

BUSINESS SIMULATION IN THE VIRTUAL ENVIRONMENT

J.I. Naujalienė¹, A.A. Mackevičius²

¹Vilniaus kolegija / University of Applied Sciences, jolita.naujaliene@uk2.net

² Vilniaus kolegija / University of Applied Sciences, a.mackevicius@ekf.viko.lt

The Bologna Process 2020 – the European Higher Education Area in the new decade - recommends focusing on the quality of higher education and upholding the highly valued diversity of our education systems. One of ten priorities for the European Higher Education Area (EHEA) for the next decade formulated in Leuven Communiqué (2009) is international openness [1]. The development of general competencies of higher education students is oriented toward adjusting to new global tendencies and challenges. It provides opportunities to move toward the aforementioned priority.

New teaching methods applied at Vilniaus kolegija/ University of Applied Sciences are directly oriented toward the student preparation for practical activities and business development, encouraging their creativity, logical and analytical thinking, finding solutions to different business problems, searching for opportunities to create and realize innovative ideas, develop initiative, responsibility, communication skills, tolerance and other competences of a vocational nature. Changing market requirements influence the change of requirements for the future specialist. In the Faculty of Economics of Vilniaus kolegija/ University of Applied Sciences traditional study methods: lectures, seminars, discussions, cognitive excursions, etc. are gradually replaced by modern teaching/learning techniques that increase the study quality. These are as follows: distance learning, business simulation in virtual environment, training practices in business simulation enterprises, video conferences and act.

A vocational training firm is a virtual company and the centre of vocational training that runs like a "real" business shaping a "real" firm's business procedures, products and services. A vocational business training firm – a company, simulating a real company's activity. It runs business in virtual environment. Its employees self-organize and perform the company's activities, seek to achieve the set goals, implement the enterprise's/company's business plans, solve current problems as well as create and gain vocational experience. Currently the global international European Pen network unifies 7800 vocational business training firms in 42 countries [2]. . The international organization European Pen was established in 1997 as a non-profit association, connecting vocational business training firms of European countries. In 2006 the association was replaced by European Pen to pay tribute to non-European countries that joined the association. Activities of the network of every national vocational business training firm is coordinated, supervised and developed by the central offices of the countries – the members of the European Pen International Association. The headquarters of the coordinating centre established in Germany coordinates the activities of the central offices of the countries. Motto of Pen International – Training at the edge of reality. Members of the international network are seeking for a common goal – to increase the quality of the international vocational business training firm network and continually adjust the vocational business training firm concept to the globalized needs of the present day companies and prepare vocational training firm trainees for the future jobs. One of the challenges is to create a framework, in which the efficiency of a self steering career development could be estimated.

The activity of the vocational business training firms in Lithuania is coordinated by the Simulith centre, which is a structural subdivision of Vilniaus kolegija/ University of Applied Sciences. The centre was established under order No. 1035 of the Ministry of Education, Science and Culture of the Republic of Lithuania adopted on September 2, 1993 along with the implementation of the common project of the Ministry of Education of Lithuania and Denmark. The key objectives of the centre are as follows: to provide students, schoolchildren and adults with opportunities to acquire practical business skills as well as social, technical and vocational skills; to coordinate the activities of the network members, to organize international fairs, to organize the participation of the network members at international events, to arrange professional development courses for the heads of firms, to encourage the establishment of vocational

business training firms in education institutions in Lithuania. The Simulith centre performs the functions directly related to vocational business training firm assistance; these include: Bank and Tax Administrator, Enterprise Register, Social Insurance Fund and Customs Office. The network of Lithuanian vocational business training firms contributes significantly to implementing the entrepreneurship development initiatives in Lithuania. Students of different education institutions have a chance to simulate business process during practices at vocational business training firms in the virtual environment. In 1993-2012 in Lithuania were established 52 such firms [3]. Four firms are operating in Vilnius kolegija/ University of Applied Sciences, two of them in the Faculty of Economics: bank and insurance enterprise simulators VIKO BANK and VIKO DRAUDA. Since 2010 during vocational training practices in these firms students gain practical knowledge how to simulate processes of the bank and insurance company performance, carry out the functions of employees and implement the company's objectives. Students are provided with opportunities to acquire practical skills and competences in sophisticated vocational training firms by using the existing information technology systems of banking and insurance BIS FORPOST and DIS.

