

THE USE OF A LIVE CASE IN TEACHING
ORGANIZATION THEORY AND MANAGEMENT PRINCIPLES
TO GRADUATE STUDENTS

James E. Weir

This paper summarizes the work completed by nineteen graduate students on a live case in the 1977 Spring semester at Saint Louis University. These organization theory students volunteered to collect information on the administrative practices, leadership, and organizational relationships which existed between the Central Office of a Youth Organization and a sample of nine churches located in the St. Louis area.¹ This effort was part of a larger endeavor aimed at developing a survey research questionnaire which was to be administered to over two hundred churches. The research dealt with the administrative practices and program effectiveness assessment of the youth programs administered by the Central Office. The first phase of the research consisted of preliminary interviews with the officials of the Central Office. The students participated in the follow-on church interview phase designed to uncover issues to be used in formulating the survey questionnaire. They formed interview teams to collect demographic information, and asked a series of questions concerning the goals of the church athletic and social programs for youth. In each church the students interviewed the pastor, the assistant pastors in charge of athletic programs and teen social programs respectively, various volunteer adult members of the church, and a sample of participating teenagers.

LESSONS CONCERNING ORGANIZATIONAL STRUCTURE

Figure 1 illustrates the in-class comparisons which were made along six dimensions of analysis in analyzing organizational design issues. These comparisons were instrumental in developing the reasons for conflict which existed between some churches and the Central Office over athletic programs.

The graduate students determined that the Central Office appeared to be facing a role crisis. In a profit making situation when consumers fail to demand the company's goods and services they, in effect, vote for the firm's discontinuance. In the case of the youth organization, it appears to be maintained partly because higher Church authority wants it that way and partly because no one has offered a better alternative.

The students discovered symptoms that the Central Office was losing influence as an innovative force in developing new youth programs to fit the evolving needs of youth groups. For example, they discovered that a loose confederation of inner city churches began to work together to identify the sports, social, educational and other unique needs of black youth. Second, a well-to-do county

¹ This paper uses a disguise to protect the identity of the church organization. The disguised words are: Central Office, churches, and Youth Organization.

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church pulled out of the youth organization's sphere of influence entirely, preferring to satisfy the sports needs of its youth in a newly formed non-church association. The students decided that these symptoms were clear indications of organizational rejection, corresponding to the

FIGURE 1

ORGANIZATIONAL DESIGN COMPARISONS

<u>Dimension of Analysis</u>	<u>Profit-Making Firm</u>	<u>Youth Organization</u>
1. Organizational Structure	a. Decentralized depending on stage of development and size	a. Decentralized with the program initiative lying at the church level
	b. Divisions established to serve specific clients	b. Church established programs sometime fail to meet unanalyzed and diverse youth needs
2. Major Administrative Unit, Size	Corporate Headquarters, size varies, all paid	Central Office, 20 persons, some volunteers
3. Subunits	a. Divisions controlled by the Division Manager	a. Churches controlled by the pastor
	b. Well-defined program control groups (project management)	b. Weakly defined Central Office program control groups
4. Task-Authority Relationships	a. Well-defined corporate-division authority relations	a. Poorly defined Central Office-Church authority relations
	b. Line-Staff distinctions clear	b. Line-Staff distinctions not clear
5. Degree of Adaptability to the External Environment	Adaptability depending on the character of the environment	Unadaptable, failure to recognize the forces requiring adaptability

market test for continued existence which profit-making firms must meet each day.

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The case taught various lessons concerning the relationship between organizational adaptability and organizational effectiveness from a systems point of view. A system's effectiveness was defined as its capacity to survive, adapt, maintain itself, and grow regardless of the particular function it fulfills in a society [6, p. 96]. The students learned to distinguish open and closed systems designs. They began to understand the Youth Organization's design as relatively informal, but at the same time, it was unresponsive to evolving youth needs within the community. They determined that an effective design of a business firm shares a common attribute with an effective design of a Youth Organization, namely, the property of adaptability. They saw that the managerial input of any organization was integrative in nature tending to counteract the structural proliferation caused by technology [5]. In the operation of the Youth Organization, the evolving knowledge of community youth needs is comparable to technology in a firm and, thus, should become the driving force for adaptability. Students determined there was no Central Office unit concerned with the systematic acquisition and analysis of new knowledge concerning youth needs in the community. Therefore, the design of the Youth Organization had not evolved to meet the challenges of providing needed services for youth recognized at the church level. The inevitable result was conflict between the subunits of the Youth Organization.

THE LESSON OF ORGANIZATIONAL GOALS

Business students are taught that the firm's goals should be well defined and clearly understood by all participants in order to promote efficiency in carrying out assigned tasks at each level. Non-profit organizations usually appear to have difficult goal definition problems since their goals are often intangible and difficult to operationalize. Since the name of the Youth Organization in this case implies a Christian orientation, it was hypothesized that Christian values and the Christian ideology ought to be evidenced as the driving motivational force in organizational documents, thinking, as well as in action. Further, it was predicted that one would find a set of intangible organizational goals linking program goals to Christian values and ideology.

Figure 2 illustrates the in-class comparisons which were made along six dimensions of analysis concerning values, organizational goals and program effectiveness criteria. In a profit-making situation, well designed programs would include operational criteria for determining what will be viewed as a success and what will be regarded as a failure. The students attempted to find program effectiveness criteria used at the church level to define success and failure in administering athletic and teen programs. Since they were unable to discover this criteria in organizational documents, they continued to seek it in the interviews conducted with various church level participants.

