

APPLYING GAP THEORY AND OTHER GOOD STUFF FROM SERVICES MARKETING LITERATURE TO THE ADMINISTRATION OF A BUSINESS SCHOOL

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ABSTRACT

This paper applies the services marketing concepts presented in the Zeithaml and Bitner *Services Marketing* book to the administration of a business school. The paper focuses on seven topics:

- The Tangibility Spectrum.
- Basic Characteristics of Services.
- The Expanded Marketing Mix.
- Gap Theory.
- Positioning the Offering.
- The Importance of Faculty.
- The "Servicescape" Concept.

INTRODUCTION

The publication of Zeithaml and Bitner's *Services Marketing* in 1996 has brought together in a highly accessible form much of what we know about the marketing of services. As a result, it is now easy to apply services marketing concepts to any service of interest. This paper shows how these concepts would apply to a business school.

The paper follows the Zeithaml book and page references are given throughout. The sections that the author considered to be especially relevant to a business school are touched upon.

THE TANGIBILITY SPECTRUM

Products and services may be ranked according to their tangibility (page 7). Salt is shown as being highly tangible, while teaching is shown to be least tangible. The point of this classification is that the concepts presented in the services marketing literature are especially significant to the services that are least tangible, such as teaching.

BASIC CHARACTERISTICS OF SERVICES

Services differ from products in four important ways: intangibility, heterogeneity, simultaneous production and consumption and perishability (18). All of these ways affect marketing strategy.

Services are intangible and teaching is among the least tangible services. Intangibility leads to two problems. It is difficult to describe teaching and it is difficult to evaluate its quality. Regarding the first difficulty, it is very important to be careful in describing teaching fully and accurately in order to avoid building up unrealistic expectations in the minds of students. Regarding the second difficulty (evaluation), schools have to anticipate that students will use a variety of sources of information in evaluating the quality of the teaching, including people (administrators, faculty, staff and other students), physical evidence (classrooms, lounges, labs, libraries) and processes (instructional and administrative).

Services are heterogeneous. Even within one institution, teaching is produced by different people, in different places, at different times, with different students. Therefore, the quality of the service delivered depends on the capabilities, demeanor and motivation of service providers (teachers), the adequacy of the physical surroundings and the interest and behavior of the students. The challenge of maintaining the quality of teaching in an institution requires measures that affect positively the behavior of many people in different places, in the absence of close supervision. Indirect methods, such as marketing to the service providers (teachers) need to be used.

Services are produced and consumed simultaneously. All service providers, administrators, teachers and staff are producers and simultaneously marketers of the educational service. At the same time, the behavior of students may affect the quality of the education received by all students. These factors lead to two conclusions. To achieve best results, all service providers should have a basic understanding of marketing and possess marketing skills. In addition, students must be selected and oriented and if need be trained, in ways that will enhance the learning experience of all students.

Services are perishable. Teaching cannot be stored. It cannot be returned or replaced. To achieve satisfactory financial results proper scheduling becomes an important issue. On the other hand, in order to en-

able students to get a good education, it may appear necessary, at times to schedule small classes. Conflicting goals may require creative problem-solving.

THE EXPANDED MARKETING MIX

For all services marketing, including teaching, three elements have to be added (26) to the usual four part marketing mix consisting of product, price, promotion and distribution. The following three elements also have to be considered in formulating marketing strategy because all of them play a role in student pre-purchase and post-purchase evaluation:

1. People: administrators, teachers and students.
2. Physical evidence: buildings, classrooms, computer labs, libraries, student lounges.
3. Process: teaching methods, technology, level of student involvement.

GAP THEORY

The first gap of concern to us is the *customer gap* (37) which is defined as the difference between customer expectations and perceived service delivery. In the instance of business education, two sets of customers that are important: students and employers.

Student expectations are formed by school-controlled factors such as pricing, advertising and other promises and external factors such as student needs and competitive offerings. Student needs include: to obtain a broad business background, a strong specialization in a business discipline, career advancement and to make personal connections.

Employers want students who possess a broad business background, a strong specialization in a business discipline and who communicate effectively orally and in writing, have excellent inter-personal skills, are good team workers, have a strong work ethic and are enthusiastic about their jobs.

The marketing objective of the school is to eliminate or greatly reduce the customer gap. It does this by addressing the four *provider (school) gaps* (38).

Gap 1. Not knowing what students and employers expect. Difficulties occur because students' expectations are not uniform and expectations of students differ from expectations of employers. While they are attending school, some students want easy courses and generous grading while others want to learn a lot

and expect a lot of homework and high grading standards. As they approach completion of their studies, most students want offers of good jobs.

Another difficulty is that while many students are content with interesting lectures that prepare them well for exams, many employers want people who possess skills that are not developed through note taking and answering questions on examinations.

In order to close the first provider gap, the school needs to define reliably the wants of employers and of students, in the short run and at graduation time.

Gap 2. Not designing the curricula that meet students' and employers' expectations. A problem occurs if students' and employers' expectations differ. Another problem may occur if AACSB curriculum requirements differ substantially from employers' and students' expectations. A third problem may be faculty resistance to change. A fourth problem may come from a faculty teaching evaluation system that relies entirely, or almost entirely on end-of-term student evaluations because then teachers are driven to "teach-to-the-test," a practice that does little to develop the skills that employers need.

Gap 3. Not offering the planned courses or not teaching them properly. Need to limit actual course offerings to those that attract a certain minimum enrollment may reduce the number of courses offered. Also strong emphasis on research and publication limits the time that teachers have for developing new teaching materials that would lead to satisfaction of employer needs. This in turn, makes it difficult for students to satisfy their needs at the time that they apply for jobs or seek other forms of career advancement.

Gap 4. Not matching performance to promises. The school promises a good education which students interpret as being an education that leads to attractive job offers from good employers. In reality, students may not get **any** job offers because of the school's inability to resolve conflicts among the expectations of students, employers and the AACSB and because the school uses inappropriate faculty performance evaluations and rewards.

POSITIONING THE OFFERING

A school's *position* is the way it is perceived by students and employers, particularly in relation to other schools offering similar services (286). The service

position is what is in the customer's mind whether or not it is the image planned or desired by the organization. The *goal* of the school should be to achieve and maintain a position that is *different* and *better* than that of competitors. Effective positioning requires that the difference and superiority be based on something that . . .

- Is important to students and employers,
- Differentiates the school significantly from competitors
- And that the school can deliver consistently.

Positioning may be based on one of the five dimensions of service quality (288) or one of the three elements of the service evidence (291). There is some overlap between the two categories.

On the Five Dimensions of Service Quality

1. **Reliability** is the ability to deliver important promised results, such as career advancement, consistently. Alumni testimonials and placement and career progress data would have to be offered to support this type of positioning. In addition, some form of guarantees might have to be offered.
2. **Responsiveness** is the willingness to help students. Substantial advisory and tutoring services would have to be offered to support such positioning.
3. **Assurance** positioning would have to be backed up by evidence of the knowledge and thoughtfulness of administrators, faculty and staff and their ability to inspire trust and confidence.
4. **Empathy** positioning would have to be supported by evidence that caring, individualized attention is given to students by administrators, faculty and staff.
5. **Tangibles** positioning would have to be supported by the appearance, usefulness and comfort of physical facilities and the quality and availability of computers, on-line services and library, etc.

