TOWARD A THEORY OF TEACHING BUSINESS POLICY

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ABSTRACT

A model is developed for thinking about and researching the relative effectiveness of various pedagogies for teaching business policy. The model begins with the determination of course purpose. Specific learning objectives which support these purposes are then established. Determination of appropriate pedagogy stems directly from the course objectives. The actual choice of pedagogy is influenced by the physical and professional constraints of the larger system, the learning styles of both the instructor and the student, and the role behavior of the instructor. The model can be used to generate more focused research which will result in comparability between studies.

INTRODUCTION

All business schools accredited by AACSB, as well as those who use AACSB standards as a model, offer a business policy course as some type of capstone to their curriculum. There seems to be some uniformity in the descriptions of these courses 1221, but there is little uniformity in the way in which the courses are taught. Instead, teachers of business policy have used a variety of teaching methodologies: oral presentations by practicing businessmen, formal cases, critical incidents, role playing, the management game or simulation, and field projects.

Little research has been generated, however, to investigate the relative effectiveness of these pedagogies. The majority of the studies have compared the more traditional case study method to the simulation or game method of teaching business policy. An examination of Table 1 reveals that there has been little consistency in the combination of pedagogies used, the measures of effectiveness incorporated, or the results obtained.

The studies focus on teaching methods with little attention given to what the course is attempting to (or should) accomplish. It is not surprising, then that the findings are mixed. We do not know which pedagogy is most effective for teaching business policy. Furthermore, we feel that we will never know until we apply more theoretical rigor to our empirical studies of pedagogy. One way to approach the task is to take a systems view.

Most of us teach some systems concepts, but few of us use systems-thinking when choosing and evaluating pedagogies. Let's look briefly at the "system" of teaching business policy. Pedagogy is only one of the component parts, but can we determine teaching methods without first determining the objectives of the

TABLE 1
STUDIES OF PEDAGOGICAL EFFECTIVENESS IN BUSINESS POLICY

Study	Pedagogies	Effectiveness Measures	Findings
McKenney [13]	Case Case & game	Case examination on two planning concepts.	Management game more effective for teaching planning concepts.
Raia [15]	Case & readings Simple game & case Complex game & case	Content analysis of short business cases and comprehensive examination with special emphasis on break-even analysis and forecasting.	Games and cases combined, regardless of complexity of game, produced highest knowledge levels.
Wolfe & Guth [26]	Case & game Case	Pre/post essay examinations measuring knowledge of business policy concepts	Neither group improved their fact-mastery, while the combined game and case group was more effective in improving concept knowledge.
Wolfe [24]	Game & experiential exercises Case & game	Pre/post essay examinations measuring knowledge of business policy concepts.	Game and case section increased its level of overall knowledge and principle mastery, while the experiential group showed no improvement.
Wolfe [25]	Game	Critical incident technique used to record effective and ineffective behaviors.	Effective teams employed a flexible and wide range of responses to problems; rigorous analysis was of minor importance to success.
Wolfe [21]	Complex game Intermediate game Simple game	Pre/post essay examinations measuring knowledge of business policy concepts	Complex game superior for both factual and conceptual knowledge. Intermediate game taught least.

course itself? We will suggest that, given the objectives of the business policy course, certain pedagogies may emerge as more effective in reaching some objectives than others. Similarly, can we determine the desired specific end results (objectives) without first considering the general notion of why the course exists (purpose)? We propose that various definitions of business policy may result in different sets of course objectives.

The interrelationships of the components of teaching business policy--purpose, objectives, and pedagogy- should also be examined, especially in the context of the environment within which the course is taught. The effects of the environment are most often seen in the form of constraints on the potential effectiveness of a given pedagogy.

The purpose of this paper is to develop a model for thinking about and researching the relative effectiveness of various pedagogies for teaching business policy. Only after such a theory has been developed can systematic arid meaningful research studies be designed. The underlying premise of the model is that there is no "one best way" to teach business policy. Instead, the appropriate teaching methodology "depends". The question then becomes: Upon what doss the appropriate pedagogy depend? The model developed herein is an attempt to begin to answer that question.

Let us begin by looking more carefully at the system for teaching business policy, the major components of which are purpose, objectives, and pedagogy of the course.

