



FORDHAM UNIVERSITY
The Jesuit University of New York

BUSINESS SIMULATION CENTER

March 2007



MICHELSEN
CONSULTING



Agenda

- **About the Company**
 - **What is LABAMS?**
- **CBA Business Simulation Center**



About the Company

The firm was established in 1978. Currently headquartered outside London in Epsom, Surrey. It has offices in México City and Lima, Peru

We have 27 years of experience in solving diverse marketing problems

Michelsen Consulting

develops solutions to complex marketing problems

which require complex tools and skills

such as the use of advanced statistical

software and simulation.

- **Industrial Marketing**
- **Mass Consumer Marketing**
- **Marketing of Services**
- **Bank & Financial Marketing**
 - **Ethical Marketing**
 - **E-Marketing Marketing**
 - **Trade Marketing**
 - **Micromarketing**
 - **Geomarketing**
- **Business Simulations**



About the Company

The firm was established in 1978. Currently headquartered outside London in Epsom, Surrey. It has offices in México City and Lima, Peru

Technics we use

Corporate image measurement

Perceptual Mapping

Benefit and psychographic
segmentation

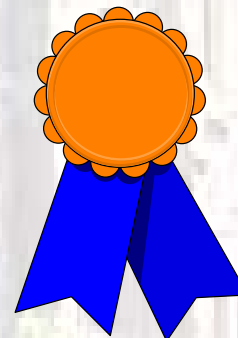
Conjoint Analysis

SWOT marketing analysis

New Product Opportunities

Consumer Attitudes

Van Westendarp's Price Techniques



GOLD MEDAL

Won for being considered the

'Best Economics web site

Starmedia 30/6/1999



About the Company

The firm was established in 1978. Currently headquartered outside London in Epsom, Surrey. It has offices in México City and Lima, Peru



The Netherlands



Denmark



Peru



Western Hemisphere



Western Hemisphere



Peru's largest supermarket chain



Peru



Mexico



Western Hemisphere



Mexico



Peru



Western Hemisphere



Western Hemisphere



Mexico



Peru



Peru



Peru



Peru



About the Company

The firm was established in 1978. Currently headquartered outside London in Epsom, Surrey. It has offices in México City and Lima, Peru

