

Insights into Experiential Pedagogy, Volume 6, 1979

AN EVALUATION OF THE SMALL BUSINESS INSTITUTE PROGRAM AS AN EXPERIENTIAL LEARNING EXERCISE

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ABSTRACT

This study examines the attitudes and perceptions of the students who have participated in the Small Business Institute Program at the University of Texas at Arlington. The question that the study seeks to answer is whether or not the students perceive the SBI courses to be of value to them in learning business concepts.

INTRODUCTION

Simulations, case studies in actual businesses, and laboratory experiments are among the many ways that college instructors introduce 'hands-on' experiences to the students in their classes. This participative process of learning is commonly referred to as experiential learning. Experiential learning is an extremely valuable complement to conceptually oriented book learning. It is a 'learn by doing' activity and is defined by Duane Hoover and Canton Whitehead in the following terms:

Experiential learning exists when a personally responsible participant(s) cognitively, affectively, and behaviorally processes knowledge, skills, and/or attitudes in a learning situation characterized by a high level of active involvement. [2, p. 251]

Kast and Rosenzweig point out that, ideally, experiential learning should occur in the actual setting of the practicing manager. [3, p. 41] In most experiential exercises, such integration of that setting into the classroom is extremely difficult. The movement to a classroom setting tends to destroy the "real world" application of many of our exercises. Thus, the bridge between concept-based learning and learning by experience has been an elusive butterfly for educators.

It was recently suggested that the Small Business Institute (SBI) Program might indeed serve a very useful experiential learning role. [1] The SBI is sponsored by the participating university and the Small Business Administration. The Program assigns a specified number of cases to each participating university. These cases are assigned to student groups who, under faculty supervision, seek to aid the small businessman in solving his problems.

The SBI case requires that the student function in the assigned business's environment. The students must visit the client, identify problems, formulate solutions, plan implementation of solutions and report their recommendations to management. All of this activity is usually done within the confines of the business firm to which students are assigned. The SBI case therefore meets some of the "ideal" setting requirements for experiential learning; that is, it exists in the setting of the practicing manager.

Most of what has been written about the value of the SBI Program is from a faculty viewpoint. These articles tend to focus on faculty perceptions of the student reaction to the program. [1,5,6] As a Coordinator of an SBI Program, one would reasonably like to know what the student perceptions of their experiences are. All faculty

members have at one time or another observed students become involved and "turned-on" by some activity in a course, but do they consider that activity as a meaningful learning experience? That question is the motivation for this study.

RESEARCH QUESTION

From the various articles written about SBI, from the literature published by the SBA, and from instructors' course syllabi, one can find all manner of advantages and goals for a course utilizing the SBI cases. Advantages relating to the realism of the course are common. What is most difficult to find is whether, in the view of those who are the most important -- the students, those goals are in fact reached.

The purpose of this study was to answer the following questions about student perceptions of the SBI Program in which they participated.

1. Do the students view the SBI Program as a useful learning experience?
2. Do the students view their participation as being valuable to the client?
3. Do the students view the SBI Program as an aid in learning business skills?

Positive answers to these basic research questions will support the belief that the SBI Program is a useful experiential exercise.

METHOD

Subjects

All subjects surveyed in this study were former students in the SBI case course at the University of Texas at Arlington. They were enrolled as students in one semester only, beginning with the Fall semester of 1974 through the Spring semester of 1978. A total of 226 students had enrolled in the course during this eight-semester time period. The students were all Business Administration majors. Their areas of concentration were from all fields in the College of Business Administration. No students were excluded from the survey before the questionnaire was mailed.

Survey Method

The survey method used in this study was a questionnaire sent by mail with a return envelope enclosed. The mailing was made to all 226 students who were enrolled. Nine questionnaires were returned by the Post Office as undeliverable. There were 102 usable questionnaires returned by the November 30 cut-off date. This response represented a 47 percent return rate based on the 217 questionnaires assumed delivered.

Insights into Experiential Pedagogy, Volume 6, 1979

The questionnaire used in this study is an attitude survey based on a Likert Scale response pattern. The questionnaire is based on an adaptation of an instrument developed by the University of Tennessee at Nashville. [4] The questionnaire contained 63 questions requiring responses ranging from strongly agree to strongly disagree. Question 64 asked the students to rank the course in relation to their other course work. An open-ended question asking the students to list the major good and bad features of the program was included at the end of the questionnaire. Appendix I contains a listing of all of the questions used in the questionnaire. The numbering sequence is also the question number referred to in the tables below.

