

Developments In Business Simulation & Experiential Exercises, Volume 17, 1990

CASES: REAL ORGANIZATIONS IN REAL TIME IN THE CLASSROOM

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ABSTRACT

An innovative and exciting approach to the case methodology, aimed at bringing real and ongoing organizational issues directly into the students' hands, is presented in this paper. "Live data", in the form of videotaped interviews, direct CEO contact, raw financial information, and other available internal/external information, covering all areas of the business, are presented to students for analysis. Strengths and weaknesses of the Integrated Case methodology are discussed and would-be users of the approach are cautioned. Though the educational benefits are substantial, the effort required to orchestrate the process are significant and should not be discounted.

Background

Wilfrid Laurier University, located in Southern Ontario, has a School of Business and Economics, which graduates approximately 350 four-year honours business students annually. Both the students and the program are considered by to be of high quality. The minimum high school admission average in 1989 was 83% and virtually all graduating students desiring employment are successful placed each year prior to graduation (source: W.L.U. Registrar's Office and Placement and Career Services).

The School subscribes to a "general management" perspective and the program aims to graduate flexible and capable managers who can think in a systematic and integrative manner about all functional areas of an organization. The School relies quite heavily on the case methodology (Matejka & Cosse, 1981) because this method enables professors to bring real organizations and issues into the classroom.

Cases provide students with a rich exposure to managerial work, problem finding decision-making and problem solving that are simply not possible through lectures or organizational vignettes. Through cases it is possible to foster the development of vision, integration across functional areas, the management of people, the development of communication skills, and attention to the external environment. As such, the case method potentially can assist in addressing many of the curriculum concerns voiced by Porter and McKibbin (1988), in their landmark study of management education.

During the first year of the business program, students are exposed to general principles of management and business organization plus economics, mathematics and computing. In the second year, the program is directed towards accounting, law, economics, computing and statistical methods. The general management course develops behavioral skills important to management and attempts to integrate the perspectives presented in the other required courses.

In year three, the program is focused upon four business

disciplines: organizational behaviour, marketing, finance, and production/operations management (students interested in accounting pursue advanced accounting courses). Towards the end of the third year, students' depth of understanding in these core disciplines (plus accounting! control), is challenged through the use of a week long exercise that requires the integration of all functional areas (Integrated Case).

The purpose of Integrated Case is to reinforce the interdependence of the core disciplines. Integrated Case is typically a business policy case, which has substantial detail in each of the functional areas. As such, the case cannot be adequately addressed without attending to the simultaneous integration of all areas.

In the fourth year, this concept of integration is continued through a two term, required course in policy. During this final year, students have much more flexibility in choosing electives which fit their personal interests. Throughout the whole of the honours undergraduate program, there is also a strong commitment to ensuring that students receive a liberal arts education through their non-business electives.

The Integrated Case Process

The compulsory Integrated Case is held at the end of the last term of the third year. During this week all required third year business classes are cancelled and students work on the project in randomly selected teams. The purpose of the project is to help students develop analytical, integrative, action planning skills. It is also the intent of the process to develop student skills in such areas as work organization, interpersonal relations, and the management of groups.

On Monday morning, the students are given the case and briefed thoroughly on rules, schedules, and other details. For the rest of the week students work as teams to analyze and resolve the issues! questions raised in the case. Thursday at 4:00 p.m., student teams submit 3 copies of a report (7 pages, plus exhibits). Overnight, each Internal Board consisting of four faculty members and one senior student, evaluates the submissions of the student teams they will be assessing. There are normally 5 Internal Boards, each responsible for six student groups.

On Friday morning students formally present their reports, as per a published schedule, to their respective Internal Boards. Each Internal Board then evaluates the reports/presentations and selects the best overall team from the six groups they have reviewed. The 5 chosen 'winners' from the Internal Boards make a second presentation to an External Board of Directors in the afternoon. The External Board consists of senior corporate or industry representatives. This Board selects an overall winning team, which is crowned the Integrated Case winner Friday evening at a semiformal dinner-dance (sponsored and organized by the students). Case presentations are videotaped and faculty debriefs teams in the week following the exercise.