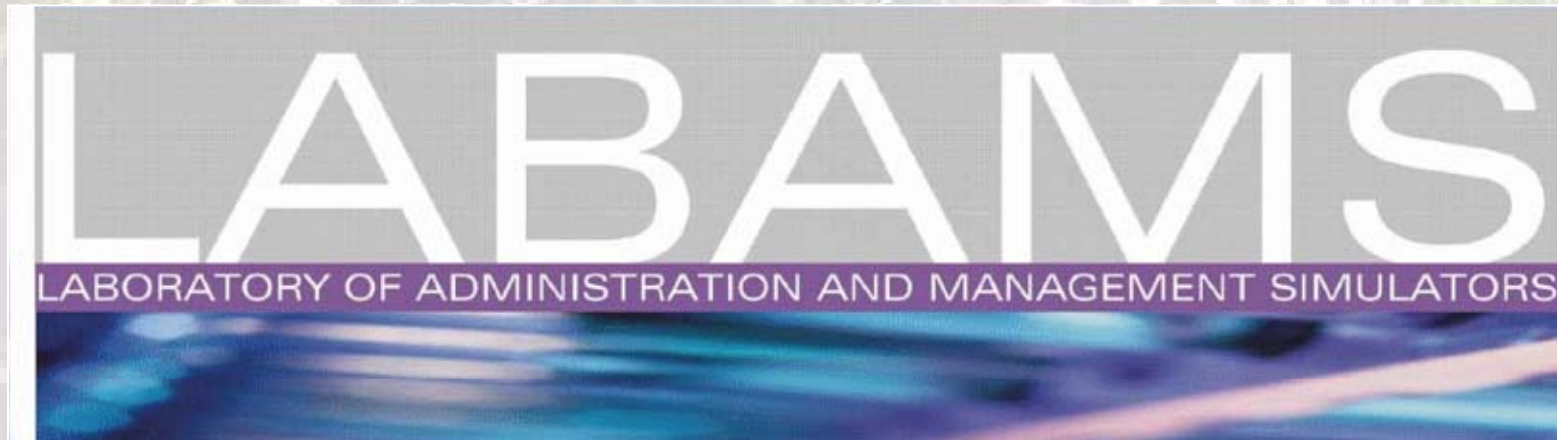
Executive Staff

- *Carlos Michelsen-Terry, M.A. Ph.D. , Chairman*
- *Erwin Fetzer, MBA, Ph.D., Director*
- *Donald Hendon, MBA, Ph.D., Director*
- *José Luis de Cossio, M.A., D.B.A., Director*
- *Carlos Michelsen Kilgour M.Sc. (London), Secretary to the Board*
- *Elio Serrano, ABD Country Manager, Colombia*
- *Pablo Noejovich, MBA, Country Manager, Argentina*
- *Ariel Frid, M.A., Country Manager, México*
- *Luis Miguel López, In-House Simulations Division, México City*
- *Alejandro Maureira, MBA, Country Manager, Chile*
- *Fernando Soley Soler, Regional Manager, Central America*
- *Diego Terry, Programming & Systems Director, Redondo Beach CA, U.S.A.*
- *Jorge Zavala, MBA, Ph.D. (c), V.P. International, U.S. Eastern Seaboard, New York, U.S.A.*
- *Angello Gastello, Labams Operations (Spanish)*
- *Mariuska Benavente, Country Manager, Canada*
- *Marion Michelsen, V.P. Administration & Finance*
- *Luisa Michelsen Kilgour, Field Director*



LABAMS

Laboratory of Administration and Management Simulators



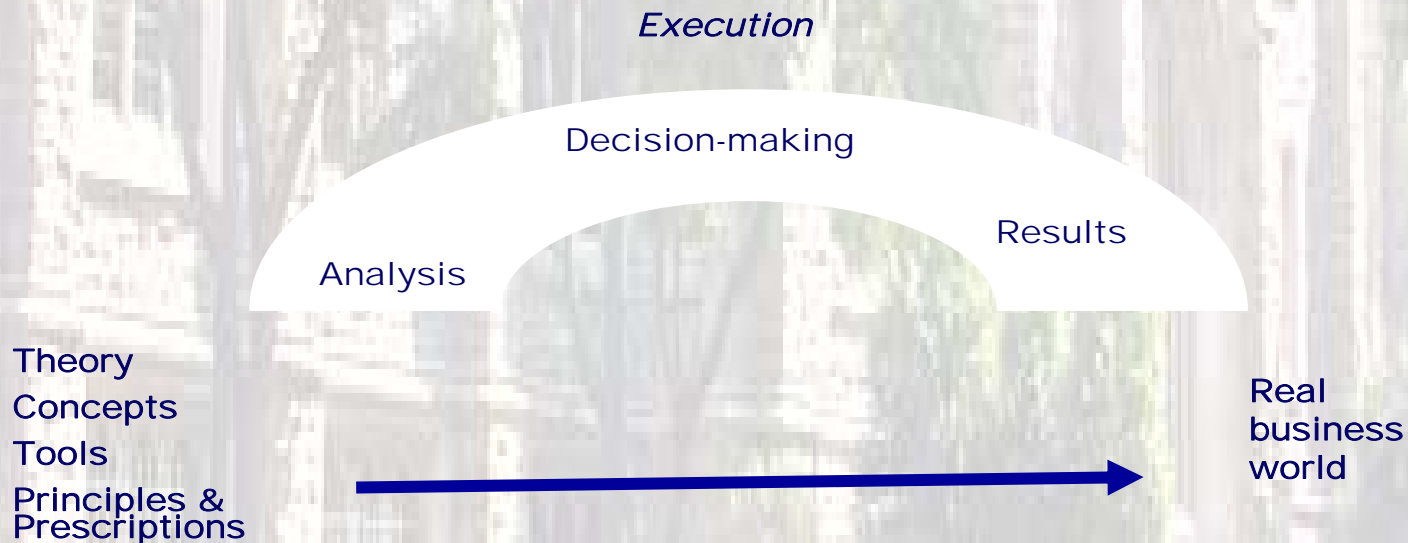


LABAMS

Laboratory of Administration and Management Simulators

Business Simulation

Computer programs, capable of reproducing the economic behavior of the world of business through the use of complex mathematical functions formulated within a dynamic time framework.



