THE BLUE GAME –
How to Develop Strategic Real Estate Skills in the Classroom

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The Game Origins

- Training concept ‘RealInvestor’ ® for management training in real estate – developed by Jürg Bernet at the EURO Institute of Real Estate Management in Switzerland

- Since 2008 eighteen ‘RealInvestor’ strategy games in real estate companies and at universities across Europe

- 2012 Joint-Venture between EURO Institute of Real Estate Management and Henley Business School at the University of Reading
The ‘Green Game’

- Investment strategy game for one year fulltime MSc Real Estate students as part of a wider ‘Capstone’ final term
- First Game in June 2012: ‘The Green Game’ – a group exercise – students teams take on the role of Investor or Fund Manager – Game Box for each team
- Game played over three and a half days with an ‘industry jury’ judging the final outputs
- Prizes for the winning teams
The ‘Blue Game’

• ‘Blue Game’ from 2014 – inclusion of a requirement for ‘social value’ as well as ‘green value’.

• In 2015 – 19 teams – 155 players

• New game roles – inclusion of Government for policy and regulation of economic, environmental and social values

• New communication platforms – use of ‘Facebook’ and ‘WhatsApp’ for auction bidding and tax declarations
The Skills Development

• Strategic thinking
• Game Theory – the dynamic interplay of competition and cooperation
• Managing complex relationships
• Negotiation
• Team working – roles – leadership
• Meeting deadlines
• Experiential learning
• Responsible Property Investment
The Game Setup

- Theory of Games (economic behaviour)
- Nash Equilibrium (how to solve dynamic situations)
- Allocation of game roles to teams (government positions, investment types and management styles)
- Game Box (assets, cash coins, agreement cards)
- The Value Network (team structure and business relations)
- Portfolios of real assets in the Australian office market
The Game Organisation

- Three rounds over three days (increased complexity)
- Each round supported by strategy briefing and team coaching
- Outputs from each round – reporting deadlines
- Quick feedback provided on intermediate outputs
- Introduction of new information step by step in the virtual game room (learning material, team reports)
- Simulation of unexpected market events (steering a successful game flow)
The Game Room

- Online support for players
- Key information + outputs

www.realinvestor.net
The Game Solution

• Final strategy presentations in front of industry jury
  – 15 minutes – to showcase the investors / fund managers / governments strategy
    (10 minutes presentation plus 5 minutes questions and answers)
  – Feedback and awards

• Assessment
  – Final outputs plus an element of student generated teamwork assessment
Concluding Remarks

Important component of ‘Capstone’ term

Improves capacity for strategic thinking

Develops personal transferable skills through experiential learning

Produces graduates who are up and running day one when they hit the work environment

Positive reaction from employers