

# Developments in Business Simulation & Experiential Exercises, Volume 14, 1987

## ABSEL - AT A CROSSROADS?

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### ABSTRACT

ABSEL is a young organization. It is in its fourteenth year, and it has grown in sophistication, if not in size. Traditionally, it has been a "low profile" organization which has served as a primary professional organization for a small group of dedicated business educators who were intent on using business simulations, games, and experiential exercises as important classroom teaching tools. There has been a recent interest in ABSEL by a number of "outside" organizations, and it is currently being recognized as a leader in computerized and non-computerized experiential learning. This paper presents some dilemmas currently confronting ABSEL which are not atypical of evolving organizations, and recommends several steps for organizational self-analysis. The authors intend to present the topic in a forum format, and at least three original ABSEL charter members have agreed to participate.

### INTRODUCTION

ABSEL was established in 1974 by a small nucleus of business educators. The first ABSEL conference was held in April, 1974 at Oklahoma Christian College and attracted approximately one hundred charter members. Bernard Keys served as ABSEL's first president [16, 1974]. ABSEL was created to encourage the association of and sharing among business educators who were developing and using business simulations, games and experiential exercises as primary teaching tools in the classroom.

ABSEL membership has remained within a steady range of between one and two hundred members over the past dozen years. Its growth has not been in size, but in sophistication and collective skill. Many ABSEL authors have branched into MIS, the quality and scope of research has advanced significantly, and a growing number are engaged in entrepreneurial endeavors and executive and management development programs. There has been an increasing recent interest in ABSEL by a number of outside groups, including the AACSB, and it is being recognized as a leader in computerized and non-computerized experiential learning [6].

It is easy to become euphoric over such developments. Yet, there appears to be some current confusion as to ABSEL's future direction. Formerly, ABSEL was concerned with simulation and experiential learning advocacy. It has done so by hosting conferences which encourage the creation and distribution of research, and simulation skills and techniques. While such endeavors are never complete, the pedagogy of the field is established and generally accepted, and it is not clear what the organization should pursue next. There are a number of opportunities available and ABSEL has the skills to pursue them. It is now appropriate for the organization to look into the future and determine its niche in the field of business education and research.

This presentation is in line with a process of self examination that has existed throughout ABSEL's history, but highlighted in 1980 by "The ABSEL State of Association Program." The authors contend that ABSEL has grown to a point where introspection is even more critical

now than previously because the environment is so complex and the future so uncertain. The organization needs to seek a way of developing a sense of perspective that "will integrate the total condition of the organization--where it has been, where it is, and where it is heading" [14J].

The remainder of this presentation will develop a theoretical perspective for self-analysis. It will identify three current dilemmas or "crossroads" facing ABSEL, and will present suggestions for resolution.

### A Theoretical Perspective and Organizational Life Cycle

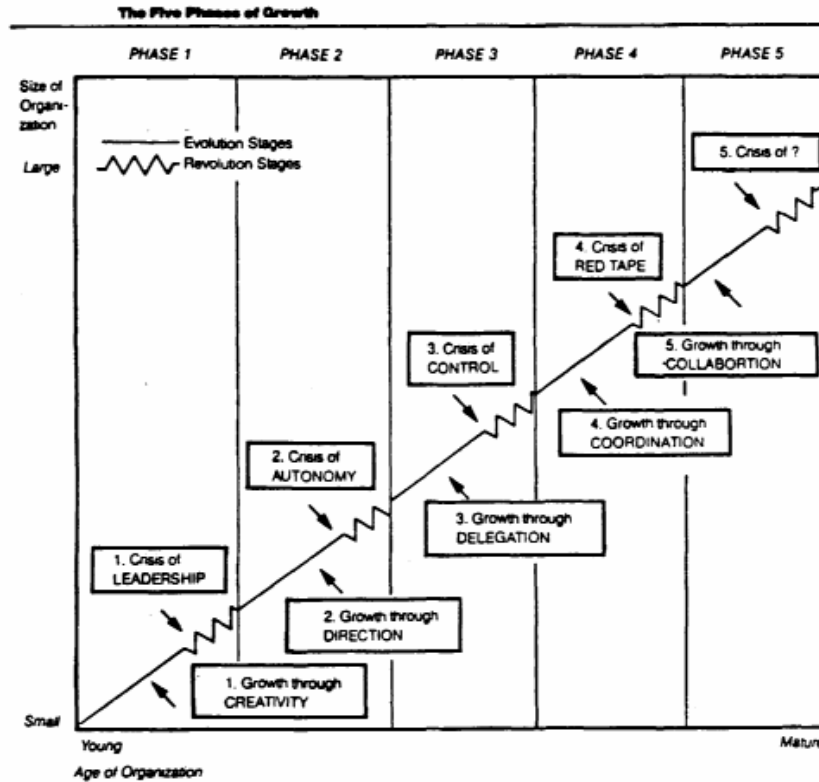
Many similarities in growth and development exist between voluntary and professional organizations and profit directed business organizations. Both may be compared on such organizational variables as age, size, goals, communication patterns, and leadership, to name a few. These variables combine and interact to define various phases in an organization's life cycle [7; 13; 15]. Figure 1 contains Creiner's life cycle model.