On the Three Elements of Service Evidence

1. **People** positioning would claim (and offer credible evidence) that the schools' administrators, faculty and staff are superior to those of competing schools in their knowledge, availability, thoughtfulness, courtesy and ability to inspire trust and confidence. Even more important, would be the claim, supported by

proof, that the school admits only very highly qualified students. A graduate business school might claim that all entering students have a 600+ GMAT score and two years of significant business experience.

2. **Physical Evidence** positioning would have to be supported by the factors listed above under "Tangibles:" the appearance, usefulness and comfort of physical facilities and the quality and availability of computers, on-line services and library, etc.

3. **Process** positioning would have to demonstrate the superiority of the curriculum and instructional methods used and support services provided.

THE IMPORTANCE OF FACULTY

In the marketing and delivery of services, the good performance of employees is essential to success (303). Which employees? All employees who come into contact with the students: administrators, faculty and staff. A relevant concept is that employee satisfaction is a prerequisite for achieving student satisfaction (304). Furthermore, employee satisfaction and student satisfaction are mutually reinforcing.

The following section focuses on **faculty** because it is the performance of this group that has the greatest effect on ultimate satisfaction of students. Administrators need to consider two factors if their aim to maximize student satisfaction: role ambiguity and conflict and the evaluation and reward system.

Role ambiguity and conflict occur when it is not clear to the employee which objectives to pursue and the objectives being considered are in conflict with each other. In business schools, faculty are confronted with two sets of teaching objectives:

1. **Students' short term objectives** of achieving good grades with moderate effort and anxiety. To satisfy these objectives, teachers present detailed (and sometimes interesting) lectures geared to the mid-term and final exams. In elementary schools, this practice is derisively called "teaching to the test." In AACSB accredited business schools this is called excellent teaching and receives the highest evaluations, especially if the lectures are accompanied by multi-media computer-generated entertainment.
2. **Students' end-of-the-program objectives** of getting a good job or a promotion or a raise in pay. To satisfy these objectives, teachers have to impart

marketable and transferable skills, as well as career marketing skills in addition to covering the required content of their courses. This increases students' workload substantially and also provokes anxiety because many students discover that they are deficient in important skills and that these skills are difficult to learn. Some students are frustrated by this extra work and anxiety and vent their frustration by giving their teachers low scores on evaluations.

The problematical situation described above calls for clear definition of objectives and proper orientation of students so that they obtain a clear understanding of what they need in order to achieve their objectives.

The faculty evaluation and reward system has to recognize that students may have to work hard to achieve their objectives and that they may experience anxiety and frustration on the way and that faculty members should not be penalized for trying to prepare students for the challenges of the real world.

THE "SERVICESCAPE" CONCEPT

The "servicescape" is the totality of the physical environment of the learning experience. It includes all aspects of the classroom (size, shape, seating arrangement, ventilation, acoustics, lighting, blackboards, audio-visual equipment, availability of computers), library, computer labs, lounges. The nature of the servicescape affects the success of the education marketing effort in two important ways.

First, because education is intangible, students rely on *tangible cues*, or *physical evidence*, to evaluate the learning experience before its purchase and to assess their satisfaction during and after consumption (519). Consequently, the servicescape should provide students with positive cues regarding the quality of the education.

Secondly, as noted previously, education is a service that requires the presence of both service provider (faculty) and customer (student). Also, as noted previously, to achieve student satisfaction, it is necessary to obtain faculty satisfaction. The "servicescape" is the teacher's working environment and represents the sum total of the physical tools available to the teacher. Therefore, satisfying the needs of the teacher must be a primary consideration in designing, constructing and maintaining the servicescape (521).

SUMMARY AND CONCLUSIONS

First, there is the basic assumption that the school wants to satisfy its students because the students are the people who select the school. To help students to satisfy their ultimate desire for good jobs, or other forms of career advancement, the business school must provide an education that satisfies employers' needs for productive workers. Students may lack a full understanding of employers' needs and the skills the students will need for long-term career advancement. It is an important part of the business school's job to enlighten students regarding these important issues and to provide the skill-training they need.

In accomplishing these tasks, the school has to define through proper research the exact needs of relevant employers and skills students need to land desirable jobs and to move up on corporate career ladders or to succeed in their own businesses.

Then the school has to inform the faculty about these research findings, to set appropriate objectives and motivators and to encourage the faculty to develop required curricula, courses and instructional materials.

The next step is to provide faculty training and to install evaluation and reward processes to assist and motivate the faculty.

In positioning, the school has a multitude of choices. However only two stand out as being worthy of serious consideration. If the school happens to be one of the top schools in the country, with high entrance requirements (SATs and/or GMATs) and high percentage of rejections of applicants, the positioning is in place and no changes should be made. If the school is one of the multitude that cannot afford to be highly selective, its positioning should focus on **reliability**: "We promise to give you the most effective education for life-long career progress." To support this claim, the school must close all four provider gaps.

Because of the intangibility of teaching, the school must provide state-of-the art physical facilities and processes. It will also have to use appropriate training, evaluation and reward methods to assist and motivate the faculty in delivering on the promise of reliability.

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MARKETING STRATEGY FOR IMPROVING STUDENT RETENTION

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MARKETING STRATEGY FOR IMPROVING STUDENT RETENTION

ABSTRACT

This research reviews the development and current status of models of student retention and proposes ways in which marketing strategies can be used to reduce the student dropout rate. Suggestions for incorporating marketing strategy variables in a model of retention are offered. A case study of a western university's efforts in employing marketing strategy variables and the results of these efforts are offered as an incentive for further development and testing of the model.

The model used as a basis for incorporation of intervention (marketing strategy) variables developed from two streams of research. In one, as students are integrated into and become more interdependent with both the academic and social elements of a college or university, the probability that a student will leave the university declines (Tinto 1975). In the second, attitudes toward dropout/persistence behavior form from beliefs which are a function of student experience with the school (Bean 1982). Addition of the effects of external variables, that is, factors external to the school environment further enhance this second

stream of research. A comprehensive test of an aggregated version of these two models indicates the attrition behavior and causes for it to be more complex than either model independently indicated. This further indicated a need for a more complex response, that is, use of a combination of marketing strategy variables.

Marketing strategy intervention requires use of the optimal combination of product, price, promotion, place, process, and people. Each impacts different construct in the existing model in different ways. A hypothesized pattern of impact on constructs is suggested in the full version of this paper. Examples of intervention responses include a situation in which financial pressure is cause for a student to be likely to drop out. In this case a pricing strategy (e.g., financial aid) would be employed. If difficulty with teachers or course material is causing the problem, academic advising (a form of "product," i.e., service) would be employed. Combinations of marketing strategy variables are most likely required.