..Business simulations bridge theory and practice provoking learning through the discovery of actual economic reality



LABAMS: rationale

Laboratory of Administration and Management Simulators

- *“I hear and soon I forget”*
- *“I see and I remember”...*
- *“I do it and then I understand!”*

Confucius



LABAMS: rationale

Laboratory of Administration and Management Simulators

- 1956 first business simulation: American Management Association.
- 1989 Largest simulation ever: NATO Exercise Ace 89 lasted 11 days, involved 3,000 officers taking decisions in a computer environment. Deployed armies of seven countries without firing one shot.
- 1996*: 11,386 instructors used business simulations at American universities; 7,808 companies used them for management development.
- 1962 Harvard Dr. James McKenney
- 1966 Dr. Anthony Raia compares (1) Conference method (2) Cases + simple simulator (3) Cases + complex simulator concluding: "they are effective educational tools".
- 1969 Meier, Newell, Paser: "Simulations have educational value"
- 1975 J. Wolfe "a mix of cases and simulations is vastly superior to the use of cases alone".
- 1981 Dekker y Donetti: first meta-analysis
- 1999 June Lee's meta-Analysis analyzed 19 efficacy studies published between 1976 and 1992.



LABAMS: rationale

Laboratory of Administration and Management Simulators

“66 % of the students that used simulations showed significantly higher academic achievement scores measured by post simulation exams, compared to students in control groups that were not exposed to simulations”.

Source: Lee, J. (1999). “Effectiveness of Computer-based Instructional Simulations: A meta analysis.” *International Journal of Instructional Media*, Vol 26.

“Simulations allow the application of knowledge to problem solving... Improve the transfer of knowledge, increase the understanding of abstract concepts, and increase the motivation of students.”

Cameron, B. (2003). Effectiveness of Simulation in hybrid and on line networking courses. *The Quarterly Review of Distance Education*, 4 (1).

“The educational effectiveness of simulations is particularly high among students with poor performance before the simulation”.

Virou. et. al. (2005). Combining software games with education: evaluation of its educational effectiveness. *Educ. Tech & Society*, 8(2).



LABAMS: features

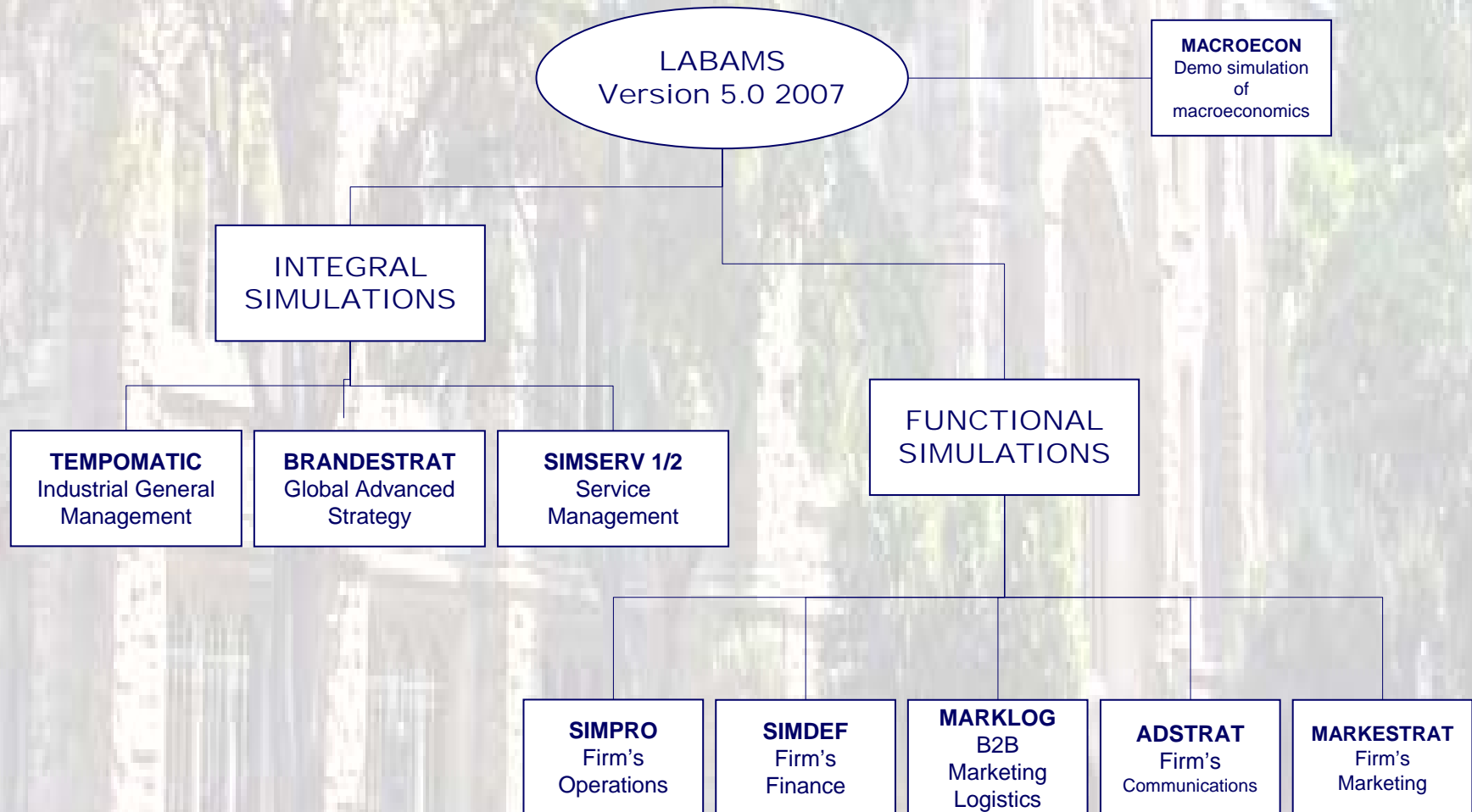
Laboratory of Administration and Management Simulators

