Simulations were conducted during several sessions at different Bell Canada locations. A total of 41 associates (more than half of whom were managers) participated in the sessions. Participants had been with the company an average of 10.36 years and in their current positions for an average of 1.67 years.

At the conclusion of the simulation, participants completed a short survey about their business understanding, learning objectives, and reactions to the simulation.

**Business Understanding.** The survey assessed participants' understanding of business operations. Participants rated their ability to perform five skills targeted by the simulation before and after their participation (e.g., Look at the business from an owner perspective; Identify how their own job contributes to the overall success of the business. Learners used a 5-point scale; 5 indicating high ability, 3 medium ability, and 1 low ability).

**Learning Objectives.** Participants were also asked if the game introduced basic business principles (e.g., Experience how cash flow affects daily operations; See how the need for profit drives business decisions).

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Toll-free Canada...800.668.7971	Australia ..... 61.2.9466.0300	Germany .....49.2159.91680	E-mail ..... info@ddiworld.com
Toll-free U.S. ....800.933.4463	Greater China..... 852.2526.1188	Mexico .....528.152.3200	Web..... www.ddiworld.com

They rated each learning objective using a 4–point scale ranging from (1) strongly disagree to (4) strongly agree.

**Participant Reactions.** Participants’ used the same 4–point scale (1–strongly disagree to 4–strongly agree) to register their opinions of the simulation. They were asked if the program’s objectives were clear and if the program would benefit them in their current job function. In addition, participants provided written comments regarding the practical application of the principles to their jobs.

**Results**

**Business Understanding**

*Participants’ business understanding increased an average of 42 percent.*

Figure 1 shows that the proportion of participants rating their ability to understand business operations as high (4 or 5) increased significantly from

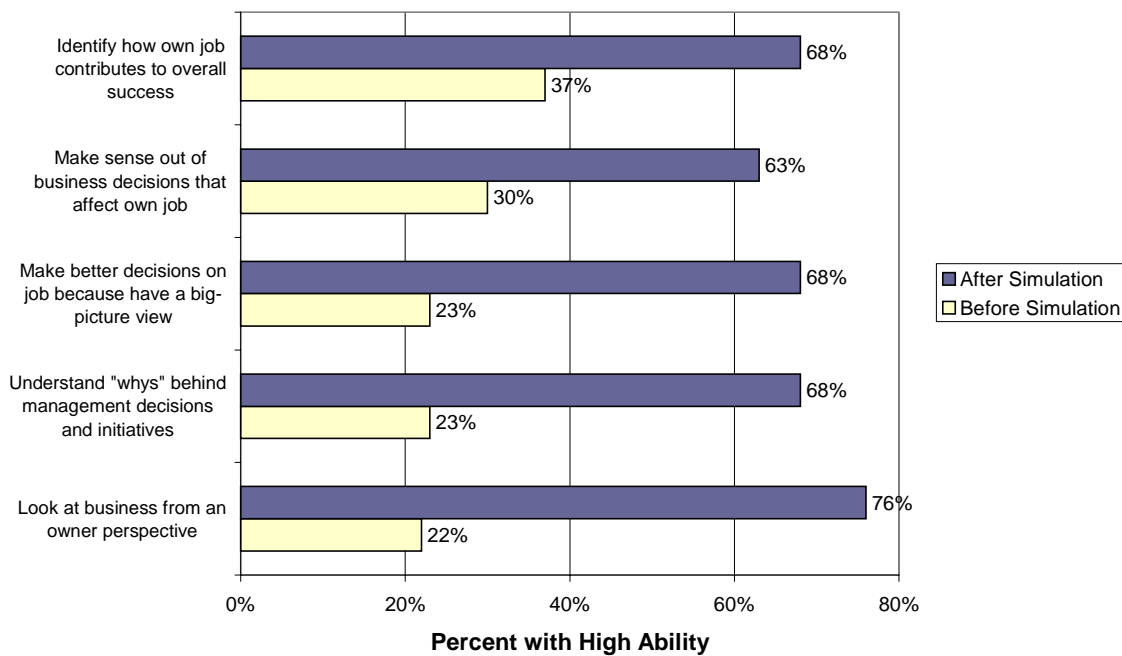
pre-simulation to post-simulation for all five performance outcomes. The greatest increase (54 percent) was seen in participants’ ability to look at the business from an owner’s perspective. Substantial increases were also seen in participants’ abilities to understand the “whys” behind management decisions and organizational initiatives (45 percent) and to make better decisions on the job because they have a big-picture view of the business (45 percent).

**Learning Objectives**

*One hundred percent of participants agreed that the simulation helped them understand five basic business principles.*

Table 1 (on the next page) indicates that all participants agreed or strongly agreed that the simulation met five of the six stated learning objectives.

**Figure 1. Participants' ratings of their ability to understand the business before and after the simulation.**



**Table 1. Participants' agreement with stated learning objectives.**

Learning Objective	Strongly Agree %	Agree %
Experience the difficulties in balancing short-term cash needs/long-term profit goals.	63	37
Monitor competitors' activities and adjust business plans to increase competitiveness.	63	37
See how the need for profit drives business decisions.	59	41
Experience how cash flow affects daily operations.	51	49
Make investment decisions for the business and see the results on the bottom line.	46	54
Experience how customer loyalty and quality enhance the success of the business.	26	64

Notably, more than half of the participants strongly agreed that the simulation helped them understand the first four stated business principles. In fact, 63 percent strongly agreed that the simulation helped them understand the need to balance short-term needs with long-term goals and the importance of monitoring competitors' activities.

### **Participant Reactions**

*Ninety-two percent of participants would recommend the program for others performing the same job functions.*

More than 90 percent of participants reported being motivated and fully prepared to participate in the simulation, agreed that the simulation would benefit them in their current position, and said they would recommend it to others. They also provided written

comments about their experiences in the simulation. Here is a sampling of their comments:

How might you apply the principles learned in the simulation to your daily work activities?

- *Manage expenses and costs more closely.*
- *Monitor quality and production more closely.*
- *Communicate business needs to employees.*
- *Pay closer attention to production volume and flow, coupled with stronger eye on expenses/costs.*
- *Plan more strategically and spend less money.*

Describe any benefits you received from participating in the simulation:

- *I felt that I had the ability to make sound decisions without an MBA!*
- *Better understanding of impacts of financial decisions.*
- *Clearer understanding of corporate decision-making.*
- *Felt the stress of balancing expenditures with income.*

### **Conclusion**

The results of the simulation were quite positive. Participants became knowledgeable about the basic business principles presented in the simulation. Their understanding of business operations also increased significantly after participating in the simulation. In particular, participants gained a better understanding of management decisions and felt they were able to make better decisions on the job because they had a big-picture view of the business. Participants indicated that the simulation will help them become more effective in their jobs by better managing expenses, monitoring quality and production, and thinking more strategically.