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AN EXPERIENTIAL UNDERSTANDING OF THE TRUST DIMENSION USING CONSULTING CASES TO TEACH BUSINESS POLICY

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The purpose of a business policy capstone course Is usually taken to be the integration of concepts and principles from the common body of knowledge in accounting, finance, marketing, and management. In addition, the instructor seeks to impart the traditional “general manager perspective” by assigning textbook cases and conceptual articles. Conceptual-analytic knowledge is supplemented by providing students with the opportunity to practice individual and group problem-solving skills, and by having them write and defend their analysis of textbook cases. When the instructor wishes to supplement classroom acquired knowledge with some form of experiential knowledge, he will sometimes use the live case. The live case is used at the School of Business and Administration, Saint Louis University, to teach students interpersonal as well as technical skills. Our experience at the Small Business Institute has convinced us of the importance of using live cases as experiential vehicles for allowing students to apply newly acquired knowledge. In this brief paper, the advantages and disadvantages of the live case will be examined from the point of view of the instructor, the students, and the client firms.

A major hypotheses has been suggested as an unexpected result of our success in using live cases to teach business policy to undergraduate and graduate students. We have found that students who had adequate, or even superior, technical knowledge sometimes failed to conduct a satisfactory live case analysis. Furthermore, sometimes students with a minimum technical knowledge seemed to conduct at least a satisfactory live case analysis. Our conclusion was that these latter students were often able to establish positive interpersonal relationships with the client firms whereas the former students had difficulties forming or maintaining interpersonal relations. As a result we have formulated the following guiding hypothesis:

> Since technical knowledge is only a necessary prerequisite for success in solving business problems, business students should be given an opportunity to show that they have the equally important requisite abilities to establish and maintain multi-dimensional trust relationships necessary for professional success.

It is our opinion that experiential exercises are desirable in order to promote the development of the above mentioned abilities.

Upon first glance, this seems to be a rather simplistic tautological proposition. However, in our view, the interpersonal trust dimension is frequently forgotten as pragmatically oriented administrators and business professors tend to emphasize technical, conceptual, and factual knowledge. Our experience in using live business policy cases in evening MBA and undergraduate business policy courses demonstrates that the interpersonal dimensions can, and should be, effectively integrated in the business curriculum. The business policy capstone course provides a useful point in a business curriculum for interrelating technical and behavioral knowledge.

INTRODUCTION

In the 1976 spring semester, nine live cases described in Table 1 were accepted by evening students in separate graduate and undergraduate capstone policy courses. The instructor's teaching objectives included a desire to demonstrate the practical usefulness of business concepts. The cases were carefully selected to match the student's current job characteristics and interests and the client firm's needs for consulting service. The instructor visited a number of the firms, talked with Small Business Administration officials about the potential cases, and extensively with students. Typically, it took about one month to establish a suitable "f it" between the firm's needs for consulting services, student's skills and interests in the firm's problem, and the problem suitability in relation to course goals.

The characteristics of student consulting teams shown in Table 2 demonstrate certain patterns. Table 2 provides evidence which supports the proposition that success in solving the client's problem in a "successful," or "highly successful manner," requires requisite technical knowledge. Teams 1, 2, 3 and 6 all have one or more team members who have direct knowledge relevant to the client's problem. Mr. S of team 8 was an expert on computers and on systems analysis. He well understood computer terminology and the general problems of microfilm processing. Even with the necessary technical knowledge this team experienced a failure to solve the client's problem adequately. Suspicion and mistrust between the team members, and with the instructor, grew progressively worse as time passed. This team failed because they could not learn the lessons of working together. The symptoms of a downward spiraling interpersonal trust identified this deficiency in both members of the team.