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Since 1976 there have been two approaches used in selecting Integrated Cases. The most common method is the purchase of an "off-the-shelf" case from a case clearing house. The major advantage to this type of case is that it has already been tested in a classroom situation, teaching notes have been written, and most flaws in the case have been eliminated. A major disadvantage is testing and debugging take time and this reduces both the currency and the relevance of the case from the students' perspective. A case which is perceived by the students to be current and topical will significantly enhance the students' commitment to the case process.

The second approach is to use a case, which has been written specifically for the Integrated Case exercise. This approach requires considerable effort on the part of the organizers and case writers. A major shortcoming is the lack of time or opportunity to fully test the suitability and completeness of the case (including teaching notes). Although the cases are current, relevant and complex they tend to receive tempered criticism from both faculty and students because of the presence of flaws that classroom testing would have eliminated.

While neither method of case selection produces ideal results, we believe the Integrated Case experience provides a valuable teaching approach. The method allows third year students to look at a business situation from a multidisciplinary point of view. In addition, students must deal with real interpersonal issues and time pressures as they strive to analyze the case and to prepare and present their reports. Both written and oral communication skills are evaluated and debriefed. The interpersonal dynamics that occurred in the teams are also reviewed and discussed with the students.

Various approaches to team construction has been used over the years, including student areas of interest, gender, and self selection by students. We have come to believe that the best method for group formation is random selection. Major advantages of this method lie in the integration of students from different sections (i.e., the teamwork problems are intensified) and the reduction in favoritism complaints concerning team design,

The Consulting Case

An opportunity for a new approach to case teaching occurred in 1988. The President of Amdahl, Canada (a large, multinational computer *firm*) asked to be involved in a third year marketing course. Students were given an information package on the company and its markets for analysis and recommendations. The package contained material on the background of the company, recent articles on the firm, product line descriptions, industry position, financial statements, and problem situation. What was unique about this package relative to standard cases was that it contained a great deal of current information in roughly the same form that it would be found in an organization (i.e., ambiguous, voluminous, incomplete, politically biased).

Information packages were given to student groups one week in advance of their required submission of a two page executive summary of their analysis and recommendations. Marketing professors evaluated the executive summaries and selected teams presented their reports (with all students

present) to the President and the Vice Presidents of Amdahl. The Boards primary task was to review and respond to the presentations and select a winner (Amdahl donated generous prizes). The role of the Amdahl executive, combined with immediacy of the data served to arouse student interest and energy. Faculty and Board feedback to students, combined with the discussion that took place between the audience and Board concerning the presentations, further enhanced student learning.

Moving the Amdahl Experience to Integrated Case

The success of the Amdahl experience caused the authors to consider extending the methodology to the Integrated Case exercise. Each year a number of companies are eager to cooperate in the development of the Integrated Case. Domino's Pizza wanted to participate and was chosen for the Spring 1989 Integrated Case. Its selection was based upon the complexity of the problems facing the local franchisee (owned 7 stores in 3 cities) the willingness of the franchisee to make confidential organizational data fully available, the support of Dominos Canada, and probable intrinsic student interest in the case.

A team of business faculty from each functional area investigated Mr. Nevins' situation and discovered that the issues were rich, complex, and, cut across all functional areas. In other words, initial investigations reinforced the belief that Domino's would provide an excellent Integrated Case. In addition, it became clear that the local franchisees future success was dependent upon his capacity to act quickly upon the issues facing him. This was a real business situation that needed the immediate attention of individuals who were adept in all business functional areas, could apply a general management perspective, and could develop a well rounded, thoughtful set of recommendations.

METHODOLOGY

Students were randomly placed in teams of 5 and briefed Monday morning on the process. During the briefing the following issues were covered:

- a) groups were to adopt the role of consultants, addressing the situation from the proprietor's perspective,
- b) the information provided, though considerable, was not sufficient to adequately address the situation (i.e., they would be expected to pursue secondary data sources, etc.),
- c) time schedules were clearly established with reports due Thursday at 4 p.m., presentations to commence Friday am.
- d) the method of evaluation was explained (50% for the report, 50% for the half hour presentation, adjusted for peer evaluation). This mark would become 10% of the grade for each of the 4 required business courses,
- e) report and presentation requirements were established,
- f) general information based on experience of previous Integrated Cases was shared.