During the earliest phase of an organization's life, the size typically is small, communication is informal, the goal is survival, and the leader/founders usually are "technically or entrepreneurially oriented" [7]. Even if the environment presents opportunities, the organization cannot take advantage of them because it is too small and too concerned with survival. Crises experienced during an early phase may be explained to a large extent by the organizations' successes. As the organization grows both in age and in size, requisite skills become more diverse, communication becomes more formal, and survival no longer is an issue. The organization then may attend to opportunities for further growth. The creative and entrepreneurially oriented leadership may lack the skills and interests in dealing with the managerial issues created by the changes.

Creiner [7] defined five phases of evolution, prolonged and stable growth periods, and revolution, periods of substantial turmoil, in organizations. Creiner's first phase is characterized by growth through creativity resulting in a crisis of leadership, and the second phase is growth through direction resulting in a crisis of autonomy (See Figure 1).

The authors hypothesize that ABSEL currently is at the revolution stage near the end of Greiner's first phase. The crisis, however, is not one of leadership per se, but of management practice and organizational structure. Management practices which may have been effective in an earlier time or in a smaller size, may no longer work. At this point, ABSEL's survival is more or less guaranteed, and it can pay attention to potential and diverse opportunities. It appears to be timely for ABSEL to establish a formal mechanism to scrutinize all aspects of its current and future environment. Increased diversity and sophistication in the present environment places greater demands on leadership, and it becomes more difficult for the organization's leadership to take advantage of all real or potential opportunities at the same time. There also are indications that decision making, and communication within ABSEL are not as informal as they once were. It is an organization seeking

FIGURE 1  
THE ORGANIZATIONAL LIFE CYCLE



more structure and the institutionalization of management practices to deal with expanding opportunities and sophistication.

One resolution to the first developmental crisis in an organization's life cycle is professionalism. Creiner [71] recommends a strong business manager, who is skilled in the introduction of new management and business techniques. Daft [3] recommends that organizations departmentalize, develop clear goals and direction, and establish job assignments and a hierarchy of authority. Salter [151] suggests that organizations divisionalize, either functionally or according to stages of a job flow.

It is obvious that ABSEL cannot afford to hire a business manager and it is impractical to divisionalize at this time, but there are some concepts implied in the above set of suggestions which may assist ABSEL in gaining greater control over its future and its direction.

It is not for the authors of this paper to suggest precisely how ABSEL should change. A voluntary organization exists for the purpose of its members and it should change in accordance with member needs and goals. This requires maximum participation by all ABSEL members. It is important for long standing members to be involved because they know present skill levels and organization history. New members should be encouraged to participate to gain greater commitment and because they will have a fresh perspective on goals and opportunities.

A recent history of the Academy of Management [19] presents many parallels with ABSEL and also validates the use of Greiner's model. The Academy was founded in 1936 and experienced its first crises in 1948 which were: 1) determination of sound organizational policy, 2) broadening membership to include business leaders, and 3) development

and implementation of research and publication policies [19]. In 1960, the crisis was one of "professionalism" where the goal was to "develop a professionally run organization from one that had been run and based on close personal friendships" [19]. The 1960's brought decentralization through the establishment of regional divisions and the 1970's brought greater professionalism through the establishment of the professional divisions. Much can be learned from studying the history, growth and development of other professional organizations.