A case study at a private university of the employment of marketing variables in intervention strategy provides exploratory research evidence. Results indicated an improvement in retention rates for MBA students from 84.8% during 1991-1995 to 92.4% from 1996-1997 and among undergraduates from an average of 74% for 1991-1993 to 78% for 1994-1996. For undergraduates the measure represents the percentage of students who had entered in the six years prior and were still enrolled or had graduated.

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MARKETING'S CONTRIBUTION TO GENERAL EDUCATION LEARNING OUTCOMES

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ABSTRACT

The role of the Marketing discipline in providing general education learning outcomes was evaluated using a survey administered over a three-year period to 1,650 graduating students. Comparative analyses were conducted among the 160 Marketing majors, the 441 other business majors, and the remaining non-business majors. Significant differences were found in the general education learning outcomes of these groups. Marketing majors reported greater general education learning outcomes than both other business majors and non-business majors. A case can be made that the liberal arts foundations of the Marketing discipline results in better general education outcomes.

Introduction

Diminishing resources and public doubts about the capacity of universities to create productive members of society has led to much closer scrutiny of academic programs (Bilder and Conrad, 1996). These forces have led to an increasing need to demonstrate that academe is fulfilling its societal responsibilities. Outcomes assessments, such as those within departmental program reviews, are seen as the means to fulfill this need. Many outcomes are not specific to the major. They reflect competencies associated with the general education core. It is difficult to differentiate between the contributions of previous education experience and those of the major. This problem is particularly acute for specialized undergraduate majors, such as Marketing, because the dividing line between the general education liberal arts core and the major is indistinct. The general education core and the major are interwoven.

Specialized professional knowledge should be, therefore, anchored with liberal arts core values. This holistic view is necessary if the graduation credential

is to reflect a quality education, as well as specific career preparation.

Marketing and the Liberal Arts

The debate on the definition and scope of Marketing resulted in an expanded view of the discipline. The new accepted definition of Marketing goes beyond the study of commercial exchange and now includes social transactions, not-for-profit organizations, fundamental ethical issues, the study of diversity, systems thinking, and more (Hunt, 1991). When viewed from a course/subspecialization level the role of Marketing in delivering general education outcomes is positive. At a minimum, each course delivers at least one valued liberal arts outcome. Case-oriented Marketing courses provide skills of inquiry, International Marketing requires understanding of cultural differences, Market Ethics teaches values and choices. Not-for-Profit Marketing sensitizes students to social responsibility, Advertising reinforces communications skills, Selling does the same for interpersonal skills, Sales Force Management stresses team building, Marketing Strategy fosters a systems viewpoint, Consumer Behavior enhances a student's understanding of human behavior, and Market Research reinforces a student's quantitative and reasoning skills. The key question posed by Haworth in evaluating a professional education such as that provided by Marketing is, "What have graduates learned and how have they changed because of their enrollment in a professional program?" (1996). This question can be answered by comparing the ultimate outcomes of students enrolled in the Marketing program to all others who shared the same general education experience.

Establishment of the Assessment System

A faculty group at a medium-sized independent university was assigned the task of defining specific general education outcomes. The consensus of the faculty was to assess outcomes in three ways: a survey of graduating students who reported progress on the 13 dimensions, faculty assessments of questions embedded in capstone course final exams, and content analysis of student focus groups. Three years of data have now been collected. This paper reports on the survey of graduating students.

The questions on the survey, which is administered at graduation, tap self-reported capabilities on 13 learning dimensions at two times: as the student entered the university, and as he or she graduates. Each is measured on a seven-point Likert scale. Students also assess the relative importance of the 13 learning dimensions on a five-point Likert scale. They are also asked to judge the university's contribution to their personal growth and development during their time at the university. Tests on reliability showed correlations between time at the university and contribution, and consistency among common factors. Reliability tests showed there is a strong correlation between length of time at the university and positive assessments. The 13 learning outcomes measures are listed in Table 1 below. Their origins are also indicated.

TABLE 1
THIRTEEN LEARNING OUTCOMES

| | GEC | WAG | UMS | CR |
|--|-----|-----|-----|----|
| 1. Respect for the diversity and richness of other cultures | ✓ | | | |
| 2. Preparation to become a productive member of society | | | ✓ | |
| 3. Acceptance of responsibility to the community | | | ✓ | |
| 4. Understanding of contemporary civilization in light of history and the inter-relatedness of systems | ✓ | | | |
| 5. Competence in the specific material within your major | | | ✓ | |
| 6. Communication skills | ✓ | | | |
| 7. A respect and quest for lifelong learning | ✓ | | | |
| 8. Ability to perform as a member of a team | | | | ✓ |
| 9. Recognition of real world problems and opportunities | | ✓ | | |
| 10. Conceptualization of order, patterns and themes in complex situations | | | | ✓ |
| 11. Ability to select and to utilize methods to solve complex problems | | ✓ | | |
| 12. Ability to make ethical and moral decisions in a framework of personal and social responsibility | ✓ | | | |
| 13. Quantitative and mathematical skills | | ✓ | | |

GEC = General Education Core (The Five Themes)
WAG = WASC Assessment Guidelines
UMS = University Mission Statement
CR = Carnegie Report

Results

A comparison was done of the general education outcomes by degree program. The Bachelor of Science in Business Administration (BSBA) students reported greater value added for 12 of the 13 general education learning outcomes than all other undergraduate majors. The BSBA students reported greater value added than all other students, including graduate students, for 7 of the 13 outcomes. The details of these comparisons are shown in Table 2.

TABLE 2
COMPARISON OF OUTCOMES ENHANCEMENT (VALUE ADDED) BY BUSINESS DEGREE PROGRAM

| Outcome | Undergraduate Programs | | | | | Graduate Programs | | | | Sig | BSBA Value Added |
|--|------------------------|------|--------|------|------|-------------------|------|-------|------|--------------------|------------------|
| | BSBA | BA | BS(CE) | BMA | MA | MBA | M | F | | | |
| Respect for diversity | 1.67 | 1.46 | 0.97 | 1.62 | 1.83 | 1.04 | 1497 | 6,140 | .000 | University Highest | |
| Productive member of society | 1.46 | 0.98 | 0.93 | 1.33 | 1.02 | 0.88 | 1491 | 6,488 | .000 | University Highest | |
| Community service | 1.30 | 0.83 | 0.92 | 1.24 | 1.06 | 0.73 | 1479 | 9,024 | .000 | Undergrad. Highest | |
| Global systems | 1.48 | 1.31 | 1.07 | 1.27 | 1.51 | 1.02 | 1453 | 2,787 | .005 | Undergrad. Highest | |
| Competence in specific major | 2.23 | 2.00 | 1.08 | 2.16 | 2.74 | 1.80 | 1481 | 2,161 | .029 | Undergrad. Highest | |
| Communication skills | 1.70 | 1.00 | 1.38 | 1.72 | 1.77 | 1.42 | 1486 | 2,518 | .010 | Undergrad. Highest | |
| Commitment to life long learning | 1.52 | 1.34 | 1.14 | 1.53 | 1.42 | 0.93 | 1480 | 2,851 | .004 | Undergrad. Highest | |
| Team work | 1.57 | 0.98 | 1.11 | 1.40 | 1.58 | 1.07 | 1480 | 8,864 | .000 | University Highest | |
| Problem recognition | 1.56 | 1.38 | 1.18 | 1.56 | 1.53 | 1.02 | 1477 | 9,786 | .000 | University Highest | |
| Conceptualization of order in complex situations | 1.80 | 1.36 | 1.17 | 1.40 | 1.49 | 1.25 | 1473 | 3,139 | .002 | University Highest | |
| Complex problem solution | 1.63 | 1.31 | 1.21 | 1.8 | 1.47 | 1.37 | 1461 | 3,862 | .000 | University Highest | |
| Ethical decision making | 1.45 | 1.04 | 0.98 | 1.27 | 1.37 | 1.07 | 1458 | 4,440 | .000 | University Highest | |
| Quantitative skills | 1.28 | 1.16 | 1.41 | 1.11 | 1.44 | 0.95 | 1485 | 1,807 | NS | Not a High | |
| N* | 545 | 194 | 78 | 138 | 43 | 87 | | | | | |