FIGURE 2

VALUES, GOALS, AND PROGRAM EFFECTIVENESS CRITERIA

<u>Dimensions of Analysis</u>	<u>Profit-Making Firm</u>	<u>Youth Organization</u>
1. Organizational Ideology and Value	a. Creation of wealth for owners b. Utilitarian values, based on prices and costs	a. Serve the personal, social, and spiritual needs of youth b. Christian values, based on service to neighbor, group, and society
2. Objective Function	a. Definite, well-defined; profit, product, and service goals	a. Intangible, unoperationally defined; personal development and service goals
3. Program Goals	a. Operationally defined b. Product or service oriented definitions	a. Non-operationally defined b. Intangible personal and service goals
4. Client Groups Served	Clearly defined market segments and matching products	Poorly defined client groups except by age in the sports program
5. Program Effectiveness Criteria	Explicit and operational, used for control purposes	Non-existent at the Central Office, control based on activity levels in the sport program

They asked respondents if they believed that church athletic programs promoted the development of Christian values in youth. Sixteen (16) said yes, eleven (11) said no, and three (3) did not know. Students also asked if church teenage social programs promoted the development of Christian values. Twenty-four (24) said yes, two (2) said no, seven (7) did not know.

Even if the sample size was small, these questions were instrumental in developing respondent views on basic purposes of the athletic and social programs. There was no consensus among pastors, assistants, coaches, or members of the athletic committee on the direct benefits of these programs to youth. Respondents variously stated that sports teaches youth how to compete with others, allows the kids an opportunity to have fun, keeps the

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kids off the street, and makes the young person feel at home in the church environment, among other things. Some responded to these questions stating that sports and teen programs present opportunities for youth to learn of Christian values by observing the behavior of adults.

There is little doubt that the students discovered instances of ineffective management of these programs at the church and Central Office levels. One example cited was the lack of clarity of purpose of various youth programs in the minds of knowledgeable Central Office and church respondents. These findings gave the instructor an opportunity to emphasize to the class the advantages of a clearly established goal hierarchy linking every program to the organization's major mission goals. The advantages of stated goals were contrasted with the disadvantages of unstated goals which characterize the situation discovered in the Youth Organization.

LEADERSHIP LESSONS

Figure 3 illustrates the in-class comparisons which were made along multiple dimensions of analysis in analyzing the leadership role of the Central Office. The concept of leader-member relations was generalized to refer to the state of Central Office-church relationships as perceived by church level actors. The students discovered Central Office assistance in youth program planning was neither sought nor desired by church officials. They asked: how much of a contribution does the Central Office make to church-level sport program success? Of twenty-three (23) respondents, twenty (20) stated that the Central Office made very little contribution to the sports program at the church level.

The students discovered there was considerable hostility towards the Central Office present in the respondents' attitudes indicating poor leader-member relations. The reasons for this hostility were expressed as the imposition of rules and regulations which do not fit the various church situations, as well as the initiation of youth programs without proper follow through.

Dimension 4 of Figure 3 identifies the issue of periodic validation of planning premises used by the leader to govern the activities of his unit. In order to plan for the next period's production, the effective manager attempts to forecast demand for the firm's products and services. He validates the various planning premises customarily employed concerning the strength of consumer demand for the firm's product from various classes of consumers. The students discovered no evidence of Central Office planning of youth programs based upon systematic analysis of youth needs. The major planning premise seemed to be: Do what we did last year.

Figure 3

Leadership Effectiveness Criteria

<u>Dimensions of Analysis</u>	<u>Profit Making Firm</u>	<u>Youth Organization</u>
1. Leader-Member Relations	Corporate Headquarters-Division Vice Presidents	Central Office-Church/Assistant Pastors
2. Task Structure	Goals of each Division are well specified.	Youth program requirements are poorly specified.
3. Positional Power	Corporate Headquarters is in a high power position.	Central office is in a poor power position.
4. The Validity of Planning Premises concerning the External Environment	Under periodic assessment.	Lack of periodic assessment of assumptions.

THE ADVANTAGES AND DISADVANTAGES OF LIVE CASES

There are certain advantages and disadvantages or costs in conducting live cases for classroom use. Certainly, live cases are in vogue with the current spirit of experiential learning in management education [1, 3, 4]. For students who have a deep interest in challenging learning experiences, and correspondingly time to make the field investigations required, they are without equal when compared to traditional classroom lecture experiences. For some students, live cases stimulate the acquisition of knowledge beyond that required by the course.

All seventeen of the nineteen student volunteers responding to a post-course questionnaire said that the live case was a good learning experience, well worth the time and effort it took to complete. One student commented that he had to turn in the report before all the organization theory concepts were presented in class. He thought that a separate course should be set up for field work on cases after the concepts and principles had been presented. However, all seventeen students agreed that the course did convey useful information on organization theory concepts and principles.

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However, there are certain costs, disadvantages, and uncertainties in conducting live cases. They can be extremely time consuming. It is difficult to protect the identity and confidentiality of client information since the live case will usually be discussed in class. There is considerable uncertainty in what students will develop in the final report to be reviewed by the client. The final reports are for the benefit of the client only and it will not ordinarily be possible to publish the results.

In general, experiential learning derived from live cases often takes more instructor and student time and effort. The evidence of this study demonstrates that the benefits which accrue to both student and instructor are well worth it.

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