

The 35th International Conference of the System Dynamics Society, MIT, Cambridge USA, July 16 – 20, 2017

Motivation

- A lack of Resource Based View (RBV) effective understanding in graduate and undergraduate strategy courses, that demand more than a traditional lecture teaching strategy in the class room.
- A quick feedback learning style of the strategic decision making-performance relationship of the new generation of Business Administration students.

Research Questions

Educator

- How could my students achieve an effective understanding of the RBV concepts?
- How could my students experiment quick financial impacts of their strategic resources development decisions?

Students

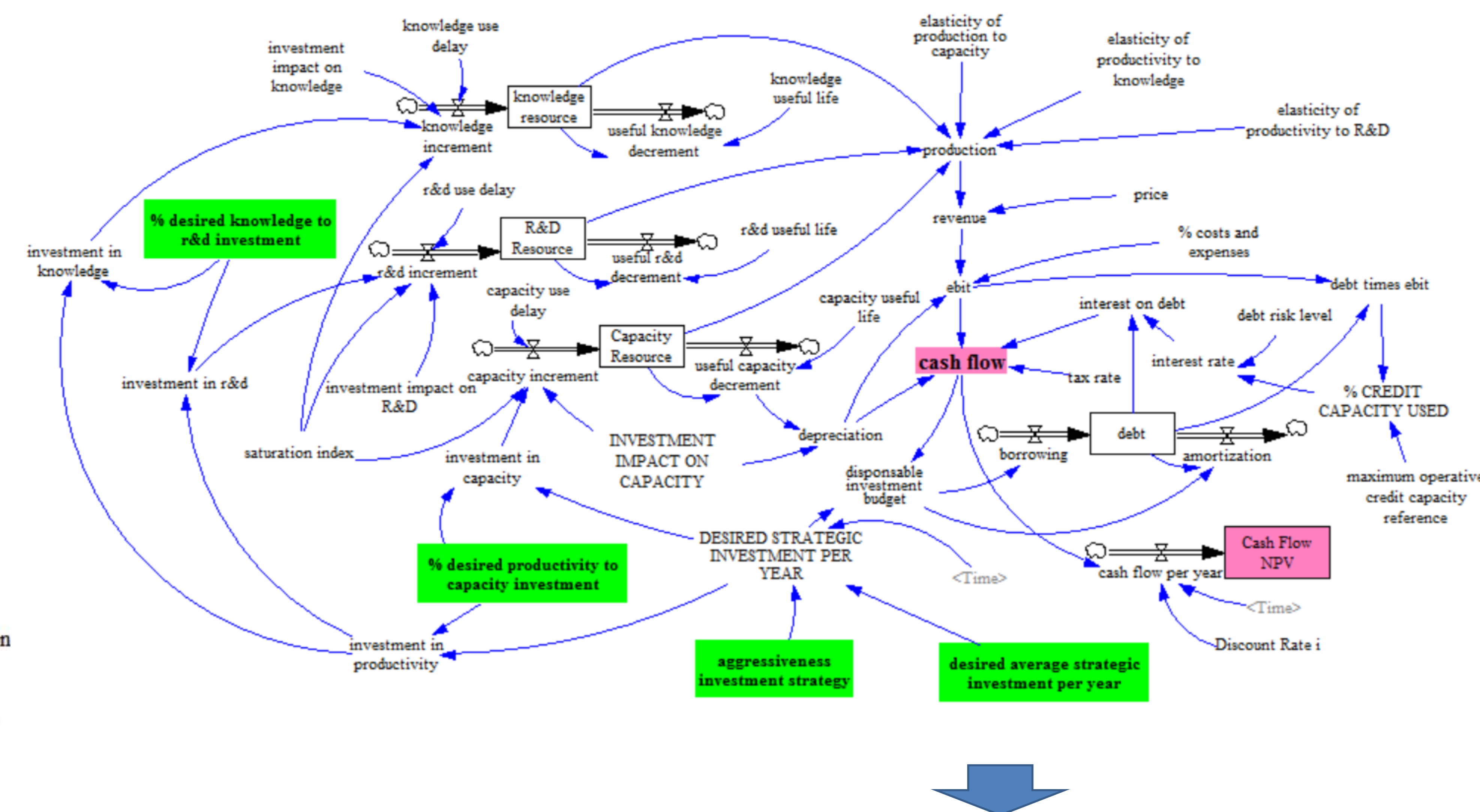
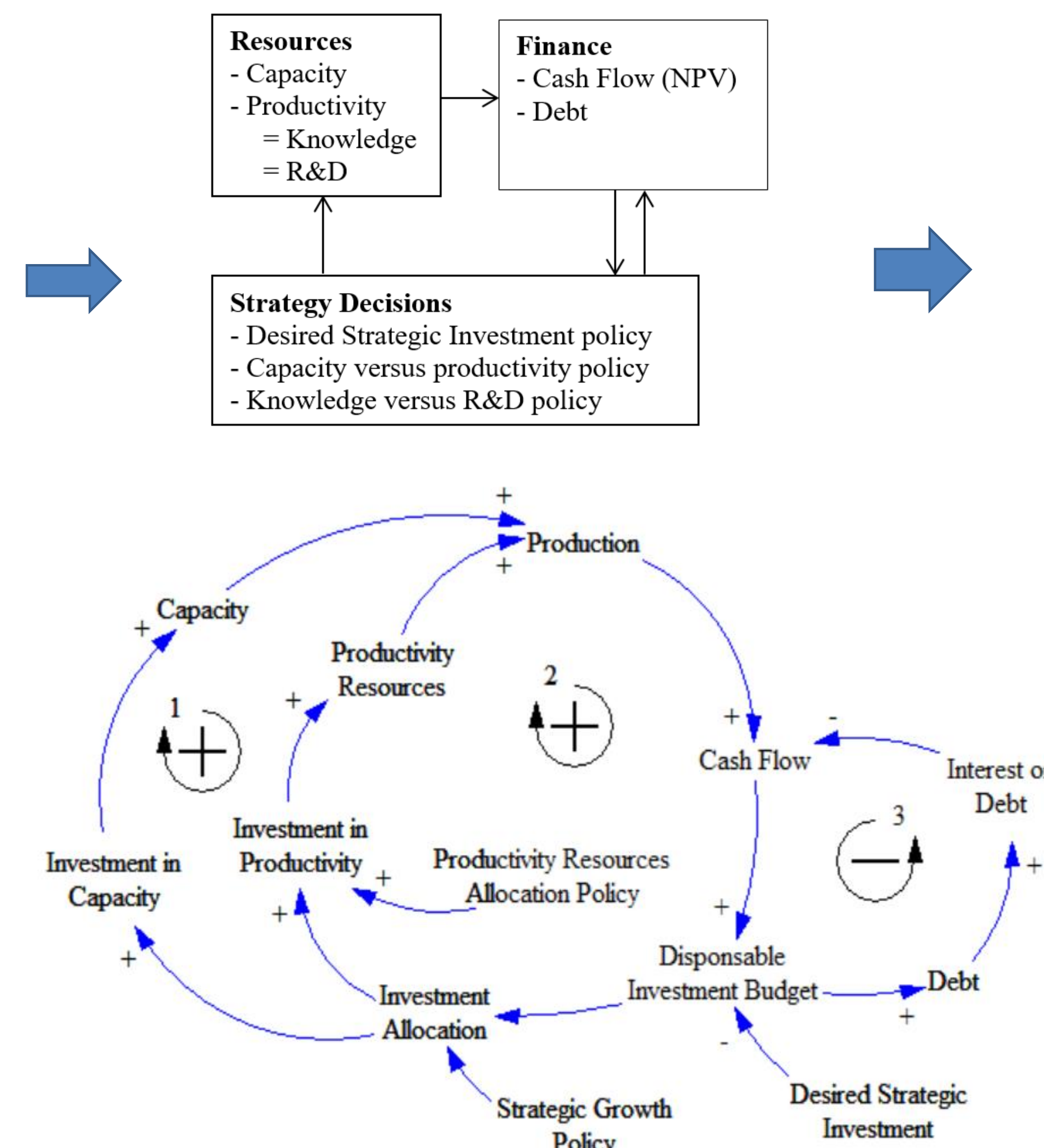
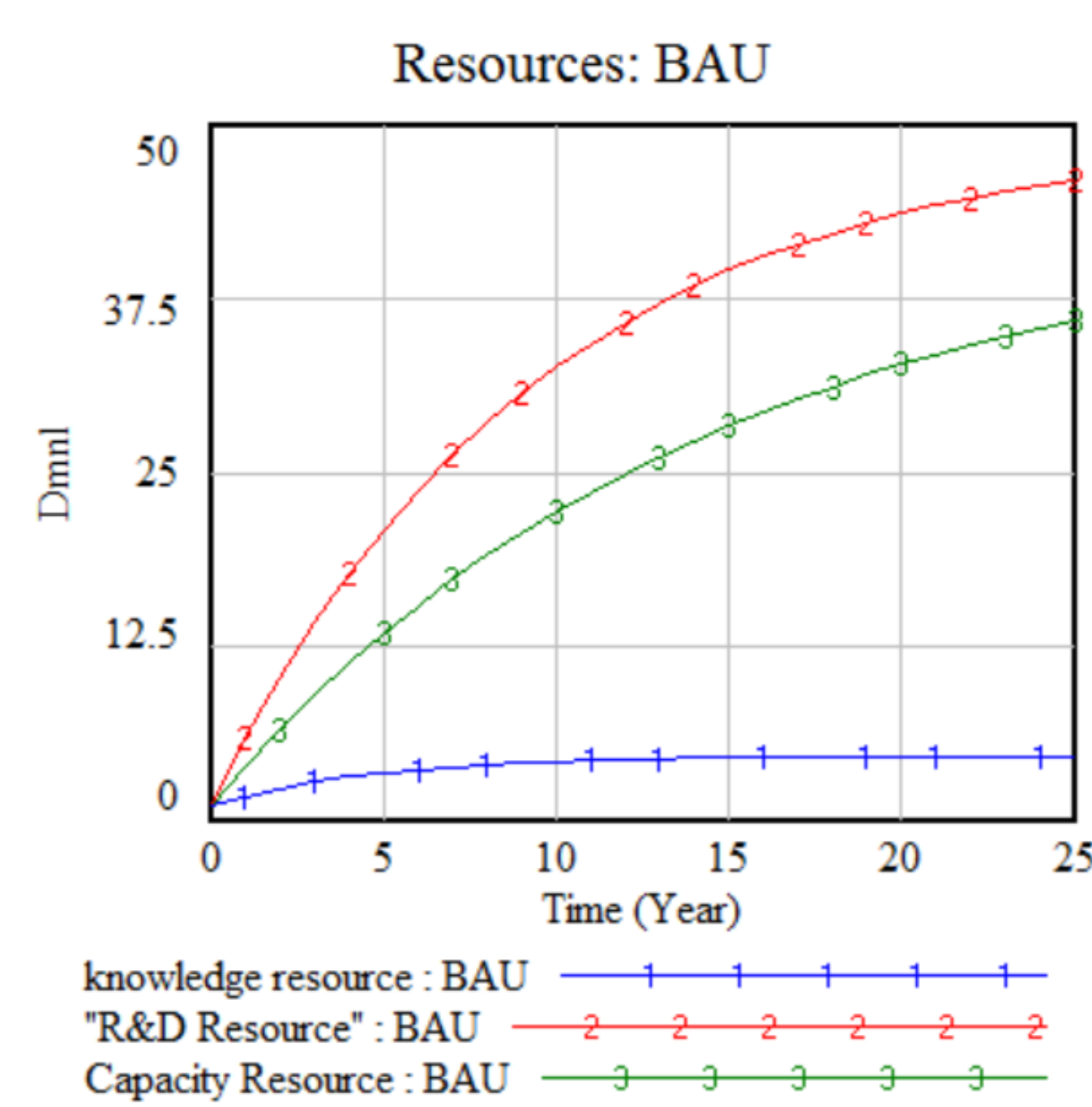