* Sample sizes reflect the bases from the elimination of incomplete surveys

As shown in Table 3, Marketing majors reported significantly greater value added by their major than other declared majors for 7 of the 13 general education outcomes. The outcomes with the largest differences were teamwork skills, ethical decision making, learning to become a productive member of society, and problem recognition. Other significant differences were reported on respect for diversity, an orientation to community service, and the ability to see order in complex situations.

TABLE 3
COMPARISON OF OUTCOMES ENHANCEMENT (VALUE ADDED) BY MAJOR

| Outcome | Marketing Majors | Other Declared Majors | F | Sig |
|--|------------------|-----------------------|-------|------|
| N | 142-147 | 757-781 | | |
| Respect for diversity | 1.80 | 1.49 | 3.481 | .031 |
| Productive member of society | 1.63 | 1.23 | 6.486 | .002 |
| Community service | 1.32 | 1.07 | 3.334 | .036 |
| Global systems | 1.50 | 1.34 | 1.543 | NS |
| Competence in specific major | 2.31 | 2.11 | 2.092 | NS |
| Communication skills | 1.78 | 1.59 | 1.552 | NS |
| Commitment to life long learning | 1.63 | 1.42 | 2.032 | NS |
| Team work | 1.81 | 1.30 | 9.773 | .000 |
| Problem recognition | 1.79 | 1.50 | 5.028 | .007 |
| Conceptualization of order in complex situations | 1.72 | 1.46 | 3.776 | .023 |
| Complex problem solution | 1.73 | 1.50 | 2.614 | NS |
| Ethical decision making | 1.69 | 1.23 | 8.644 | .000 |
| Quantitative skills | 1.28 | 1.25 | 2.751 | NS |

The relative importance of the outcomes was also evaluated by the graduating students. The comparison of relative importance by degree program is shown in Table 4.

TABLE 4
RELATIVE IMPORTANCE OF OUTCOMES TO FUTURE SUCCESS AND ENHANCED QUALITY OF LIFE
BY DEGREE PROGRAM (1 = MOST IMPORTANT, 13 = LEAST IMPORTANT)

| Outcome | Undergraduate | | | Graduate | | | N | F | Sig |
|--|---------------|----|----|----------|----|------|------|-------|------|
| | BSBA | BA | BS | MBA | MA | MSIS | | | |
| Respect for diversity | 11 | 9 | 12 | 11 | 4 | 12 | 1520 | 8.006 | .000 |
| Productive member of society | 6 | 7 | 10 | 8 | 8 | 9 | 1517 | 5.013 | .000 |
| Community service | 10 | 10 | 11 | 10 | 11 | 10 | 1516 | 3.479 | .000 |
| Global systems | 13 | 12 | 13 | 13 | 13 | 13 | 1508 | 7.362 | .016 |
| Competence in specific major | 8 | 4 | 2 | 8 | 7 | 1 | 1512 | 6.121 | .000 |
| Communication skills | 1 | 1 | 1 | 1 | 1 | 2 | 1514 | 2.203 | .026 |
| Commitment to life long learning | 7 | 3 | 5 | 7 | 5 | 9 | 1514 | 3.800 | .000 |
| Team work | 2 | 8 | 3 | 2 | 3 | 4 | 1544 | 3.007 | .002 |
| Problem recognition | 4 | 8 | 7 | 3 | 2 | 8 | 1514 | 3.402 | .001 |
| Conceptualization of order in complex situations | 9 | 11 | 9 | 9 | 10 | 8 | 1511 | 3.144 | .002 |
| Complex problem solution | 5 | 5 | 4 | 5 | 9 | 3 | 1512 | 2.581 | .008 |
| Ethical decision making | 3 | 2 | 6 | 4 | 6 | 7 | 1509 | 6.101 | .000 |
| Quantitative skills | 12 | 13 | 8 | 12 | 12 | 11 | 1503 | 5.200 | .000 |

There were significant differences in the rank orderings across degree programs for all of the learning outcomes. All students agreed that communication skills were very important and that understanding the interaction of global systems was relatively unimportant. Competence in the specific major was ranked higher by those in Information Technology programs (BS, MSIS), but less so for others. Those pursuing technical degrees also ranked complex problem solving higher than the other groups. For the BSBA group, of which Marketing majors are a subset, communications skills, teamwork and ethical decision making were judged to be the most important. There was no difference in the importance of rank orders between the Marketing majors subset and the BSBA population.

A correlation analysis was performed between the 13 learning outcomes and the number of Marketing courses taken by each graduating student. As shown in Table 6, ten of the 13 outcomes showed small but significant positive correlations.

TABLE 5
CORRELATION BETWEEN NUMBER OF MARKETING COURSES TAKEN AND LEARNING
OUTCOME (N = 881 TO 875)

| Outcome | r | Sig |
|--|------|------|
| Respect for diversity | .113 | .000 |
| Productive member of society | .113 | .000 |
| Community service | .079 | .010 |
| Global systems | .026 | NS |
| Competence in specific major | .044 | NS |
| Communication skills | .058 | .043 |
| Commitment to life long learning | .087 | .025 |
| Team work | .121 | .000 |
| Problem recognition | .080 | .009 |
| Conceptualization of order in complex situations | .058 | .050 |
| Complex problem solution | .061 | .037 |
| Ethical decision making | .097 | .002 |
| Quantitative skills | .003 | NS |

The most significant outcomes from the extended exposure to Marketing courses seem to be for the outcomes teamwork, respect for diversity, and learning to become a productive member of society. Those outcomes unaffected are quantitative skills, an appreciation of the interaction of global systems, and competence in the specific major. The lack of correlation between the number of Marketing courses taken and competence in the specific major is an unexpected result. There are at least two possible explanations. First, all declared majors were included in the analysis. It is possible that non-Marketing majors took a large number of Marketing courses, but judged them not directly relevant in achieving competence in their non-Marketing majors. Second, Marketing may be similar to Economics in that all the basic elements of the discipline are presented in the first courses taken, and unlike Mathematics in that mastery of Marketing does not require that courses be taken in a particular building block sequence. The number of Marketing courses taken was also positively correlated with the importance given to recognition of real world problems and opportunities to career success ($r = .079, .069, n = 889$). This may be due to the increased exposure of the advanced student to courses using the case method.

