27 - 29 November 2026 Vienna , Austria

Simulating Strategy: The Impact of Business Simulation Games on Student Decision-Making and Strategic Thinking

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Abstract

The growing complexity of the global business environment has intensified the need for graduates who can demonstrate strong decision-making and strategic thinking capabilities. However, traditional lecture-based pedagogies often fail to cultivate these higher-order competencies. This study examines the effectiveness of Business Simulation Games (BSGs) as an experiential learning tool to enhance decision-making skills among commerce students. Anchored in Herbert Simon's Decision-Making Model, the research explores how simulation-based learning supports the development of the intelligence, design, choice, and review phases of decision-making. A simulation-based methodology is implemented within a Strategic Thinking capstone course, where students engage in iterative decision-making across multiple cycles in a dynamic, risk-free environment. A triangulated data collection approach is employed, incorporating CEO reports, performance metrics, reflective essays, and tutor feedback. The study highlights the role of BSGs in fostering higher-order thinking skills, including critical thinking, problem-solving, and creativity, while simultaneously enhancing student engagement through active participation and real-world application. Expected findings suggest that sustained interaction with BSGs improves students' ability to analyse complex scenarios, make informed strategic decisions, and reflect critically on outcomes. This research contributes to the advancement of experiential learning theory and provides practical insights for curriculum innovation. It further addresses the gap between academic preparation and industry expectations by demonstrating how simulation-based pedagogy can develop future-ready graduates equipped for complex organisational environments.

Keywords: Business Simulation Games; Decision-Making Skills; Experiential Learning; Strategic Thinking; Simulation-Based Education