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COMBINING EXPERIENTIAL AND CLINICAL METHODOLOGIES IN A SMALL BUSINESS MANAGEMENT PROGRAM

Gareth S. Gardiner
Southern Illinois University, Edwardsville

OVERVIEW

The last five years have witnessed the development of a rebirth of interest in small business and small business management in schools of business throughout this country. While major business schools have continued to concentrate time and energy on programs designed to equip their graduates to function smoothly within the corporate infrastructure, many of their students have continued to demonstrate the high degree of personal- initiative and willingness to accept risk that have long been hallmarks of American economic endeavor, i.e., they have gone Out into the world and started businesses of their own. Faced with declining enrollment, and thus becoming ever more responsive to student interests and needs, schools of business have begun to develop undergraduate and graduate programs to train students in small business management.

Most of these programs have been thoroughly conventional: learned professors have ascended to podia and held forth on topics of sure-fire interest to the budding entrepreneur--records management, franchise location, basic marketing strategy, and so on. This approach has run into the usual difficulties, however. Students have responded with their normal (and justifiable) lack of enthusiasm to the verbal outpourings of their mentors, and have gone on to question the validity of these traditional educational practices to such a demanding occupation as looking after one's own business (where the first-year failure rate is usually about 75%).

Some schools have taken cognizance of the inappropriateness of lecture-oriented training in such a difficult field, however, and have organized programs that are heavily experiential in nature. In these programs, students have been encouraged to organize their own small businesses, and faculty members have given them what support they can. The experiential approach has the clear-cut advantage of being relevant to the eventual real-world activities of the student, since it so closely simulates those activities. In addition, the student (in many cases for the first time) becomes responsible for his decision-making and organizational activities. If his business fails, he faces the same trauma that confronts the failed non-student entrepreneur. A whiff of success is all the more heady because it is largely a result of his own activities.

While these features of experiential education represent a major improvement on the

tried-and-untrue lecture mode, the experiential method is not without its own flaws. For one thing, many faculty members are unaccustomed to continuing contact with real-world problems and are soon forced to withdraw from the field in disarray. On a more serious level, however, many experiential programs fail to capitalize adequately on the real- world experiences of participating students. A viable student business runs into difficulty because it lacks adequate direction and control. A floundering business fails completely because the causes of its problems were not systematically identified and confronted. All too often, the initial enthusiasm of the energetic entrepreneurs becomes jaded cynicism, resulting in untold long-term damage to the motivation of small business graduates.

A NEW APPROACH TO EXPERIENTIAL EDUCATION

The School of Business at Southern Illinois University, Edwardsville, (SIUE) is developing an innovative program in Small Business Management that combines the best features of the experiential approach with an empirically-tested clinical or workshop methodology that should both heighten the positive impact of real-time experience and lessen its drawbacks. While this prognosis is obviously optimistic and idealistic, it is founded on something more substantial than wishful thinking.

First a word about the format of the new program: it will offer interested undergraduate and graduate students 16 hours of credit in Small Business Management, and will thus constitute a complete specialization or concentration for business majors. An initial group of 35 selected students will attend classes two nights a week during the Spring Quarter, 1975, for a total of eight hours of credit; and will repeat the experience during the Summer Quarter for another eight hours. This first group of students will be chosen from a group of approximately 150 applicants, and will be composed of roughly equal numbers of undergraduates and graduates, will contain at least 15 women, 15 black students of both sexes, and approximately 25 students who intend to start businesses during their tenure in the program (the other 10 students will own ongoing businesses in the metropolitan area). Larger groups of students will be admitted in subsequent academic quarters, after participating faculty members are sufficiently familiar with program methodology and after initial operational difficulties are overcome and the program is running smoothly (an optimistic and idealistic prognosis would be two academic quarters to overcome problems in both categories).

The heart of the new program, however, is the innovative methodology that will be employed. This does not mean that all lectures will be abolished. Dynamic and relevant lectures on the aforementioned sure-fire topics will be offered to students approximately three hours a week during the Spring and Summer Quarters, but for the most part the lectures will be given by invited experts in a specialized field such as small-business marketing or effective inventory control. These specialists will then participate in workshop sessions with students, who will

undoubtedly besiege them with a variety of problems drawn from their own business. Faculty members will attend all of these sessions, and will presumably begin to develop expertise in more and more relevant problem areas. Eventually they will feel competent enough to give both their own lectures and workshops on these topics and problem areas.

The key to the success of the workshop or problem-clinic concept (which will focus on the real problems and emergencies faced by the student businessmen) will be the creation of comprehensive data banks describing the various businesses students create and run. Most simply described, a data bank is a packet of detailed factual information on every measurable, observable, or reportable facet of a real business. It includes not only financial and operational records of a business, but it also contains information on such esoteric topics as the state of employee morale and the degree of loyalty that customers feel toward the business. The best way to create such a data bank is to collect every conceivable bit of data generated by a business from the time it is formed, and this is precisely what will be done with the businesses started by students or teams of students in the new SIUE program. If students continue to operate their businesses after graduation, they will be asked to continue making data available to the program.