OBJECTIVES

Before we can decide how the business policy course should be taught, it makes sense to decide what one is attempting to accomplish, i.e., the objectives of the course. Snow [19] admitted that developing operational objectives for the business policy course is not an easy task, but until these objectives are known, efforts to evaluate different pedagogical methodologies are premature. He goes on to Suggest that the thrust of recent research has been on "how" to teach the course rather than on "what" to teach. Researchers have been more concerned with the methods of teaching than with the objectives of the course itself. To date, there has been little agreement on what these objectives should be. Wolfe, too, recognized 1221 that specifying what should be taught, for what reasons, and with what outcomes would help clarify the research in the teaching of business policy.

Many objectives have been noted as appropriate for the capstone course. Rather than attempt to list these here, perhaps it would be better to categorize them. According to Anderson and Woodhouse [1] three general categories of objectives tend to emerge from the literature: 1) the acquisition of knowledge, 2) the development of attitudes, and 3) the development of skills, all relevant to the general management of an organization. It should be noted that these three categories are different in kind, not just different in degree. Therefore, each must be examined differently.

Knowledge focuses on new knowledge, not the repeating of what should have been learned previous to the capstone course. Generally, this new knowledge would focus on the concepts of strategy and policy, the importance of proper implementation of strategy and policy, and in some cases, knowledge about the relationships between the organization and its environment, as well as the interrelatedness of the subsystems of the organization.

Attitude development involves learning to look at the organization through the eyes of a generalist rather than a specialist. Many objectives focus on the development of attitudes which align with the general manager-type decision maker (who is pragmatic, results oriented, realistic, and able to make decisions under conditions of uncertainty and ambiguity). One of the objectives might be to shift the learner's attitude away from what has been acceptable in the sterility of the classroom to that which is required in the world of business, as Wallace 120] would say, to "decollege."

The skills category stresses the use of principles and concepts already learned, and attempts to develop a degree of skill in the application of knowledge. Learning is reinforced through the practice of these skills. There is a critical difference between knowledge and skills. Knowledge is the result of acquisition of information. Skills are the effective use of this knowledge for making intelligent, reasoned managerial decisions.

Most objectives cited for the business policy course fit one or more of these categories. There may, however, be a step which precedes the statement of course objectives: a determination of our purpose in teaching the course. It is not surprising that there is little consistency in Objectives, when there is really no agreement on the purpose of the business policy course.

PURPOSE

Essentially, purpose refers to mission. In this case, why is the course included in the curriculum? To answer this question, several alternatives need to be considered.

The first is whether the purpose of the course is to teach students new theoretical concepts (e.g., strategy and policy formulation and administration) or whether the course is to be a vehicle which allows students to pull together and to apply those concepts they have already learned (e.g., finance, marketing, production, management).

The early phase of business policy presumed that no unique theories for strategy formulation existed or were needed [11]. According to Gordon and Howell:

> The capstone of the core curriculum should be a course in 'business policy' which will give students an opportunity to pull together what they have learned in the separate business fields and utilize this knowledge in the analysis of complex business problems [7, p. 206].

Schendel and Hatten observed in 1972 117] that business policy was generally thought of as only a course, not as a field of study with substance of its own. It is only very recently that strategy has been explicitly recognized as a central concept to business success and thus something to be studied and managed 118]. One now finds a number of textbooks available which are devoted entirely to the theory of policy and strategy.

Another aspect of the determination of purpose is the degree of generalizability or specificity desired. Is the thrust of the course to learn specific approaches to specific problems, or is the purpose to learn how to learn? Will the course be designed to

develop problem-solving and decision-making skills or will it be designed to develop skills of problem- and opportunity-finding [12]? House 181 reports that both the Ford and Carnegie Foundations have criticized business schools for teaching information that is specific rather than generalizable; business schools may be teaching information likely to be obsolete a short time after it is taught.

The purpose of the course, then, is the starting point. Different purposes may well lead to different objectives.

PURPOSE-OBJECTIVE RELATIONSHIP

Purpose has an impact on determining which objectives are appropriate for the course. If the purpose of the course is theoretical, objectives of knowledge acquisition are probably most relevant. That is, the course would be developed along more traditional lines. In this case, skill and attitude development would be of lesser importance. Conversely, if the purpose is more pragmatic or applied, skill and attitude development would be more appropriate objectives.