The questionnaire responses were analyzed by using the frequency routine in the Statistical Analysis System (SAS). This program analyzes the frequency and the percentage represented by the frequency of the response pattern.

RESULTS

The questionnaire used in this study served to purposes. It gathered the basic data that was needed to answer the three research questions posed in this study. It also supplied data which is beyond the scope of this paper but which is of interest to the SBI coordinator. For this reason not all of the questions listed in Appendix I are used in the evaluations contained in the study.

respondents believed that the SBI Program is a good educational methodology. The opinions also showed that eighty-seven percent of the students liked the hands-on style of instruction.

A feature of experiential learning is to place the student, as near as possible, in an actual practicing environment. To assess whether the student actually felt that this was the situation, questions 35, 44, 58, 59 and 62 were used. Eighty-two percent of those responding agreed that the SBI course gave them consulting experience which is useful on the job. The response to this question indicates substantial transfer of classroom knowledge into actual practice by the participants. Ninety-four percent of the participants felt that participation in the Program helped them to gain some managerial experience.

In response to questions about the challenge of the Program and the adding of realism to the class, eighty-eight percent agreed that the Program was challenging to their capabilities and bridged the gap between reality and theory. Fifty-seven percent of the participants agreed that the SBI case helped them to understand complex business problems. Thirty-six percent neither agreed nor disagreed with this question. This distribution might indicate that the students do not regard the small business as a complex organization and, therefore, were not really looking for the complexity of the business relationships.

Two questions asked the students about the usefulness of the course to them. Sixty-six percent of the respondents agreed that the SBI course was one of the most useful courses that was taken in their

TABLE 1
EDUCATIONAL VALUE OF SBI

| Question No. | Abbreviated Question | Percent Responding | | | | |
|--------------|----------------------------|--------------------|------|------|------|------|
| | | SA | A | N | D | SD |
| 1 | Good Academic Course | 61.8 | 34.3 | -- | 2.9 | 1.0 |
| 11 | Expand Program | 28.7 | 50.5 | 20.8 | -- | -- |
| 27 | Most Useful Course | 24.7 | 41.5 | 22.8 | 8.9 | 2.0 |
| 35 | Consulting Useful in Job | 17.7 | 64.7 | 13.7 | 2.9 | 1.0 |
| 43 | Useful Methodology | 26.4 | 70.6 | 2.0 | 1.0 | -- |
| 44 | Understand Complexity | 13.7 | 43.1 | 36.3 | 6.9 | -- |
| 47 | Not Worth Time | -- | 3.9 | 11.8 | 63.7 | 20.6 |
| 55 | Hands-On Style Liked | 23.5 | 63.7 | 12.8 | -- | -- |
| 58 | Bridges Theory Gap | 34.3 | 53.9 | 7.8 | 3.9 | -- |
| 59 | Challenge to Capabilities | 35.3 | 53.9 | 8.8 | 2.0 | -- |
| 62 | Gain Managerial Experience | 34.3 | 59.8 | 3.9 | 2.0 | -- |

SBI As A Learning Experience

Table 1 indicates the questions used in assessing the students' perceptions of the SBI course as a learning experience. One dimension of this question is the academic value of the Program. At the University of Texas at Arlington, students are required to enroll for a specific course in order to participate in the Program. The course in which the student enrolls uses the SBI case and the student consulting role as the primary instructional technique. The students are thus expected to put into practice the knowledge gained in the classroom. Ninety-six percent of the respondents felt that the SBI Program is a good academic course. Ninety-seven percent of the

academic programs. Seventy-nine percent of those responding felt that the Program should be expanded and none disagreed although twenty-one percent were neutral. Question 63 asked the students to further refine the perceived value of the course to them by ranking the course on a 1 to 10 scale with 10 being most useful. The distribution in response to that scaling was:

Responses 9 and 10, 27.5 percent; 7 and 8, 53.9 percent; 5 and 6, 14.7 percent; 3 and 4, 2.9 percent; and 1 and 2, 1.0 percent. Eighty-four percent of the respondents indicated disagreement with the negatively worded statement regarding the value of the time spent in the Program. Most students seem to have the opinion that their time was not wasted.