Three Crossroads

ABSEL currently is facing at least three crossroads. The first is the push towards professionalism of the organization and institutionalization of management practice. ABSEL's path to 1986 has been one where collegiality and informality were highly valued. This philosophy was communicated to the membership by a small band of dedicated professionals, and self-perpetuation was based not only upon success but upon successors selecting successors. This worked, and it worked well.

ABSEL currently is recognized as the dominant organization in the field of business simulation. It has a solid record of success in promoting experiential exercises and simulations in academic situations. As computers and business simulations become more entrenched in the learning environment, there will be less need to promote this pedagogy in academia. If our purpose is that goal only, the organization no longer will be needed. Searching for other opportunities will be necessary to ensure survival. The Academy of Management used a constitution committee during its 1948 "crisis" to redefine its purpose and to put into writing its policies, procedures and management practices [19]. This is a suggestion offered to ABSEL at the present time.

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The second crossroad is determining a theoretical and conceptual base for what the organization does. A recent analysis of ABSEL conference papers [8] indicates two trend shifts in research interests by ABSEL members. The first trend is a move away from research and interest in experiential exercises and a growing interest in business simulation particularly those using computers. Between 1978 and 1980, experiential exercise papers presented at ABSEL meetings outnumbered business simulation papers. Since 1981 there has been even a sharper decline in experiential exercise papers and in 1985 only ten such papers were represented [8].

A second trend noted began in 1982 when a "small but significant" change occurred in the types of papers prepared for ABSEL. Beginning that year approximately ten papers each year have been devoted to pedagogy and instructional matters "containing no direct relevance to business simulation or experiential exercises" [8].

Where are the traditional ABSEL-type research efforts being channeled? There is some evidence that interest groups are emerging in several national and regional professional organizations other than ABSEL. For example the Eastern Academy of Management has a very active experiential learning subgroup which has been very instrumental in promoting research and development of experiential exercises. This subgroup has experienced a small but noticeable trend towards research and development in computerized business simulations over the past two years [4].

The implication of the foregoing trend shifts indicates the need for ABSEL to not only redefine its purpose, but to define a theory of learning for what it purports to do and hopes to do in the future. In doing so, it may also define its scope. A recommendation in Goosen's [8] analysis was "major problems requiring serious research attention should be identified. Research in a given area should not be attempted unless the problem can be phrased in form capable of being answered" (p. 101). This is impossible to accomplish without the formulation of a strong theoretical and conceptual basis for learning as envisioned and promoted by ABSEL. A body of research without a firm theoretical underpinning is a house built without a foundation. Theory is not magic nor mystical, but it will assist in assuring that the organization may gradually develop the prestige and aggregate abilities needed to accomplish its goals and objectives. The future road of ABSEL will be complex, but it need not be complicated. The development of a sound theoretical foundation for what ABSEL does or will do is the responsibility of ABSEL leadership and should be undertaken either collectively and spontaneously or by assignment.

The final ABSEL crossroad presented here follows from the second--defining a new direction through strategic planning. Throughout this discussion, ABSEL has been treated as an organization coping with a changing environment to become or remain maximally effective. It has been implied, perhaps not so subtly, that ABSEL could become ineffective or even atrophy if it does not adapt to its changing environment.

Strategy is a concept which best captures the match that an organization achieves with its environment [9]. Strategy represents the fundamental pattern of present and planned interactions which indicate how an organization will achieve its objectives, and involves the match between the organizations' resources and skills, the environmental opportunities and risks, and the purposes the organization wishes to face [9]. This is an important concept for any organization, and every organization has "some" strategy,

even if it is not explicit. Strategy, however, should be managed, and not left to chance. Research indicates that strategic planning is beneficial. In a review of fifteen studies, Armstrong [1] found that companies engaging in formal long-range strategic planning were superior to those who planned informally in twelve of the studies and inferior in only two.