- LABAMS is a simulation platform with 9 simulations including 6 functionally specialized simulations and 3 general management “integral” simulations, all with varying degrees of complexity.
- All scenarios are drawn on real business enterprises.
- The LABAMS site licence includes training and on-line assistance in the use, process and interpretation of simulations.
- The LABAMS staff recommends how, and where, to insert simulations in a university curricula.
- LABAMS uses the “batch” mode of processing input data which does not allow for trial and error. Participants must be committed to one set of decisions by a specified date and time.
- Academic staff can process LABAMS simulations. Process is a fast and easy click and menu driven task requiring less than 3 minutes performed from a laptop connected to the Internet.
- LABAMS works through the Internet not requiring a PC per student.
- LABAMS licence cost is not calculated “per user” and does not have a limit on the number of user-participants. The six year site licence lowers the cost per student to less than \$ 1.00 per user per simulation.



LABAMS: modules

Laboratory of Administration and Management Simulators





LABAMS: contribution

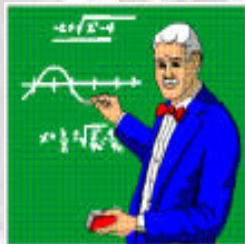
Laboratory of Administration and Management Simulators

- A virtual business environment within which decisions must be taken under time pressure.
- Team competition motivates participants to take decisions in one management area, or to coordinate several.
- Participants are shown the importance of analysis and the search for decision-making models.
- Learning occurs from feedback, verification of results, competition and even imitation.
- Lateral learning: both the winners and the losers impart a significant lecture during the final open session as they explain what they did and what they did not do.
- A theoretical course acquires an experiential parallel execution-oriented component, which students relish.
- The consequences of decision-making allow the professor to use examples in class.
- Faculty will have more time available to help students, as less cases and grading time would be used in the course.



LABAMS: how it works?

Laboratory of Administration and Management Simulators



Professor

- Allocation of students to companies
- Automatic issue and email of ID's/passwords
- Initialization of the simulation