¹ The complete questionnaire and analysis of the responses to the questionnaire are available from the author upon request.

Insights into Experiential Pedagogy, Volume 6, 1979

Value to Clients

One of the most frustrating parts of the SBI Program is the relationship with an independent small business owner. The students may find it difficult to deal with this owner independence. A second group of questions was included for assessing the perceived value of the consulting to the clients. Table 2 shows the questions and the response frequency to those questions.

TABLE 2
VALUE OF PROGRAM TO CLIENTS

| Question No. | Abbreviated Question | Percent Responding | | | | |
|--------------|---------------------------|--------------------|------|------|------|------|
| | | SA | A | N | D | SD |
| 2 | Difficult Communication | 1.0 | 15.7 | 16.6 | 51.0 | 15.7 |
| 5 | Insufficient Experience | 5.9 | 17.6 | 19.6 | 44.1 | 12.8 |
| 6 | Client Hostile | -- | 2.0 | 15.7 | 33.3 | 49.0 |
| 16 | Client Appreciative | 16.7 | 63.7 | 13.7 | 2.9 | 2.9 |
| 18 | Helped Understand Problem | 6.8 | 55.9 | 25.5 | 11.8 | -- |
| 20 | Improve Management | 4.9 | 57.8 | 25.5 | 8.8 | 3.0 |
| 22 | Improve Profit | 5.9 | 33.3 | 43.1 | 14.8 | 2.9 |
| 26 | Improve Sales | 5.9 | 32.7 | 48.6 | 10.9 | 2.0 |
| 29 | Benefits Indirect | 3.9 | 40.2 | 31.4 | 20.6 | 3.9 |
| 42 | Had Ability to Help | 9.8 | 61.8 | 22.5 | 5.9 | -- |
| 45 | Client Felt Couldn't Help | 3.9 | 36.3 | 24.5 | 24.5 | 10.8 |
| 52 | Followed Suggestions | 6.7 | 33.4 | 36.3 | 15.8 | 7.8 |

One facet of the value of the SBI consulting to the client is the student's ability and experience. Seventy-one percent of the responding students felt that they had the ability to help the client with his problems. Fifty-seven percent disagreed that their experience was insufficient, which twenty-four percent felt that their experience was too limited. Showing students that, even with limited experience, they can be of value to the client is one of the hardest tasks of the SBI coordinator. The responses to these questions show that students do not in fact consider ability and experience as the same. Thus, the coordinator must help the student realize that he can use his ability to gain the experience by participating in the SBI Program.

The attitude of the client is an important variable in the SM case. In the UTA program, a completely un-cooperative client is dropped early so that the team does not face a full semester of frustrating setbacks. This operating procedure may bias the findings relating to the questions about client cooperation. Only two percent of the respondents felt that the client was hostile. Eighty-two percent indicated that their clients were not hostile to the help that they were being offered. Eighty percent of the participants felt that their client appreciated their assistance, although only forty percent felt that their clients followed the suggestions that were made. Forty percent of the students agreed that they thought the client felt that the student team could not help him; thirty-five percent indicated that the client did feel that the students could help him. Seventeen percent of the respondents felt that they had difficulty in communications with the clients; sixty-seven percent felt that communication with the client was not a problem.

The major areas where the consultant helps a client is in improving management skills, profit or sales. The consultant also helps the

client understand his problems more fully. Sixty-two percent of the respondents agreed that their efforts helped the business man understand his problems better. Sixty-four percent felt that they helped the client improve the management of his firm. Forty-two percent of those responding felt that they helped improve the sales and profit of the firm. Forty-four percent of the participants felt that the client benefits from the SBI Program were more indirect than direct. Overall, however, a small percentage of the participants felt

that their consulting efforts were unappreciated and useless.
Learning Business Skills

The bottom line of any experiential learning exercise is its ability to help students learn business skills. The questions presented in Table 3 were designed to survey the students' perceptions of the skill-building facets of the SBI Program.