INSTRUCTOR' S VIEWPOINT

The major advantages and challenges of the live case must be balanced against the costs of using them. From the instructor's viewpoint, the advantages include an opportunity to make the concepts and principles taught in the entire business curriculum become "relevant" to the students. Students who volunteer for live case work learn many lessons in talking directly

TABLE 1

Company Information

Team	Company/Size	Entry Level	Problem/Special Conditions
1.	Steel Supply Company (300 person staff)	President	Excessive telephone expenses viewed as percent of sales.
2.	Architectural Firm (30 person staff)	President	Predict expansion of special firms using financial data.
3.	Building Maintenance Company (10 person staff)	President	Excessive turnover of part-time employees.
4.	Specialty Printing Co. (30 person staff)	President	Marketing plan needed for bicentennial prints.
5.	Printing Ink Supply Company (70 person staff)	President	Excess capacity problem, new customers desired.
6.	Retail Motorcycle Sales Company-SBA Case (8 person staff)	New President	Market problem, increase sales desired. New president unfamiliar with management concepts.
7.	Childcare Learning Center (Non-profit Organization, SBA Case (3 person staff)	General Manager	Making the day care service known to working mothers. Knowledge of government funding required.
8.	Computer Microfilm Company- SBA Case (3 person staff)	President (New Company)	Two entrepreneurs in a year-old firm seek to expand their number of customers.
9.	A Peace Institute (Non-Profit Organi-zation, 10 person staff)	Director	Marketing and management assistance desired. Newly formed organization has mission-goal problem, a marketing per-spective needed.

TABLE 2

Team Composition and Success Level Achieved

Team	Team Man-hours/ Meetings		Team Composition	Consulting Report/ Success Level Achieved
1.	106 man-hours, 11 meetings	*TL	Mr. W. Material Control Supervisor** Mr. C. Cost Accountant** Mr. G. District manager. (Highly motivated team)	14 pages Successful
2.	314 man-hours, 69 meetings and field interviews		Mr. T. Data Processing Consultant** Mr. E. Chemical engineer. Mr. H. Architectural consultant** (Highly motivated team)	45 pages Highly successful, Letter of thanks.
3.	200 man-hours, 12 meetings	TL	Mr. A. Supervisor, telephone company supplier** Mr. W. Training supervisor** (Highly motivated team)	61 pages Highly successful, Letter of thanks. Newspaper Article.
4.	46 man-hours, 6 meetings		Mr. G. Sales representative (Instructor-student interpersonal trust decreases.)	26 pages Partial success.
5.	Two teams aborted 50 man-hours, 10 meetings	TL	Mr. F. Accountant Mr. S. Full-time graduate student. Ms. V. Full-time graduate student. (Poor knowledge fit. Lack of marketing)	8 pages Unsuccessful
6.	200 man-hours, 20 meetings and	TL	Mr. J. Hospital administration major. Ms. R. Undergraduate Industrial Administration major** Mr. P. Manager, office services. (Highly motivated team)	65 pages Highly successful,

TABLE 2 - Continued

Team	Team Man-hours/ Meetings	Team Composition	Consulting Report/ Success Level Achieved
7.	42 man-hours, 6 meetings	Mr. F. Graduate Hospital Administration major. (Poor knowledge fit. Lack of marketing knowledge)	8 pages Partly Successful
8.	200 man-hours, 15 meetings	Mr. S. Undergraduate-Systems Analyst** Ms. L. Undergraduate-Clerk (1. Team interpersonal trust relationships disintegrates as does instructor-team trust. 2. Lack of financial analysis knowledge.)	62 pages Partly Successful
9.	50 man-hours, est. 10 meetings.	Ms. P. Teacher, full-time graduate student.	27 pages Successful
	1,208 man-hours/ 159 meetings and field interviews	19 students participated	316 pages

* TL Team Leader
** High level of prior technical knowledge.

to company presidents and their staffs. Table 1 shows that the entry level in all live cases is at the president or general manager level. The professor who teaches business policy asks his students to take on the role of the general manager in solving text-book cases. That is very hard for students who have never personally met a general manager. However, the student who risks working on live cases must even defend his solution to a consulting problem before the president of a company!

Second, live cases expose the student to the effects of uncertainty on business decision-making and requires that he deal with it in some satisfactory manner. The live case allows the student to separate uncertainty due to lack of information from uncertainty due to the complexity of the problem situation.

Third, and most important, the live case allows the student to experience the complexities of establishing and developing functional working human relationships with their team members, the client, as well as with the instructor. A failure in ability to establish and develop relationships among the team members results in a high cost as the burdens of work are unequally shared among students. A relationship failure with the client causes less than satisfactory amounts and quality of information. Finally, failure to establish a suitable trust relationship with the professor has an impact on one's final grade.