A difficulty in longitudinal outcomes assessment is to determine the degree to which any change in capability can be attributed to the university experience or to other changes over time such as growing older, obtaining experience, becoming more familiar with effective work habits, becoming more widely read, and the like. The students were, therefore, asked to assess the part of his or her personal growth and development that could be attributed to the university experience, compared to other influences. Marketing majors ascribed more of the influence for changed capabilities to the university than other groups ($\chi^2 = 62.234, df = 22, sig = .000$). This could be attributable to the fact that they are younger than the comparison groups, and may be, therefore, more impressionable. Marketing majors averaged 26 years old, non-Marketing majors averaged 29 years ($t = 9.69, df = 462.27, sig = .000$). The student course evaluations were analyzed to determine if Marketing's positive general education outcomes could be attributed to more positive student evaluations of the Marketing faculty. The 4,152 evaluations conducted during the last three years (the survey data collection period) were analyzed and

mean scores on the statement, "I would recommend this instructor to my friends," compared by department. Marketing course instructors were rated higher than the university-wide population ($F = 13.217$, $df = 4151$, $sig = .000$). The positive rating of Marketing faculty could attest to their effectiveness which, in turn, would yield more positive learning outcome evaluations by Marketing students. Marketing courses were also judged to be more useful than other courses by a large percentage of students, however ($F = 15.893$, $df = 45151$, $sig = .000$). This lends credence to the supposition that there is something inherent in the Marketing discipline that is the cause of its very positive general education learning outcomes.

Conclusion

The efficacy of a major course of instruction such as Marketing can be judged, in large measure, by how well it answers the needs of its students in providing learning outcomes that are valuable to them. These skills and abilities are not uniquely derived from each major course of study, but are provided through a combination of a liberal arts core and specialized courses in the major. The major provides the application of general knowledge derived from the liberal arts foundation and, in so doing, makes the general education knowledge active and relevant. Marketing seems to do a particularly good job of reinforcing the liberal arts experience perhaps because of the eclectic and humanistic nature of the discipline.

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TEACHING ABOUT THE INTERNET

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Amidst the excitement of the Internet and the World Wide Web in 1996, a study was undertaken in conjunction with the introduction of Internet content in two marketing courses. Two measures were taken in fall 1996 and one in fall 1997. The study attempted to measure the effects of teaching about the Internet and compare those effects to what happens to students over time.

The question addressed in the study was "can an instructor's lectures and assignments make a significant improvement in students' knowledge and attitudes about a topic like the Internet."

METHODOLOGY

A questionnaire was handed out on the first day of classes in September 1996. A total of 142 business students responded to factual questions about the Internet and to attitudinal questions about its value to them plus some questions about their computer usage. About three hours of lecture time and two short homework assignments were devoted to the Internet during the semester. At the end of the semester the same questionnaire was administered to the same classes to see if the students' knowledge had increased and to see if there had been any attitudinal shifts. The identical questionnaire was again administered to a different but similar population of students ($n = 95$) at the beginning of the fall semester, 1997, to see if changes had occurred due to the passage of time.

The students were in either an introductory marketing class or a marketing research class, both undergraduate.

FINDINGS

As an example of a factual or knowledge question, the students were asked if the statement that "the World Wide Web is 15 years old but became popular only in the last 3 or 4 years because of very fast personal computers and modems" was true or false. At the beginning of fall 1996, 57 percent were correct compared to 78 percent correct at the end of the fall semester ($p=.001$). The percentage correctly answering false in September 1997 was 73

(Sept 96 to Sept 97, $p=.01$)

An example of an attitudinal question was "Spending hours on the Internet is really only for computer techies since there is nothing useful on it for me." The scale was a standard five point Likert scale. The *strongly disagree* category proportion for the whole group did not change during the fall semester but an increase from 47 percent in September 1996 to 60 percent in September 1997 was statistically significant ($p=.025$).

Also, a significantly higher proportion of females strongly disagreed with the statement at the end of the fall semester compared to the beginning of the semester, 49 percent compared to 32 percent, ($p=.02$). This proportion moved up to 60 percent for the females in the September 1997 survey.

Students were asked "How many hours do you think we should spend in this course on discussion about the Internet?" The average number of hours in September 1996 was 5.9 but this fell to 4.5 hours in December 1996 and remained at 4.5 hours in September 1997. Consistently males wanted to spend more hours discussing the Internet. For example, in September 1997 the mean hours for males was 5.3 versus 3.8 for females. Several males wanted to spend 20 or more hours during the semester discussing the Internet!

CONCLUSIONS

One objective of this study was to look for evidence that the lectures and homework assignments regarding the Internet were effective at increasing the students' knowledge. The pre and post surveys provide this evidence. There were statistically significant increases in student knowledge according to the survey results. And the students were more inclined to feel that marketing students would benefit from the Internet at the end of the semester compared to the beginning of the semester

There is evidence that an instructor can have a significant effect on knowledge through the use of lectures and homework assignments although there is not much evidence that an instructor can affect attitudes during the semester.

Faculty Use and Perceptions of the Internet in Marketing Education

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ABSTRACT

While there is an increasing amount of research on exactly *how* the Internet can be used to enhance the educational experience (e.g., Atwong and Hustad 1997, Canzer 1997), there is little research on the physical and psychological resources available to marketing faculty at Universities. This paper discusses the potential uses of the Internet for marketing education and presents results of a survey on faculty perceptions and uses of the Internet among WMEA members.

BACKGROUND

Because of the versatility of the Internet, its use by marketing educators is clearly on the rise (Atwong and Hugstad 1997). There are many examples of the innovative use of the Internet (and specifically the WWW) by marketing educators (e.g., Siegel 1996). The WWW is one of the fastest growing segments of the Internet. Very simply, the WWW is a standardized, global, Internet-based information access and retrieval system.

One of the simplest ways of using the Web for teaching is to provide course information, homework and reading assignments on it for instant access for both current and potential students (e.g., see the collection of marketing syllabi available online at <http://nsns.com/Syllabits/mar/>).

Communication is a significant use of the Internet. It can provide students with immediate access to faculty and staff via e-mail. Further, students can communicate with each other through class bulletin boards, discussion lists and chat rooms and benefit from each other's questions and comments. The benefits of communication via the Internet may be particularly significant for part-time and nontraditional students that are not on campus on a daily basis.

RESULTS & DISCUSSION

The results of our survey conducted in October 1997 show that marketing faculty, in general, are currently not the most active users of Internet-based pedagogical resources but usage is increasing rapidly. However, the findings are encouraging to the extent that faculty seem to have a generally positive view of the Internet. Marketing faculty attitude about the usefulness of the Internet for teaching seems overwhelmingly positive.