The creation of data banks is not just an exercise in compulsive information gathering: data banks allow students and faculty members to engage in meaningful clinical and workshop activity. If a team of students running a business felt they were encountering unusual problems, for example, a problem- solving clinic would be organized to deal with those problems. Other students in the program as well as faculty members, would have complete access to the data bank describing the troubled business, and would engage in a process of information search (asking pointed factual questions) about the business. Armed with the information resulting from these inquiries, the students and faculty members (usually in groups) would formulate recommendations and hypotheses to the students seeking help. These recommendations might be highly specific suggestions for better records management, or they might be long-term strategic considerations for the business. In any case, they would be based on a detailed examination of the records of the student's business, and would then be analyzed and discussed (and argued about) in a large-group workshop session. The power of such an inductive methodology lies in the free discussion of a wide range of alternative strategies for better business management. The ability of program coordinators to create such an open and fiee-wheeling atmosphere, it must also be noted, is another important determinant of program success. This basic methodology has been well tested in an undergraduate program in business at SIUE, where students entering their junior year enjoyed released time from formal course lectures in order to engage in information search and problem-solving workshops about real

businesses operating in the St. Louis Metropolitan Area. The main results of this program [2, 4] were that participating students developed a much higher level of problem-solving ability than a control group of students enrolled in the conventional junior-year program (featuring lectures and cases), and that achievement motivation spurted in the problem-oriented program.

THEORETICAL UNDERPINNINGS

Until recently, one of the major difficulties in the successful design and implementation of experiential or clinical programs has been the lack of a meaningful or valid personality or learning theory, i.e., a theory of development that would not only adequately describe desirable educational outcomes, but that would also lend itself to the design of practical pedagogical procedures. In the last decade, however, such a theory has been developed and refined, and has become the major conceptual premise of the present program.

Conceptual systems or conceptual complexity theory, as it is usually known [1] is a cognitive model of personality which argues that desirable changes in personal functioning accompany the development of an increased level of cognitive or conceptual complexity. Persons who possess a high degree of complexity in thinking characteristically process information or solve problems in two important and interrelated ways: (1) they use a great deal of information in the problem-solving process, and (2) they develop a variety of hypotheses or solutions to problems. Persons who tend to be simplistic in their thinking (possess a low degree of complexity), on the other hand, not only use little information in problem-solving, but develop a relative lack of alternative solutions.

A great deal of empirical research [2] has shown that individuals who tend to be complex problem-solvers also possess a number of desirable personality characteristics: they tend to be democratic in interpersonal relationships, and not authoritarian; they tend to be empathic and open, rather than cold and suspicious; they are creative and imaginative; they are highly resistant to stress; they make sound decisions in uncertain situations; and they demonstrate a high degree of need for achievement.

The personality and cognitive characteristics of persons high in conceptual complexity would appear to have an obvious relevance to success in small business management. This proposition will in fact be tested when evaluation of the proposed program at SIUE is carried out. Another advantage of using complexity theory as an evaluative vehicle is that complexity can be reliably and validly measured both by paper-and-pencil instruments and by behavioral measures such as problem-solving efficiency in novel data-bank situations requiring both information search and hypothesis generation [3].

Perhaps the most important contribution of complexity theory to pedagogy, however, has been the discovery that complexity can be trained by use of a structured inductive problem-solving process [4] involving the systematic use of data banks to support student inquiry. This problem- solving method, which has already been described in some detail in this paper, is of course the very cornerstone of the clinical methodology proposed for use in the new Small Business Management Program at SIUE.

THE CREATION OF A SMALL BUSINESS RESOURCE CENTER

The implementation of the SIUE program in Small Business Management will necessitate the development of a variety of supporting services and resources. In addition to the formation of data banks to facilitate the problem-solving clinics and workshops, an attempt will be made to develop a series of original small business cases describing interesting or typical problems faced by metropolitan-area firms. Since guest speakers and specialized consultants will be used extensively in the developmental stages of the program, and may not be readily available on later occasions, their presentations will be recorded and transcribed for inclusion in a small related-materials library. This related-materials library will be housed in the program facility,, which will consist of a classroom/workshop complex in a wing of the new School of Business building on the SIUE campus.

While these resources will be accumulated in the process of developing the program itself, they will allow for the provision of an important service to small businessmen in the two-state area served by SIUE; namely, low-cost clinics and workshops both on and off the campus that will utilize the same methodology employed in the new program. Groups of small businessmen who report in a standardized survey that they have a common problem will be offered a one or two-day workshop dealing with that problem area, with the possibility of a half-day or full-day follow-up visit by a program consultant to an especially-troubled business. Workshop consultants will be faculty members who participate in the Small Business Program, and outstanding student businessmen who graduated from it. An informal preliminary survey among St. Louis area small businessmen indicates an extremely strong demand for this kind of management assistance. Minority businessmen are particularly mindful of the need for low-cost but effective aid through such a Small Business Resource Center.

In addition to direct consulting and training services to small businesses, the Small Business Resource Center will contain a research arm which will have as its initial purpose the evaluation of the effectiveness of the training methodology employed in the Small Business Management Program. Students participating in the program will be pre- and post-tested on a variety of paper-and-pencil and behavioral measures, including measures of cognitive

complexity, and follow-up testing will be done after graduation to determine and define the career- success (or failure) patterns of the students and to relate these patterns to program participation. It is an empirical truism, unfortunately, that most institutions of higher learning make no systematic attempt to determine whether or not the programs they offer in any way influence the later lives of their students. The Center will also evaluate the success of the clinics and workshops it offers to interested businessmen. Again, while it is entirely feasible to carefully evaluate the impact of such training programs, and to make pertinent modifications in training procedures, such evaluations are rarely carried out.

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