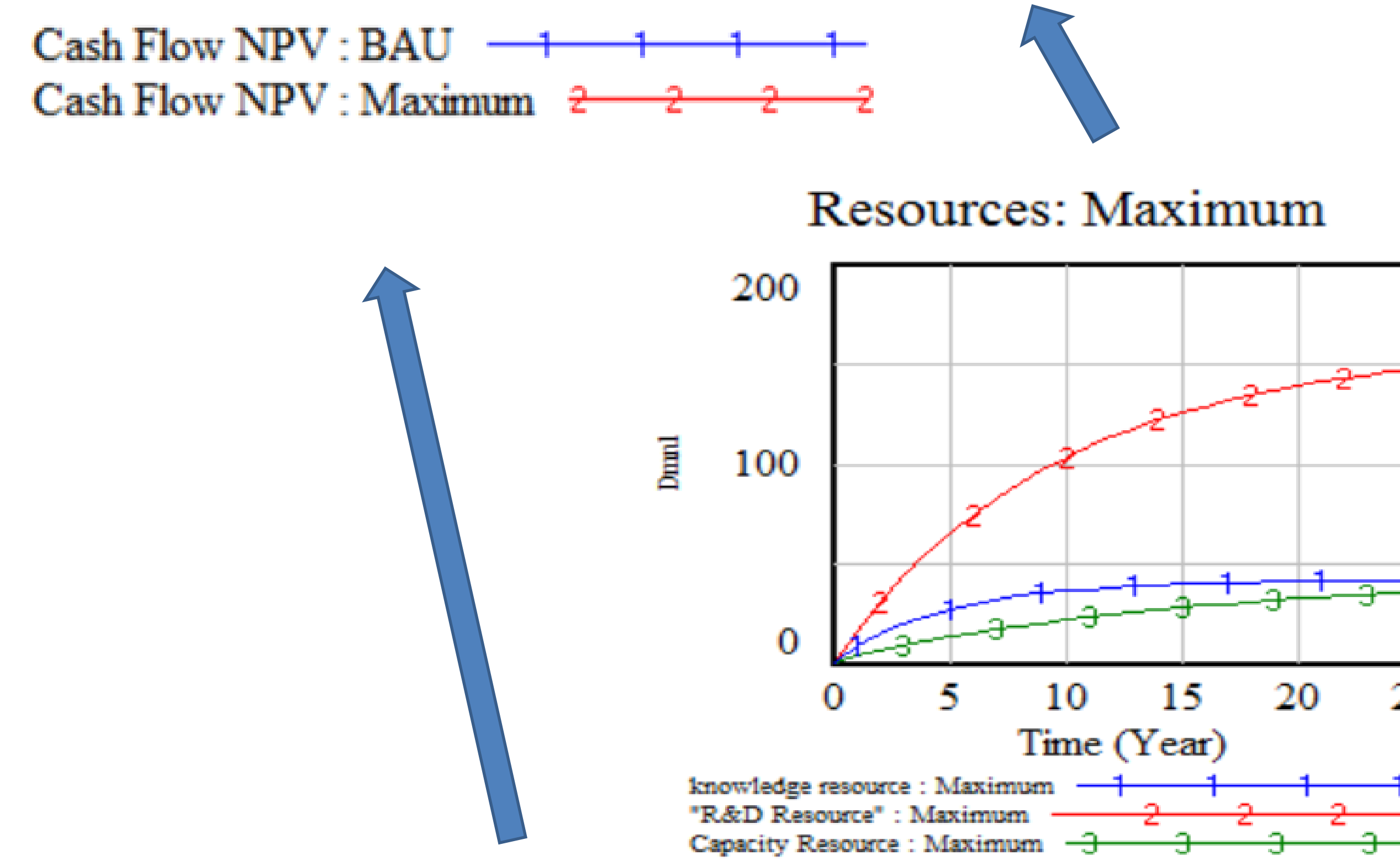
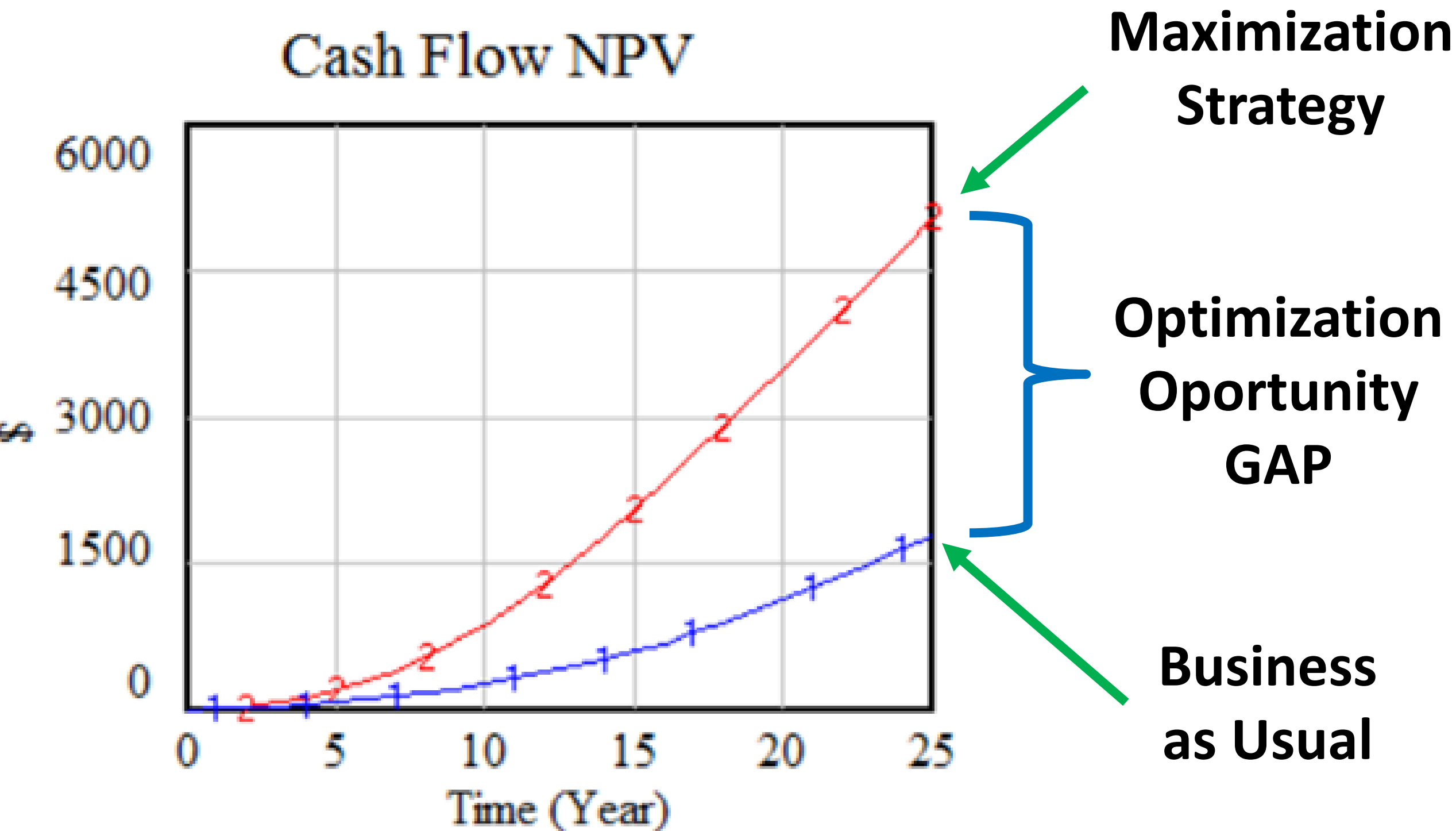
- How could I develop strategic resources in order to achieve the maximum Cash Flow NPV of a firm?