Of all the Internet services, the two that faculty seem to consider most valuable for teaching are the WWW and e-mail. Lack of student or faculty access to the Internet did not seem to be a major factor inhibiting faculty efforts to integrate the Internet into the marketing classroom.

Some substantive implications of the results of this survey are that the different individuals involved in educational process need to adapt their products and services to meet this behavioral change. There are several such groups of people that need to heed the results of this survey. One can already see how textbook manufacturers are gearing up by offering interactive cases, presentation CD-ROMs, dynamic web sites, etc. in support of their marketing textbooks. As a faculty, we need to commit ourselves to educating ourselves about the opportunities that the Internet offers in enhancing the educational experiences for our students. Students themselves need to realize the importance of this mode of education and demand access to computing resources. University administrators need to allocate resources to develop the use of the Internet and the access to the Internet for both students and faculty.

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A copy of the full paper with references is available from the authors on request.

An Experiment With Measuring Impact of Monetary Incentives On Rate and Speed of Response to Web-Based Surveys

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ABSTRACT

This study analyzed how monetary incentives influence responses to web-based surveys. A sample of 422 electronic mail (e-mail) addresses was contacted by e-mail to respond to such a survey. One third of the sample received the chance to win \$50 upon completion of the survey; another third the chance to win \$100; and the remaining third no monetary incentive. The rate of response and the timeliness of the response were tracked for the three groups. The incentives influenced the speed of the response but not necessarily the rate.

Background

It is now technically feasible to collect marketing data completely electronically. Respondents can be contacted via e-mail with a message that contains a link to an internet web page where a questionnaire resides. With a single click on the link, the respondents are transported to the questionnaire, which they can begin answering at once. Upon completion, with another final click they can submit their responses for analysis. The medium thus potentially offers several advantages like faster turnaround for data collection and analysis, reduced coding errors, and lower cost.

The viability of Internet research, however, depends in part on whether it can provide adequate response rates. The potential respondents must choose to return to the web based survey.

Response Rates

There is no research on which factors affect the response rates to web based surveys. Response rates to surveys, which have been e-mailed to respondents vary between 19 percent in a university setting to a high of 73 percent in a closed corporate environment (Kiesler and Sproull 1986, Schuldt and Totten 1994, Oppermann, 1995). A recent study by

Bachmann, Elfrink, and Vazzana (1996) found that the response rates to the mail surveys were significantly greater than to the e-mail surveys. However, both rates were common to those found in historical mail survey results.

Most of the response rate literature pertains to mail surveys. A sampling of the studies (Donald, 1960; May, 1960; Dillman 1978; Downs & Kerr 1986; Harvey 1987; Martin 1989; Faria & Dicken 1990; Kalafaris & Madden, 1993; Biner & Kidd, 1994; Bachmann, Elfrink, & Vazanna 1995; Paxson, 1995) shows that the factors which most consistently affect response rates for mail surveys are stamped return envelopes, follow-up techniques, and monetary rewards or token incentives.

The research on response rates of surveys administered via fax machines is limited. According to Tse, et al. (1993), fax surveys have a faster return speed and are less expensive to administer than mail surveys. However, the response rates are not as high as for mail surveys.

Tse, et al. (1993) found a 12 percent response rate to a fax survey where both the survey and response had been faxed. Within the same study a mail survey that included a stamped return envelope garnered a 43 percent response rate.

Speed of Response

There is some research on the speed of response to mail, fax, e-mail and telephone surveys (Dillman 1978; an Tse et al. 1992; Vazzana, Elfrink and Bachmann 1995; Oppermann 1996; Schuldt and Totten 1994). The consensus is that mail surveys are significantly slower than both fax and e-mail surveys, and e-mail surveys are faster than fax. In a study by Oppermann (1995), the response rate to the e-mail

survey was 23.6 percent after two days. In the time usually required to distribute traditional mail surveys nationwide, almost one-fourth had responded.

Use of Incentives and Monetary Rewards

The literature on cash incentives on mail surveys is vast and the majority points to a similar conclusion. Providing monetary incentives is one of the most effective means of increasing response rates in surveys of the general public (Fox, Crask, & Kim. 1988; Brennan, M. 1992). Prepayments are effective by creating feelings of obligation among recipients (Biner & Kidd 1994).

Research Methodology

In this study, respondents were solicited to participate in a survey located on the Planet Volleyball web site. The membership list of e-mail addresses generated through the Planet Volleyball web site over the past year was used as the population. The available e-mail list of 423 addresses was sorted alphabetically and then split into three groups of 141 (Table 1).

Each e-mail address within the three groups was sent a specific recruitment letter asking them to respond to the survey on the Planet Volleyball web site. Group 1 was offered the opportunity to win \$100; Group 2 \$50; and Group 3 received no mention of any cash. Eleven responses were obtained from individuals who did not disclose their e-mail addresses and therefore could not be placed in a specific group and from other individuals that arrived at the survey without solicitation.

TABLE 1

Response Rates to the Survey by Prize Level

| | E-Mails Sent | Response Rate Percentage |
|--------------|--------------|--------------------------|
| \$100 Prize | 141 | 18 |
| \$50 Prize | 141 | 26 |
| No Prize | 141 | 15 |
| *Chi- Square | D.F. | Significance |
| .3836 | 1 | 0.5357 |

The URL address of the exact location of the survey was included in the e-mail solicitation, which enabled respondents to go directly to the survey. By clicking on the URL most browsers were able to open to the survey location directly.

After completing the last survey question, respondents could click a submit button. Doing so would automatically return the survey responses via e-mail. Only one response per person was accepted.

Responses were collected over a period of seven days, from the time the recruitment letters were first e-mailed to the list of potential respondents. Each response was printed out, clearly displaying the exact date and time it was submitted.

Motivation to participate in the survey was measured by asking: "What motivated you to do this survey?" The closed-ended responses were the prize, curiosity, like to help out, interest in volleyball, and bored.

Characteristics of Respondents

A total of 423 e-mail recruitment letters were sent out with 14 percent returned undeliverable. Of the 364 e-mails delivered successfully, 22 percent responded to the survey.

The immediate return of undeliverable addresses is an important feature especially when surveys are targeted at a highly mobile population. It is easy to ascertain that a pre-specified total number of questionnaires are actually delivered and one does not need to wait until undelivered traditional mail is returned. Undeliverable e-mail of 14 percent found in this study is very good. In studies reviewed, undeliverable rates of 24.8 percent were found (Oppermann, 1995).

Overall, females made up 22 percent of the total respondents; 24 percent of Group 1 (\$100); 16 percent of Group 2 (\$50), and 28 percent of Group 3. In 1996, it was estimated that females comprised 32 percent of Internet users (Tchong, 1996).

The age breakdown of the respondents was as follows: 14 - 18 (18.6%); 19 - 24 (20%); 25 - 34 (37.1%); 35 - 55 (18.6%) and over 55 (1.4%). The average age of computer users is 39, while the average age of the Internet user is 32. About one in ten Internet users are children under 18 years of age (Tchong, 1996).