Vocational training practice firm VIKO BANK distinguishes from other virtual enterprises by its unique services. Providing financial services to the network enterprises is considered a great challenge to students working in the bank. Banking activities are performed through information banking system BIS FORPOST, which is operating in existing banks. The students' bank organizational structure is in compliance with the requirements for the commercial bank structure specified in legal acts of the Republic of Lithuania. The Bank's Supervisory Board, Management Board and the Head who organizes activities of the bank branches are responsible for banking activities. VIKO BANK has an opportunity to simulate business and provide the network enterprises and their employees with the following services: bank account transaction administration and accounting, fixed-term deposit acceptance, credit issuing, etc. The accountability system established by BIS FORPOST allows getting any information stored in the system, which is processed and provided in an acceptable form. It's forecasted to create self-prepared statements and export data in different formats for operating office programmes (MS Word, MS Excel, MS Access, etc.), as well as HTML and TXT formats. The system user can prepare various banking day activity statements, financial statements and management reports provided to the state institutions [4].

The vocational training practice firm - insurance company VIKO DRAUDA has an opportunity to simulate business and offers the network enterprises insurance services and products. The insurance enterprise installed the information systems DIS – that were checked in practice by insurance business management instruments – a set consists of functional sub-systems related to each other and it covers all main spheres and processes of insurance activities. DIS provides a wide spectrum of statistical indicators that are needful for performing the process analysis. DIS – a unique solution with integrated important insurance business modules: insurance product creation, selling, client data management, insurance contract management, insurance contract administration, contribution payment management, banking accounts, loss administration, technical deference and reinsurance as well as client, intermediary and debtor information management. Furthermore, the security system online module DIS Sales, intended for the sales division performance of the insurance enterprise, covering all the functions of insurance sales services, was implemented. The current possibilities allow the employees of VIKO DRAUDA to provide quality services to the virtual enterprises and gain competitive advantages. VIKO DRAUDA organizational structure is in accordance with the requirements for the insurance enterprise's structure defined under legal laws of the Republic of Lithuania. VIKO DRAUDA offers its clients life and non-life insurance products, administers losses, prepares financial documents, contracts, insurance certificates, which are prepared in accordance with the existing legal laws of the Republic of Lithuania, and which provide clients with the right to insure themselves on the self-insurance website.

The activities of vocational business training firms VIKO BANK and VIKO DRAUDA are related to existing enterprises; therefore service provision to the network enterprises is closely linked to the activities of other enterprise's divisions. In these enterprises as well as in other ordinary divisions covering personnel, accounting and administration, marketing and information technologies, there operate divisions peculiar solely to banks and insurance companies. During vocational training practices students have an opportunity, considering the principle of rotation, to hold a certain post in each division.

Business simulation in the platforms of vocational business training firms VIKO BANK and VIKO DRAUDA and in the virtual business environment help to ensure high study quality. Students have a big advantage among other graduates.

Literature:

1. About The Bologna Process (2012), European Commission website, available at: http://ec.europa.eu/education/higher-education/bologna_en.htm (accessed 08 September 2012)
2. About EUROPEN-PEN INTERNATIONAL (2013), Europen-Pen International website, available at: <http://cms.europen.info/index.php?id=31&L=0%2Findex.php%3Fb%3Dhttp%3A%2Fwww.usher.co.kr%2Fdata%2Ffid%2Fone.txt%3F%3F%3F> (accessed 04 February 2013).
3. About Simulith (2013), Simulith Lithuania website, available at: http://www.sl.viko.lt/en//index.php?option=com_content&task=view&id=1&Itemid=2 (accessed 04 February 2013).
4. About Forpost (2013), Forpost website, available at: www.forbis.lt (accessed 20 February 2013).