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At this time, the students also received the Dominos case package. As much as possible, the information was presented in the same state a consultant would find it in. For example, financial data were photocopied directly from corporate records. Information provided included:

- a) an initial position or problem statement (as seen by Mr. Nevins),
- b) the financial statements for all 7 outlets over the last 7 years, plus financial statements for typical high and low performing Domino's franchisees,
- c) general articles and a previously written case on Dominos,
- d) franchise agreements with Domino's and the company's training manuals were placed in the library's reserve room,
- e) uncut videotaped interviews between faculty and key local franchise employees (including the franchise owner). These conveyed a rich sense of the operation, prevailing attitudes, beliefs, actions, and culture,
- f) Dominoes training films (12 in all), ranging from dough making to marketing,

In addition to the above information, a two-hour open forum was held between Mr. Nevins and team representatives on Thursday morning. This activity provided a particularly rich learning experience, since the owner held nothing back regarding his operation or his attitudes towards it. From the students' perspective this meeting caused some difficulties. If they received dissonant information, should they attempt to radically change their report or simply ignore the new data? There was just sufficient time to make alterations, if they chose to do so.

Students were urged to conduct any research deemed appropriate, but they were asked to reference all sources. The only restriction was that they were asked not to interview employees at the 7 Domino's outlets under discussion. Any other franchise or pizza outlet could be contacted. It was hoped that this would disperse student inquiries over a larger geographic area and allow the 7 involved outlets to continue functioning with minimal disruptions during the week.

In effect, students were presented with an overload of timely information, some of which was of questionable relevance. This addressed three of the objectives of the exercise. One was to demonstrate the necessity for effective and efficient team and time management. The second objective was to encourage students to be creative in their pursuit of primary and secondary research sources. The third objective was to make the case as realistic as possible for the students, while allowing the outlets to continue functioning.

RESULTS

When the organizers decided to pursue the above approach, it was felt that it would be either very successful or a complete disaster. Fortunately it was considered to be extremely successful by all participating bodies.

During the week, students labored diligently around the clock. Most teams worked well in this competitive environment, using members' strengths to produce the best team result. According to student peer evaluations, only 6 of the 23 participating teams experienced dysfunctional dissent within their groups. Two teams experienced project management conflicts intense enough to require some faculty guidance to resolve. However, even in these latter groups, the process was perceived to be a particularly powerful learning experience.

Members of both the Internal and External Boards were impressed with the analyses, recommendations and presentations. The urgency of the issues, combined with the realization that they would potentially be presenting to executives directly involved with the case, obviously had an arousal effect on the students. The depth of analysis, the sophistication of the recommendations, and the degree of integration of functional areas was stronger than that generally experienced by faculty in processes such as this.

The External Board consisted of four people; Mr. Nevins, Domino's Canadian president, Domino's Western Canada supervisor, and the president of another fast food franchise company. This board saw the presentations of teams selected by the Internal Boards and made the selection of the overall winning team. The only External Board member who expressed some dissatisfaction was Mr. Nevins. It hurts to be told that you're not doing things perfectly. However, after further discussion, Mr. Nevins recognized the need for change and has subsequently acted upon student recommendations deemed most appropriate (e.g., the consolidation of operations through the sale of some of his outlets).

Students were surveyed and debriefed concerning their reactions to the case. Table 1 reports on 8 selected measures of Integrated Case performance. As can be seen, observations were consistently strong for all measures (mean scores >4 on all but 1 of the 5 pt. Likert scales). Student believed the experience help to develop their capacity to work well under pressure. They felt Board members were well prepared, interested, and asked challenging questions. Students perceived high value emanating from the experience in the form of business know- ledge, knowledge of cooperation/teamwork, self- awareness, and the value of integrated approaches to thinking, problem finding and problem solving. Finally, they felt it helped to develop their formal and informal communication skills (see Table 1).