Once objectives are determined, within the context of the purpose, attention may be directed toward evaluation of alternative pedagogies.

PEDAGOGY

While there are countless approaches which can and have been used in the policy course, the focus here will be limited to three: lecture, cases, and simulation. The lecture method is included because of its traditional role in the educational process; the case method and simulation are most prominent in the research on teaching policy.

OBJECTIVE- PEDAGOGY RELATIONSHIP

Studies, for the most part, have only alluded to the relationship between objectives and pedagogy. In most, there is less than adequate attention given to objectives, i.e., readers cannot determine what the expected results were. It is true that each study showed some "findings", but, in the absence of explicitly stated objectives, generalizability becomes problematic.

The bottom line in teaching Is effectiveness, that is, does a given pedagogy produce the desired end results? Attention to pedagogy, to the exclusion of objectives, leaves us unable to address the important issue of effectiveness.

The research to date, by ignoring objectives, has some major flaws. The research designs generally are not conceptually rigorous, the conclusions lack conviction, and the comparability of studies is virtually impossible. There are, however, some general conclusions which can be drawn about the relationships between various pedagogies and learning objectives (Table 2).

Randolph and Posner [16] indicate that simulation is an effective means of skill development, while Dooley and Skinner 16] suggest the same for the case method. On the other hand, the relative strength of the lecture method appears to be in disseminating knowledge or facts, While studies in business policy have explored the subject of knowledge acquisition [15, 26], the comparison has only been between cases and simulation.

TABLE 2
RELATIONSHIPS OF OBJECTIVES AND PEDAGOGIES

	KNOWLEDGE	ATTITUDE	SKILL
LECTURE	Strong [16, 2]	Weak-Medium	Weak
CASE	Weak-Medium [6]	Strong [6]	Medium [6] .
SIMULATION	Weak-Medium	Weak-Medium	Strong [16, 2]

Not all of the relationships are supported by research; some would seem to be supported simply by reason. For example, we suggest that the relationship between lecture and skill objectives is weak. If skills are usually increased by actively performing a task, and since lectures require only passivity, it is unlikely that the lecture approach will increase performance skills.

Relationships between pedagogies and objectives cannot be captured completely, however, in a two- dimensional matrix. Variability can be found within each pedagogical type. For example, Dooley and Skinner noted that: "There are as many varieties of the case method as there are practitioners" [6, p. 277]. The same is undoubtedly true of simulations and lectures. Nevertheless, frameworks such as the one presented here have value in providing a starting point for examining the probable relationships between objectives and pedagogy.

Thus far, we have proposed a rational and logical approach to the capstone course: 1) determine the purpose the course is to serve, 2) establish objectives such that the purpose can be realized, and 3) match the pedagogy to the objectives. Theoretically, at least, maximum effectiveness would be achieved through an appropriate "fit" between purpose, objectives, and pedagogy. However, in practical terms there are some factors which intervene.

CONSTRAINTS

The theoretical construct may be overly simplistic. Two important input variables have been omitted- the learner and the instructor. Additionally, environmental constraints should be recognized.

The Learner

The importance of individual differences has long been recognized by behavioral scientists, but too often, in educational settings, we treat learners as if all were alike. Several models of cognitive learning style have been proposed [10, 16]. The term learning style is defined as a person's consistent way of responding to and using stimuli in the context of learning [5].

Studies have suggested that learning may be a function of an individual's learning style [23, 2]. Assuming that people do have different learning styles, it also seems likely that pedagogies may be differentially perceived. The ability to produce expected results may be moderated by the learner's cognitive style.

The instructor's learning style can also constrain the degree of learning in several ways.

The Instructor

Pedagogical choices may be influenced by an instructor's learning style J10]. Irrespective of the "fit" between purpose, pedagogy, and objectives, the particular biases an instructor has nay unconsciously influence his or her preference for one pedagogical approach or another.

The instructor may also tend to favor those students with similar learning profiles 19]. More emphatically, Byrne and Wolfe state that "where the student's learning style is in contradiction with the learning setting, it is likely that learning will be minimized if not rejected altogether" [3, p. 25].