In business a management team is essential; thus, one skill that students should learn is to work as a team. The SBI Program at UTA is a team approach. Three students are assigned to each SM case. The assignments are made by matching the student's knowledge to the stated client problems. Most often the students who are assigned to a particular case have not worked on any project together and, in many cases, do not even know each other before enrolling in the course. Eighty-six percent of the students who responded agreed that the group process used in the course was useful in learning to work as a management team.

Sixty-one percent of the respondents felt that the class helped to sharpen their communications skills, and seventy-eight percent agreed that working with the client presented a challenge to their communication skills. Eighty-three percent also indicated that the written report was useful to them. The students seem to agree that communication skills are sharpened by participation in the SBI case.

The involvement of the student in the SBI case is not an employer/employee relationship. Since those barriers are down, the opportunity for human relations interaction between the client and the students should be more open. Sixty-four percent of the students agreed that they learned a great deal about human behavior while dealing with the client. Learning to

Insights into Experiential Pedagogy, Volume 6, 1979

TABLE 3
AID IN LEARNING BUSINESS SKILLS

| Question No. | Abbreviated Question | Percent Responding | | | | |
|--------------|-------------------------|--------------------|------|------|------|-----|
| | | SA | A | N | D | SD |
| 21 | Written Report Useful | 16.7 | 64.7 | 14.7 | 2.9 | 1.0 |
| 30 | Learn to Work as Team | 25.5 | 63.7 | 5.9 | 3.9 | 1.0 |
| 46 | Good Skill Class | 20.6 | 69.6 | 4.9 | 4.9 | - |
| 49 | Sharpen Communication | 9.8 | 52.0 | 30.4 | 6.8 | 1.0 |
| 51 | Business Concepts | 7.0 | 28.0 | 35.0 | 29.0 | 1.0 |
| 53 | Human Behavior | 11.8 | 52.9 | 28.4 | 5.9 | 1.0 |
| 60 | Competition, Thinking | 34.3 | 59.8 | 3.9 | 2.0 | - |
| 61 | Challenge Communication | 25.5 | 52.9 | 10.8 | 9.8 | 1.0 |

work cooperatively as a team also reinforces the learning of human relations skills.

The usefulness to a business class of any exercise used in a classroom environment is to reinforce learning of business concepts. The SM cases deal with all types of business problems and functions as well as the relationships between those problems and functions. The students who are assigned to a case may be working with financial problems, marketing problems and management problems on the same case. They are, therefore, exposed to the relationships between the various business functions. This exposure to the business firm as an entire entity should help them to see many of the classroom concepts in practice. Thirty-five percent of the respondents agreed with the statement that the SM cases gave them a solid understanding of business concepts for the first time. Thirty percent disagreed with the statement, and thirty-five percent neither agreed nor disagreed. The implication is that the SET Program may be good for putting knowledge in practical perspective, but it does not necessarily serve to implant new concepts for the first time. Ninety-four percent of the respondents agreed that the SBI Program offers opportunities for competition, thinking and expression. Ninety percent felt that the SBI course is a good skill development course.

Good and Bad Features

The questionnaire also asked the students to list the major good and bad features of the SBI Program in which they had participated. The major good features listed and the number of times mentioned were:

1. Opened new career path into consulting (2)
2. Broadened understanding of day-to-day small business problems (3)
3. Gave excellent practical experience (2)
4. Blended reality of real business into theory of the classroom (11)
5. Provided excellent experience in problem recognition and problem solving (2)
6. Gave an opportunity to gain experience in human relations (3)
7. Required practical application of academic knowledge (3)
8. Brought reality to financial analysis (1)
9. Required team to use communication skills (2)
10. Required the student to think on his own. (1)

The bad features of the program that were mentioned are:

1. Consulting time too limited (12)
2. Little opportunity to follow up on recommendations to client (2)
3. Stated problem on which assignment is made for case is not the problem which actually needed solving (1)
4. Students' inexperience interfacing with businessman's experience (1)
5. Problems of getting the team together (2)
6. One team member does not do his part (3)
7. Information about the client limited (3)
8. Clients are reluctant to implement the suggestions made (4)
9. Travel time to and from business is too much (2)
10. SEA does not screen clients well enough. (6)

CONCLUSION

The basic question in this study is whether student perceptions of the SBI Program could lead one to conclude that the SBI case is a good experiential learning exercise. To answer this question three areas were examined. First, the value of the SBI Program as an academic activity was assessed. The student perceptions of the usefulness of SBI as a course is highly positive. The respondents support the value of the course in learning those things which will aid them in their careers. Strong support was found for the expansion of the program and the value of the SBI case as an instructional method.