ABSEL's past informal year-to-year "shirt sleeve" planning worked and it worked well. This type of planning may be inappropriate for defining and seizing future opportunities. Strategic planning forces the process of self-analysis. It is in the strategic thinking process that the organization can assess where it has been, where it is, and where it intends to go in the future.

Strategic planning models do not differ widely. Table 1 represents the collective ideas of several strategic management authors [5; 9; 12; 17; 18]. It is not incumbent that ABSEL undertake each step in the process. These ideas are presented here to stimulate its use. An assessment however, far beyond that undertaken in this discussion is recommended to ABSEL leadership. The analysis at a minimum should include past ABSEL behavioral patterns, present resources, environmental opportunities and threats, identification of strategic alternatives and methods of implementing these alternatives.

TABLE 1

### A STRATEGIC MANAGEMENT PLANNING MODEL

1. Goal Formulation. Identification of goals from the most general to the specific.
2. Assessment of Current Situation. Inclusion of current strategy identification, analysis of current trends and past performance, and current stakeholder expectations.
3. Environmental Analysis. Identification of major opportunities and threats including societal obligations; assessing the present and forecasting trends.
4. Internal Analysis. An assessment of skills and resources, strengths, weaknesses and values including forecasting trends.
5. Gap Analysis. A comparison of objectives, strategies and resources against environmental opportunities and threats to determine the extent of change required in current strategies.
6. Generation of Strategic Alternatives.
7. Strategic Evaluation. Evaluation of strategic options in terms of social, political, and societal forces. Identification of the alternative which best satisfies all demands.
8. Strategic Choice.
9. Implementation of Strategy. The development of specific policies, the design of an appropriate structure, deployment of resources, assignment of persons to necessary tasks, establishment of ways to motivate individuals, leadership, control systems, and information networks.

This discussion described several crossroad points currently facing ABSEL. It strongly recommends that ABSEL leadership and membership engage in a process of organizational self-analysis which includes the following steps at a minimum.

1. Systematic insight and understanding of ABSEL's evolution from its beginning to its present state. This should be encouraged through papers such as this one and through open forums at annual meetings. The resources of charter members and former members should not be overlooked in this process.

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2. Analysis of its present condition and hoped for future. This may be accomplished by seeking member input and input from interested parties through the use of survey feedback methods [11]. This method has its roots in the social sciences and is used extensively in planned organizational change. This method involves information collection from appropriate audiences, summarization and interpretation of the data, and decision making based upon the interpreted results. Data is usually fed back to an interlocking set of groups, each dealing with a different phase of the organization, but each containing some overlap in membership composition. Examination of the data leads to action planning in response to the issues raised by the data. It is recommended that ABSEL engage in some initial survey feedback of its membership and interested groups or persons.

In addition to developing feelings of membership involvement, the survey feedback method improves accuracy of internal communication, increases the upward influence of members, and aids in problem solving behaviors. This, in turn, according to Miles et. al. [11], increases the organization's ability to cope adequately over time.

3. Development of a theory of experiential learning for present analysis and future development. It is recognized that this is not a new issue. However, a keynote presentation on a theory of "computerized" learning at the 1986 ABSEL meeting created some uneasiness among ABSEL members. Learning theories should emanate from professional educators rather than an exercise of our "chasing after" theory. This should be an organizational undertaking with full support.

4. Strategic planning for future direction. The case already has been made for the importance of strategic planning. An organization composed of a large number of "strategy" professors has the ability and capability of engaging in a highly sophisticated form of strategic self-analysis. To say more would be redundant.

### Concluding Remarks

Machiavelli [10] said that more kingdoms were lost by success and good fortune than by villainy and plunder. ABSEL is a successful organization and it is growing in recognition. This is not a time to rejoice in past successes, but to plan for the future. The goal of this discussion was critical analysis without offering criticism. Tradition does not die easy--it provides stability and comfort, but tradition by itself does not advance the professionalism of an organization. Inaction leads to stagnation and eventual demise. Increased recent recognition is a good omen for ABSEL. It should be seized, but it should also be perceived as an indication of some hard self-analysis to determine future direction and opportunities.

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