The effectiveness of any learning situation may be moderated by the degree of match or mismatch between the learning style of the instructor and the learning style of the students--a sobering thought. This is particularly problematic since most of us-students and faculty alike-are unaware of our learning style.

In addition to learning style, the role an instructor decides to play, or is capable of playing, has an impact on the effectiveness of the pedagogy used. Dooley and Skinner [6], in their review of the case approach, suggested that different objectives require different role inputs on the part of the instructor, as well as different skills. A discrepancy between the role requirements of a particular pedagogy and the role behavior exhibited by the instructor can influence effectiveness 14].

While the cognitive styles of the learner and the instructor tend to moderate the degree of effectiveness in reaching desired end results, there are other constraints on the system as well. -

Environmental Factors

The environmental variables which influence the system can be separated into two categories: 1) facilities, resources, and norms; and 2) institutional and professional concerns [16]. These represent the realities of the environment and often operate as constraints on the choices of purpose and pedagogy.

Instructors seldom have complete flexibility in designing learning situations. Instead, they are limited by such things as class size, the amount and type of resources available, and the operating norms of their departments. Facilities, resources, and norms impact primarily on one's flexibility in choosing pedagogy.

Institutional and professional factors, the second group of environmental factors, impact on decisions about purpose, as well as pedagogy. Institutional concerns might include whether the course is congruent with, or supportive of, the larger purpose(s) of the department or university. Professionally, instructors may consider criteria for evaluation, promotion, and tenure in making choices about pedagogy. For example, heavy research emphasis might tend to bias the choice toward those pedagogies which are the least time-Consuming.

The major elements comprising the system of teaching business policy--purpose, objectives, and pedagogy- have now been identified, their relationships examined, and their constraints considered. A conceptual model, which includes these, can synthesize our research efforts and lead, hopefully, to more meaningful research results.

A CONCEPTUAL FRAMEWORK

A model for research on teaching business policy is shown in Figure 1.

FIGURE 1
A MODEL FOR RESEARCH ON TEACHING BUSINESS POLICY
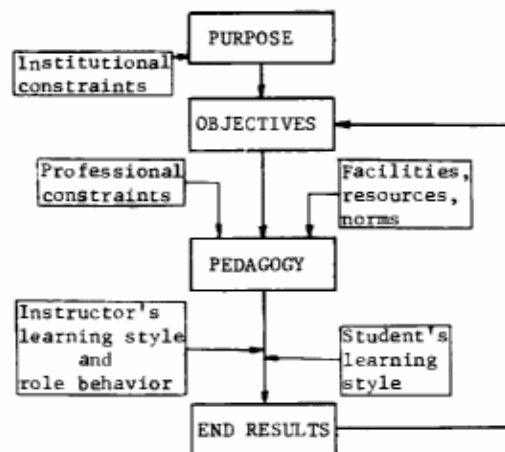
The genesis of the choice process, which the model represents, is determination of purpose: What is the mission of the course? In most cases, however, instructors are not totally free to determine purpose, but must do so in the context of their institution. Next, specific learning objectives which support these general guidelines must be established. And finally, determination of appropriate pedagogy stems directly from the course objectives. The actual choice of a pedagogy, however, will be influenced by the physical and professional constraints of the larger system. Where purpose, objectives, and pedagogy are aligned, the desired end results should be realized. The degree to which these end results are not achieved may be a function of the learning styles of both the instructor and student and the role behavior of the instructor, Since effectiveness (what we're really interested in) is a measure of the discrepancy between actual and desired, or expected, results, feedback is also incorporated.

Important as what the model Is, or contains, Is what the model means for us as teachers and researchers.

IMPLICATIONS

If, in fact, the model presented here includes the relevant variables, it should aid researchers in their study designs. Operationalization is much easier when dealing with clearly defined concepts.

When the theoretical construct used in a given research study is made explicit, it also makes it easier to assess the study's adequacy and contribution. Even though many studies may investigate component parts or specific relationships in depth, their results can be interpreted in a larger context.

Meaningful research must be conducted within some rational framework. Exploratory research, which is generally granted more latitude in this regard, has already been conducted. What is needed now is more focused research which will produce results that can be compared. From research of this nature, we may be able to determine, eventually, the relative effectiveness of various pedagogies in business policy--a much needed advance.

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