In addition to the above measures, students were also asked to comment on the most positive and the most negative features of this year's Integrated Case. As can be seen in Tables 1 and 2, the positive features tended to highlight the intended design factors. The negative features focused upon the concerns that one would expect to encounter in a teaching approach such as this (e.g., grading inconsistencies across Boards, insufficient library information, equipment and facility access difficulties, pressure, and intergroup conflict). It should be noted that positive comments outnumbered negative ones by a ratio of 2 to 1. Student responses to questionnaires were voluntary and anonymous, with a response rate of .98%.

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TABLE 1
STUDENT SURVEY RESPONSES TO INTEGRATED CASE

Developed integration skills	4.1
New industrial knowledge	4.6
Enhanced teamwork skills	4.8
Developed presentation skills	4.1
Enhanced capacity to work well under pressure	4.5
Overall, Integrated Case well worth the effort	4.6
Integrated Case more valuable than classes	4.8
Boards were well prepared	4.1
Faculty asked fair, challenging questions	3.8
Faculty were interested in presentations	4.1
Group selection preferences: self select	8%
random assignment	84.7%
no preference	7.3%

EXHIBIT 2
STUDENT COMMENTS ON 1989 S INTEGRATED CASE

The Best Features:

1. Working in a group with new people/teamwork (45.5%)
2. Covering current issues applicable to the students (19.6%)
3. The real-life case and situation created for the student (16.1%)
4. The challenge, pressure and the time constraints (10.7%)
5. Applying the theory of the four courses to solve a problem (4.5%)
6. Gaining hands-on experience and learning to do research (3.5%)

The Worst Features

- 1) Unfairness and/or inconsistencies of the different Boards regarding questions and allocation of marks (30.2%)
- 2) Interview with ~r. Nevins should have been sooner and should have replaced the videos (28.3%)
- 3) Insufficient information in the library, access to rooms, and limited computers and printers. Not being able to visit local franchises or interview employees (15.1%)
- 4) Low mark weighting for a lot of effort (11.3%)
- 5) Intergroup conflicts and the method by which groups were assigned (11.3%)
- 6) Time constraints, lack of sleep, and stress (3.8)

Achievements

With this new Integrated Case, the organizers have accomplished the following:

- a) provided students with the opportunity to work as a team in a pressured environment, not unlike conditions they will encounter in the work place,
- b) created a situation in which student teams take a general

management perspective and address problems using an interdisciplinary approach,

- c) gave students an opportunity to enhance their written and oral communication skills. All sessions were videotaped and each team debriefed in detail on both their performance and their experiences with the process,
- d) in sorting through information, students had to learn to discern between relevant information and nice-to-know information. In addition, the insufficiencies of the prepackaged information required students to exercise research skills and their creative intellect,
- e) exposed students to a memorable, action oriented, live business situation whose operation the students could potentially affect through their efforts,
- f) exposed students to a different educational experience. Up until this point, they had received their education in neat, digestible portions (via textbooks, lectures, cases, and simulations).

CONCLUSIONS

Integrated Case is clearly a departure from the standard case methodology. It moves the students' learning experience significantly closer to the realities of business decision-making in a memorable, involving manner. Students have responded with enthusiasm, energy, effort, and satisfaction.

From the Business School's perspective, the objectives achieved through this years Integrated Case reinforce our educational philosophy and help us to begin to address some of the concerns raised by Porter and McKibbin (1988) - the development of vision, integration across functional areas, the management of people, the development of communication skills, attention to the external environment, interaction with the business community, attention to the real world of business and the realities of managerial work. A major benefit is the closer tie developed between industry and academia as the result of the experience.

Integrated Case is an approach that we recommend be replicated, but organizations that pursue it should do so with their eyes open. The time commitments are significant, Integrated Case companies have to understand exactly what they are getting into, one's tolerance for ambiguity must be high, and ~t must be carefully organized with a view to managing student expectations (including norms of acceptable behavior and competition) , as well as the administrative details.

REFERENCES

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