Results of Study

Response Rates

The response rates varied by group (Table 1). Group 1, who received the \$100 prize offer, had

an 18 percent response rate. Group 2, who received the \$50 prize offer, had a 26 percent response rate. Group 3, who received no prize offer, responded at a rate of 15 percent. However, based on the chi square analysis, the results were not significant.

Response Speed

Table 2 shows the frequency at which responses were received over the duration of the study. Since the study lasted seven days, each time period represents a 12-hour period. Some 57 percent

TABLE 2
Frequency of Responses per Half Day Period

| | 1 | 2 | 3 | 4 | 5 | 6 |
|----------|----|----|----|----|----|----|
| \$100 | 5 | 10 | 0 | 5 | 0 | 0 |
| \$50 | 4 | 14 | 3 | 7 | 0 | 1 |
| No Prize | 4 | 3 | 3 | 2 | 1 | 1 |
| Totals | 13 | 40 | 46 | 60 | 61 | 63 |
| Cum. % | 19 | 57 | 66 | 86 | 87 | 90 |

of all the responses were received within one day of the recruitment e-mails being sent out. Similarly, 87 percent of all responses were received within two days. Please note that "other respondents" were not included in Table 2. Group 1 (\$100) averaged .86 days to return their surveys; Group 2 (\$50) averaged 1.36 days; and Group 3 (no prize) averaged 1.88 days (Table 3). As the value of the incentive increased, the speed of the response decreased.

TABLE 3

Response Speed

| | Mean Response Speed in Days |
|-----------------------|-----------------------------|
| Group 1 - \$100 Prize | .86 |
| Group 2 - \$50 Prize | 1.36 |
| Group 3 - No Prize | 1.88 |
| Groups 1,2,3 Average | 1.37 |
| F Ratio 2.25 | F Prob. .096 |

According to the respondents, the biggest factor in responding to the survey was their interest in volleyball. This was true for both the groups who were and were not offered an incentive. Among those who were offered the opportunity to win a prize, 52 percent said they responded because of their interest in volleyball; 21 percent because of the prize; 21 percent to help out; 4 percent out of curiosity; and 2 percent out of boredom. Among those who were not offered the chance for a prize, 56 percent said

they responded because of their interest in volleyball and 44 percent to help out.

Summary and Conclusions

It is now technically feasible to administer marketing surveys via a web site on the internet. Both closed and open-ended responses can be obtained quickly and cost effectively. According to this study, the response rate, which was 22 percent, appears to be in line with mail, fax and email surveys.

More investigation, however, needs to be done on which levels of monetary incentives are effective in increasing response rates to web-based surveys. In this study, a sweepstakes comprised of two different levels of monetary prizes had surprisingly little impact on response rate. Perhaps web-based surveys are still novel enough that respondents are willing to answer regardless of the cash incentive. On the other hand, sweepstakes may not have the necessary credibility to serve as a bona fide inducement. Users of the web are deluged with sweepstakes, whose rules and winners are not always clear. Moreover, other studies support that prepayments are far more effective than the promise of money at the conclusion of the interview (Goyder, 1994). Further research needs to be done measuring the effect of guaranteed cash incentives on response rates not just the chance to win cash as was done in this study. It should be noted, however, that it is not possible to provide prepayments with web based surveys.

Offering a cash incentive did improve the speed of the response. When response speed is critical, the study supports that a cash incentive should be included. However, further research should be conducted with regard to the level of incentive and guaranteed payments versus sweepstakes.

The study indicated that the response rate for a web-based survey might hinge on less tangible factors like the respondent's interest in the subject. Interest in volleyball was the primary motivation to respond to the survey for both the treatments and the control group. Marketing researchers need to become adept at alerting potential respondents to the purpose of the survey and how it relates to them, and appealing to the respondents' desire to be helpful.

The web-based survey may be used to effectively gather valuable data on customers who are on the web. The technique automates data collection, eliminates coding errors for closed-ended questions, speeds up administration, and reduces data gathering costs. Using websites to collect data from individuals could potentially become the most efficient and effective method of market research yet developed. However, there is much to learn. This study is only a small, preliminary step of many to come that will accurately layout the steps needed to ensure the most effective use of online surveys.

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BUILDING A HOUSE OF QUALITY IN THE MARKETING CLASSROOM: A New Look at the Product Development Process

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ABSTRACT

Today's leading product-oriented firms are employing Quality Function Deployment (QFD) techniques in the design and development of new products. QFD techniques advocate use of cross-functional teams to plan, implement, and assess the product development process. As firms implement these innovative approaches to product design and development, it is important to examine how the product development process is being taught in business schools. The purpose of this session is to present a pedagogical model for demonstrating the House of Quality method, and to illustrate the changing role of the marketing function in this process.

INTRODUCTION

Quality Function Deployment (QFD) is changing the way that products are designed, produced, and marketed. Product development firms have adopted QFD techniques to reduce time-to-market, reduce costs of design and manufacture, and improve product quality (King, 1987). One particular QFD technique that is being widely followed is the House of Quality (HOQ) model by Hauser and Clausing (1988). Simply stated, the HOQ model uses four "houses" to present data in the product design process.

The initial step in building a House of Quality is to listen to the "voice of the customer," and this is where marketing efforts play a crucial role (Griffin and Hauser, 1992). Customer needs, are usually detailed and contained in lengthy statements. Translating these statements into specific customer needs and prioritizing them for engineering design is not a simple process. As found in some QFD studies, discussions with customers

usually reveal 200-400 customer needs for a single product (Lillrand and Kano, 1989).

PEDOGOGICAL DEMONSTRATION

As QFD techniques and in particular, the House of Quality model is used in industry, it is ever more important that we begin now to incorporate these tools in the marketing curriculum. Marketing's role from the initial design phase to the product launch phase has changed, but little has been changed in the pedagogical approach to the new product development process. From a content analysis of the leading texts, in marketing research, product management, and principles of marketing textbooks, only a few even mention the House of Quality approach in product design.

In this session, a House of Quality will be constructed in the redesign of a writing pen. The specific objectives of the teaching module are to: (1) acquaint students to the QFD techniques in contrast to standard product development model and (2) to construct a House of Quality using the appropriate tools in a cross-functional effort between marketing, engineering, and manufacturing. The software used to design the product is *QFD/Capture*® developed by International TechneGroup, Inc. Some of the key marketing principles used in the redesign of the writing pen include:

- 1) comparison of rating and ranking measurement scales,
- 2) design using the total product view,
- 3) demonstration and use of focus group research,
- 4) developing a product positioning strategy
- 5) benchmarking competitive products, and
- 6) integration of design and product attributes.

Improving Teaching: Course Portfolios and Formative Peer Review

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ABSTRACT

This special session discusses the role of course portfolios and formative peer review in improving marketing education, the implementation of formative peer review, and encourages participants to establish formative peer review processes.