Firm 1

Firm 2

Firm 3

Firm n

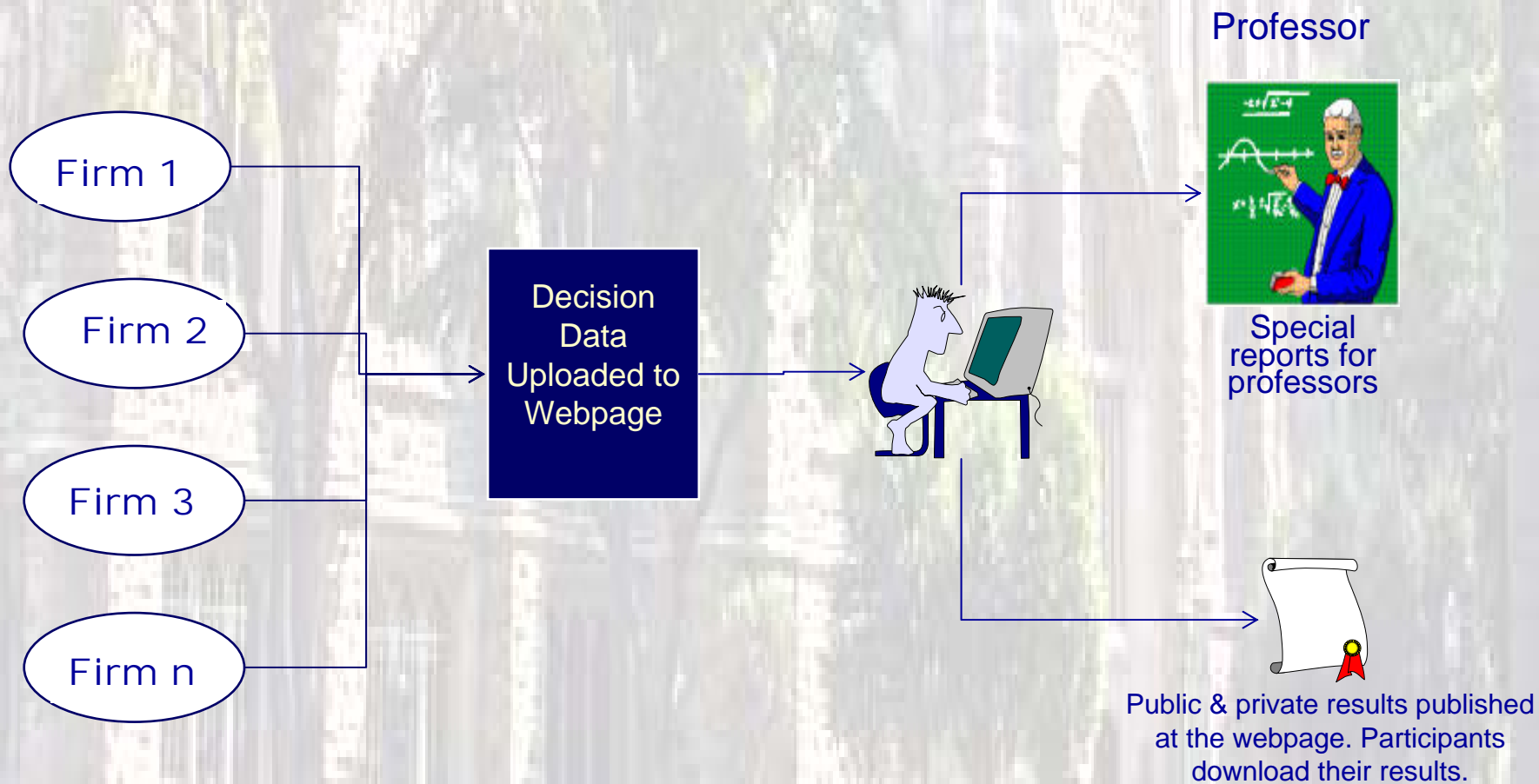


- ID + Password
- Read & study Manual
- Analyze firm's business past



LABAMS: how it works?

Laboratory of Administration and Management Simulators





LABAMS: deliverables

Laboratory of Administration and Management Simulators

Products delivered under a site licence

- Participant's manuals.
- Analysis and recommendations on how to insert Labam's simulators in a university's curricula.
- Recommended modus-operandi (frequency, depth, and sequence) .
- Nine computer programs compiled for the exclusive use of the university.
- Exclusive web page concentrating the traffic to and from simulations including URL and hosting.
- Training of faculty and staff in the use of Labams.
- Participation in international competitions.
- Two years of on-line support in the processing and interpretation of all Labams simulations.



LABAMS: licensees

Laboratory of Administration and Management Simulators



Universidad de Costa Rica
Programa de Posgrado en Administración y Dirección de Empresas



Colombia



(owned by the Laureate Corp.
Baltimore Maryland, USA) Mexico



Universidad de
Pamplona

Colombia



Bolivia



Mexico



**Unidades
Tecnológicas
de Santander
Bucaramanga**

Colombia



Mexico



Mexico



LABAMS: licensees

Laboratory of Administration and Management Simulators



Peru



Peru



Argentina



Peru



Chile



Peru



United Kingdom



Chile



CBA Business Simulation Center

Laboratory of Administration and Management Simulators at Fordham CBA