Proposal

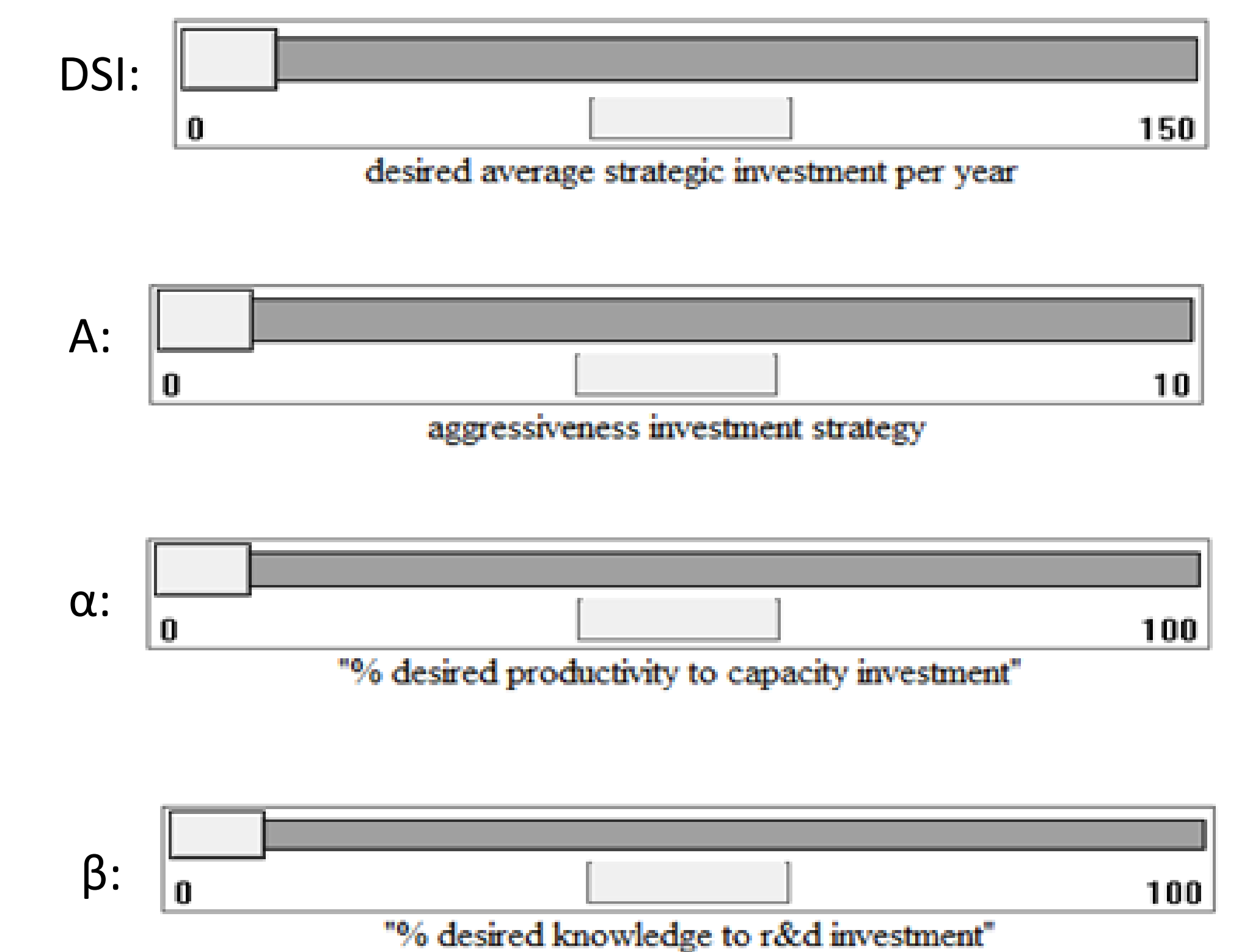
Acting as the Strategy Planning Manager for a manufacturing firm, students are tasked to find the best resource development investing strategy for improving financial performance.

