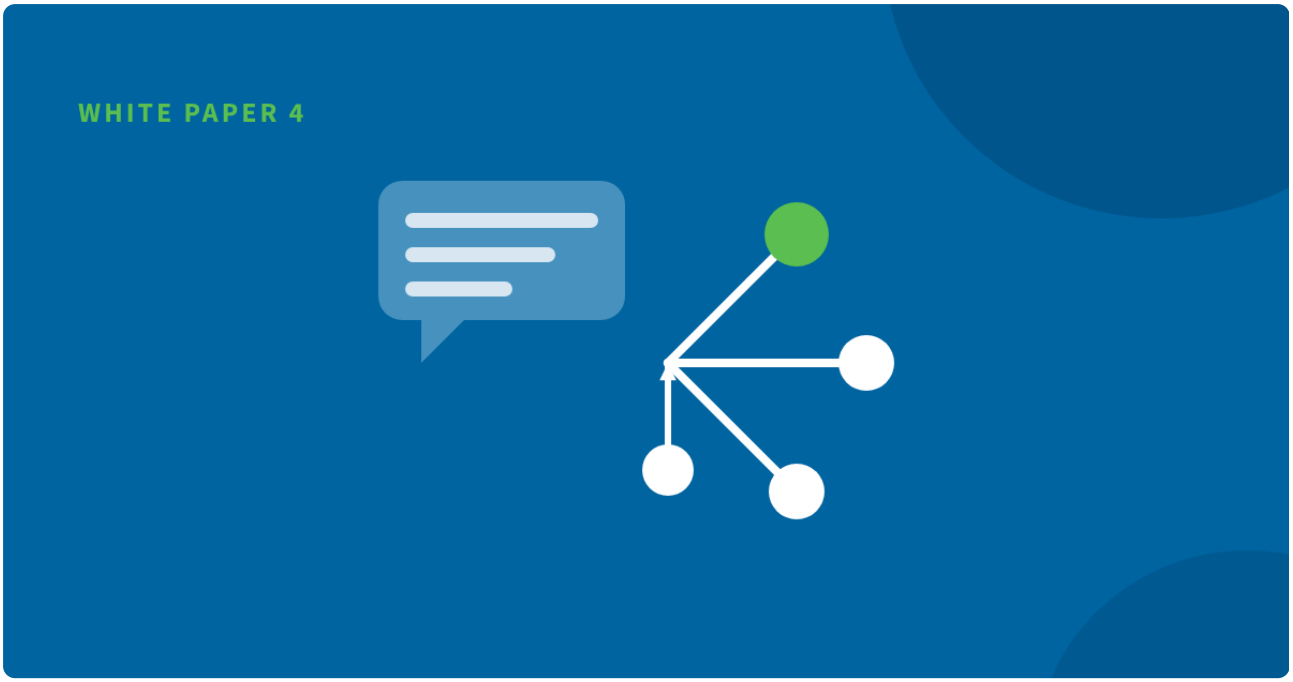
CAPSIM
UNITED KINGDOM

WHITE PAPER 4 · FOR ACADEMICS AND L&D LEADERS

Why use a business simulation? Building judgment in the age of AI

The case for simulations when answers are cheap and judgment is still earned.



> **In one sentence:** AI has made knowledge instant and essay answers easy to produce, so the skill that now sets graduates and leaders apart is judgment, and judgment is only built by deciding.

What AI changed

Generative AI can summarise a case, draft a strategy memo and explain a balance sheet in seconds. For educators, this has made many traditional assessments easy to outsource. For employers, it has made knowing the framework less valuable than knowing when, and whether, to use it.

What AI cannot do is sit in the chair. It cannot weigh a trade-off against a competitor who is moving at the same time, commit to a choice, and own the consequences next quarter. That is judgment, and it is still earned the old way: by making calls and learning from them.

Five reasons to use a simulation now

1. It builds judgment, not recall. Learners decide under uncertainty, with no obvious right answer. They practise the skill employers say graduates lack: making a sound decision with incomplete information.

2. It is hard to outsource. Results depend on live competition between teams in the same industry, so there is no answer to look up. Individual assessments add a second layer of evidence.

3. It joins up the curriculum. Marketing, finance, operations and strategy are often taught separately. A simulation forces learners to connect them, because a decision in one function shows up in all the others.

4. It makes learning visible. Every decision is recorded. Instructors and L&D teams can see how each learner reasoned, not only what the team achieved.

5. Learners engage. Competition, teamwork and visible results make learners invest in the outcome. Engagement is not the goal, but it is what makes the practice happen.

For academics: protecting assessment integrity

UK universities are rethinking assessment in response to AI. Simulations offer an authentic alternative to essays that are easy to generate:

- performance in a live competition that changes every time it runs
- individual assessments built on the learner's own results
- reflective reports that must explain specific decisions and outcomes
- peer evaluation of contribution to the team

For L&D leaders: preparing people for roles they don't hold yet

The hardest leadership transitions are from functional expert to general manager. People promoted for being the best in marketing or finance suddenly own decisions across the whole business. A simulation lets them practise that role, and lets you see how they handle it, before the promotion rather than after.

Common objections, answered

"We don't have time." Simulations replace other activities rather than adding to them. Set-up is short, and a module can run six to eight rounds across a term.

"Our learners aren't business specialists." Foundational simulations are designed for people with no business background.

"Will it fit our existing programme?" Most institutions and organisations add a simulation to a programme they already run.

Next step

See how a simulation would work in your module or programme. **Book a 30-minute demo →**

capsimuk.com/book-a-demo · hello@capsimuk.com · 020 7725 0437