The second facet explored was the students' perceptions of the value of their efforts in the SBI Program to their clients. Most of the participants who responded felt that their efforts had a positive impact on the client's business. They also felt that their efforts on the client's behalf were a useful learning experience for both them and their client.

Finally, evaluation of the SBI Program as an aid to learning business skills was made. The respondents indicated that the Program had a positive effect on skill development. The Program is perceived as being very valuable in developing communication skills and human relations skills. It also proves valuable in allowing the students to put into practice the knowledge that they gained in the classroom. The conclusion of this study is that, given the responses from this survey, the SBI Program is a valuable experiential learning exercise.

Insights into Experiential Pedagogy, Volume 6, 1979

APPENDIX I Listing of Questions Used in the Study Questionnaire

1. The SBI Program is not a good activity to include in an academic course.
2. It was difficult to communicate with the client in terms he could understand.
3. I needed more time to do a good consulting job.
4. Students should be trained in human relations aspects of counseling.
5. My business experience was insufficient for consulting.
6. The client was hostile throughout my contacts with him.
7. Students should be trained more in the course in analysis of small business problems.
8. SEA should provide more client information to student consultants.
9. Clients seemed not to have enough time to spend with student consultants.
10. It was hard to work cooperatively on teams with other students.
11. UTA should expand the small business consulting program.
12. The consultant needs to be knowledgeable about all functional areas.
13. The client encouraged me to talk to employees.
14. I had to do too much work in this course.
15. A small business library would improve the program.
16. The client seemed appreciative of my efforts.
17. More resource persons are needed for the program.
18. I felt I helped the client understand his problems.
19. I had to do all the work on my team.
20. I felt I helped the client improve the management of his firm.
21. The written report was useful.
22. I felt I helped the client improve the profit of his firm.
23. More students are needed in the program.
24. The SBI course gave me the opportunity to exercise expertise I have in my major field.
25. More professor or administrative direction needs to be given the consulting student.
26. I felt I helped the client improve the sales of his firm.
27. This was one of the most useful courses I have had at UTA.
28. The UTA SBI Program is a waste of money.
29. Client benefits were more indirect than direct.
30. The group process used in the course is useful in learning to work as a management team.
31. I would recommend the program to small businessmen.
32. The written report submitted to the client was unnecessary.
33. More professors should participate in the course.
34. Students do not know enough to help the small business.
35. This consulting experience will be useful to me in my Job.
36. Small business owners do not need counseling.
37. Classroom discussion helped clarify the problems of the client.
38. The program is especially helpful to small businesses in trouble.
39. Counseling will not help a failing business.
40. More preparation before being assigned cases would have been helpful to me.
41. The SBI program is a waste of time.
42. I was confident I had the ability and knowledge to help the client.
43. The SBI program is a useful educational methodology.
44. The SBI program enables me to understand complex business relationships.
45. I don't think our client really felt we could help him solve his problems.
46. The SBI course is a good skill development class.
47. The class took more time than it was worth as a learning experience.
48. The consulting process should be emphasized more.
49. The written report helped me sharpen my communication skills.
50. The class periods themselves were interesting and contained valuable points.
51. I have some business concepts in my head for the first time.
52. The client did his best to follow our suggestions.
53. I learned a great deal about human behavior in dealing with our client.
54. The SBI is useful to someone who wants to go into his own business.
55. I like the "hands-on style of the SBI learning style.
56. Students in the SBI course should have to do more research of the client's problems on their own.
57. The decisions we made about our client's problems were impractical because of our inexperience.
58. The SBI program is successful in bridging the gap between theory and reality.
59. The SBI program presents a challenge to my capabilities and management philosophy.
60. The SBI program offered competition, thinking and expression.
61. In dealing with the client, my communications ability was challenged.
62. The SBI program helped me gain some managerial experience without having a job.
63. On a scale of 1 to 10, with 10 being most useful, the SBI would rate a _____ as the most useful course in my degree program.

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Insights into Experiential Pedagogy, Volume 6, 1979

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