That there are significant costs connected with using live cases cannot be denied. First, the time requirements can be significant when the professor himself attempts to foster a climate of trust and support with students and with the client firms. For example, the professor required each team to develop a work statement. Each of the four successful teams (1, 2, 3 and 6) did develop detailed work statements of what was to be done to complete their work. It is interesting to note that the less successful teams (4, 5, and 8) either had significant delays in developing a work statement, or did not take this task seriously. There is evidence that this behavior tended to foster mistrust with some clients since they did not understand what the students were attempting to accomplish.

Second, live case research, since it is a class of consulting work, usually cannot be published. One of the conditions under which the consultant accepts a case is that he will protect the confidentiality of information provided him. This tends to run counter to the academic norm of freely publishing research findings. Therefore, some professors will not undertake live case work for instructional purposes. Others may undertake this work at a minimal commitment of time and effort. The danger here is that students do not receive the proper instruction. They may sometimes make mistakes reflecting poorly on the integrity of the school, the university, and the professor.

STUDENT'S VIEWPOINT

From the student's viewpoint, there are both advantages and disadvantages to performing a live case analysis. Among the major advantages there is the opportunity to work on a "real world" business problem. This gives the student a greater appreciation of conceptual-analytical knowledge including its limitations. Second, being able to ask questions and discuss various issues with different persons in the firm is a rewarding experience. Third, the student has an opportunity to work closely with the professor.

However, there are risks in attempting live case work. First, the motivated student must usually work with other students whose motivation and desire for achievement are unknown. Thus, his grade is not necessarily dependent on his own efforts alone. Second, there is what might be called a triple-risk of failure connected with live case work. The failure to develop a suitable case cannot be hidden, it is public knowledge. One's possible failure is on display in front of an outsider, the president of a firm and his staff. It is also visible to one's peers and to the professor. Whereas the student's possible failure in more traditional academic courses is a private failure. Finally, Table 2 demonstrates the great amount of time live cases can consume when students get involved in the experience. Many students are in work situations in which it would be impossible to accept the challenge of a live case.

FIRM'S VIEWPOINT

From the firm's viewpoint, live cases provide some significant advantages as well as significant risks. The firm obtains the services of a work team who will attack a problem no one in the firm has time or knowledge to handle. Second, an outside viewpoint often results in fresh insights, especially by students who often bring new knowledge and perspectives to bear on old problems. Third, the firm's out-of-pocket cost to support a live case study of a problem of interest is insignificant, particularly when compared to the cost of professional consultants.

The cost of the live case is reflected in the time the chief executive and his staff must spend with students. It is well known that even busy executives seem to enjoy spending time discussing their firm and its problems. Second, the firm must trust the student team in order to provide them with the necessary information to complete their analysis. As long as the student team continues to display a required degree of trust there is usually no difficulty in obtaining what is necessary.

The professor who seeks to use live cases as a vehicle for experiential learning in teaching a business policy course is faced with a challenge. He must demonstrate to students by his own supportive and trusting behavior how they ought to relate to persons in the client firm and to each other. Otherwise he will not be able to illustrate and discuss one of the most important lessons which ought to be taught in any business program: business decision-making is most effectively conducted in a positive social environment, an environment of interpersonal trust and confidence. This has been repeated empirically demonstrated. For example, trust has been shown to be a critical variable in Gibb's [1] T-group investigations, by Likert [2] in the study of organizational change, and by Zand [5] in the investigation of low and high trust managerial problem-solving groups.

Since there is evidence that trust is such an important variable in business, it ought to be one of the factors the business policy professor emphasizes in a capstone course. It is reasonable to assume that the quality of trusting behavior displayed by the professor becomes a reference point for student behavior with a client firm and even with peers. It is recommended that the professor's behavior on live cases might follow the model of helping behavior suggested by Carl Rogers [3, p. 33]. This behavioral model appears to have been adopted by professional consultants even though it is known by various names such as process consultation [4, p. 78]

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