An Interactive Learning Environment (ILE) is proposed, based on a System Dynamics simulation model, in order to achieve the following learning objectives:

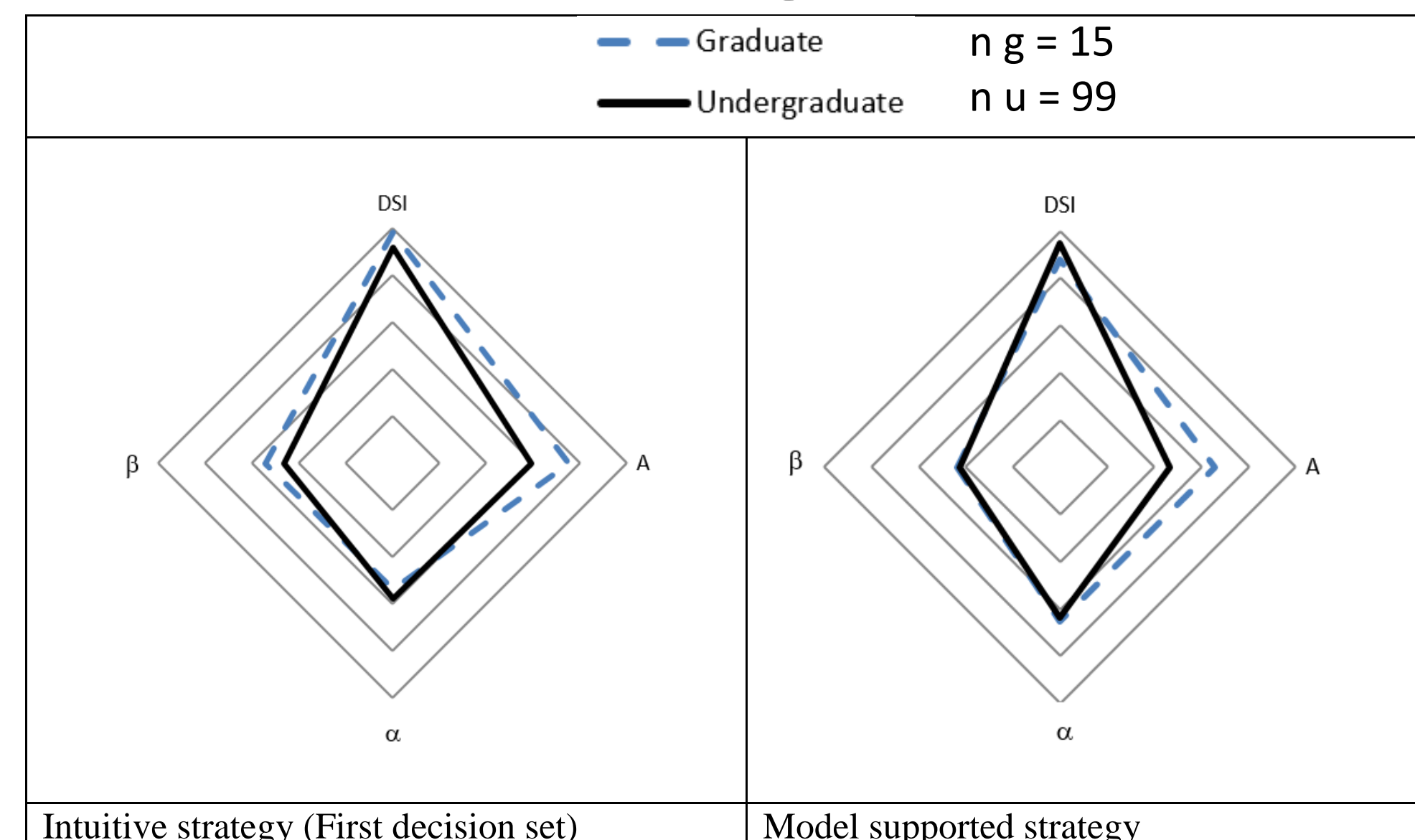
- Understand the Resource Based View strategic concepts.
- Identify the relationships between strategic resources and financial performance.
- Experiment the financial impacts of several resource development strategies, as an iterative process, highlighting Growth Vs. Productivity resource decisions making tradeoffs.



Strategic Decisions



Investment Strategies Experiment



Conclusions

- A management simulation model is proposed that can be seen as a mean to develop executive skills in strategic resource investment allocation decision making, by proposing and tasting several growth and development firm strategies.
- The simulation model provides quick impact-decision making feedback, that match the new generation of Business Administration students learning style.

Further Applications

- It could be considered in the model other types of strategic resources like human resources training, operation technology, logistic system, marketing, market segments, and finance.
- Model applications could be expanded and parameters adjusted for several firm and industry types.