Peer review is a growing movement in higher education, especially business education. It is a primary means of improving the quality of marketing education. WMEA is a very appropriate venue for discussion of the topic and dissemination of its implementation.

COURSE PORTFOLIO

Phase 1 – Reviewing Course Design

The Model Syllabus

- Writing effective course learning objectives
- Linking course and program objectives
- Assessing accomplishment of course objectives
- Reflective memo on course design as posed in the syllabus
- Peer review of syllabus and reflective memo

Phase 2 – Sampling Instructional Activities

- Videotaping class sessions
- Reflective memo on insights gained from the videotape
- Peer observations of the classroom
- Critical incident case study
- Participant work on an example

Phase 3 – Sampling Student Learning

- Designing assignments
 - Reviewing an assignment
 - Samples of student performance
- Reflective memo
- Peer review of assignment, student work samples, and reflective memo
- Peer review of tests and other assignments
- Participant work on an example

THE TEACHING PORTFOLIO

- Philosophy of Education
- Review of strengths and weaknesses
- Longitudinal review of course evaluations
- Collection of course portfolios

IMPLEMENTATION ISSUES

- Selecting Peer Partners
- Confidentiality
- Barriers
 - Time commitment
 - Culture change
 - Evaluation issues

DEPARTMENT OF MARKETING ADVISORY COUNCILS: THE GOOD, THE BAD, THE UNRULY

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ABSTRACT

For some time, colleges of business have been incorporating business and/or alumni advisory councils into their administrative structures. While these councils generally play an important role, they rarely deal with issues specific to departments or disciplines. Rather, they typically deal with broad college issues and may not have the time or specific expertise to advise a particular academic department. In fact, the people who might be most useful for participation on a college council may not be the same people who would be most useful to a department or discipline.

Consequently, at some schools, various academic departments, including departments of marketing, are beginning to establish their own advisory councils of business practitioners. While these councils may be very useful in providing a business perspective for academic planning in various business disciplines, their composition and role must be carefully thought out, their involvement in departmental activities must be controlled, and the faculty should be aware that, as with most ventures, there is a down-side to the use of advisory business councils.

The authors of this paper are the immediate past and present chairs of a Department of Marketing at a large Midwestern state university that has had an on-going Marketing Advisory Council for the past 7 years. The authors use that experience to discuss not only the need for such a council, but the ideal composition of such a group, the departmental activities for which such a council can play an important role, and some of the possible pitfalls to avoid with an advisory council.

NEED FOR AN ADVISORY COUNCIL

There are a number of reasons to consider the establishment of a marketing department advisory council. The most compelling reason is simply to provide a current business-world perspective to the faculty. Such a perspective is crucial for those who are attempting to educate tomorrow's business practitioners and, hopefully, leaders of industry. Furthermore, in some cases business practitioners lead rather than lag academe in incorporating new ideas and technologies.

For example, business was practicing cross-functional integration before it was even talked about in marketing or, for that matter, in most management courses. Similarly, business has certainly taken the lead in making community service an employee requirement and to be pro-active in valuing diversity in the workplace. An advisory council can help faculty understand both what new ideas need to be addressed within the curriculum of the discipline, and possibly offer advice on where and how it might be incorporated most effectively.

In addition to simply providing a business perspective, council members can provide a unique insight relative to the marketing of college programs to prospective students. The recent and continuing "bust" in undergraduate business school enrollments nationwide suggests that many business programs have either not been providing a "relevant" educational opportunity, or have failed to convince college students of the value, challenge, and rewards of careers in those fields. Marketing programs at most schools have not been an exception to this trend. Marketing practitioners can help the department review the relevance of its programs and/or offer ideas, or even participate in the effort to persuade prospective students to consider careers in marketing. Often times, current practitioners are more "believable" persuaders than faculty who have a vested career interest in enrolling sufficient numbers of students in classes.

Finally, advisory councils can play a role in the "continuous improvement" often sought by many administrative associations and grant-giving organizations. Increasingly, accreditation associations, university administrators, and even college councils are looking at how faculty for the various programs are providing for continuous improvements in their academic operations. They often look for, or even expect, a periodic, if not continuous, external review of programs. Advisory Councils certainly can provide continuity of external review and advice, and may help plan external review from other stakeholders such as employers, graduate schools, and graduates of the program. Similarly, many public and private grant-giving organizations are looking for the same kind of continuous external review and an advisory council of business practitioners may well serve this purpose. In

fact, the program focused on in this paper initially established its council for just such a purpose. As part of an Academic Challenge Grant Program rewarding "academic excellence" for state-supported universities, the department's successful grant proposal included the establishment of a Marketing Advisory Council.

COMPOSITION OF A DEPARTMENT ADVISORY COUNCIL

The composition of an advisory council is critical if the department wants it to be more than just a cosmetic adjunct organization. Members of the advisory council should usually have the commonality of working in positions related to the marketing discipline. On the other hand, they should be as diverse as possible in terms of ethnicity, sex and expertise within the discipline in order to provide a variety of real-world perspectives from the business community.

In addition, if at all possible, council members should represent upper management positions, ideally, at the vice presidential or equivalent level. This is necessary in order to have the managerial experience and credibility to offer advice that faculty will find authoritative. While CEOs may be desirable, and our council has one such representative, they are usually too busy and may provide too broad a perspective for a departmental committee. In general, CEOs are better suited for membership on a college or university-level council.

Program alumni, while not necessarily critical to have on the council, are often the most active and involved, and willing to serve long terms. This reduces the need to find replacements, which is time consuming and results in a loss of continuity within this facet of departmental operations. However, it should also be noted that alumni may be less willing than others to be critical of the program. Similarly, they may not want to offend the faculty or may try to rationalize the quality of their own education. As a result, it is recommended the department advisory councils should not consist of all program alumni. While alumni clearly play an important role by the very nature of their commitment, loyalty and enthusiasm, a council with a diverse educational background is desirable. It should also be noted that it may also be possible to find alumni from the school, but not the department, who are now working in the marketing discipline and may be both interested in serving on the council and could provide the objectivity that is desired.

THE ROLE OF THE COUNCIL

The department faculty should clearly determine what role they want the advisory council to play within their department prior to forming the council. As part of this deliberation, the faculty should decide the specific activities for which they want council participation. Based on the authors' experiences, the following primary and secondary council activities would warrant consideration.

Primary Activities

Long-Range Planning -- The council might participate in long-range planning which may be their most important contribution. Business practitioners at this level usually have a great deal of experience in this area and may be particularly helpful in reviewing and making suggestions regarding the

- mission statement
- development of goals and objectives
- developing a tactical plan of action to achieve goals
- establishing a timetable for implementation

Curriculum Planning -- The council's real-world business perspective may lead to useful suggestions for curriculum planning, at both the undergraduate and graduate level. This could include suggestions for content or skill emphasis within a course as well as what courses are needed in the curriculum.

Faculty Interaction -- The council might participate in round-table discussions with faculty on important current issues in the discipline to stimulate intellectual understandings of various problems from both the business community and academic perspectives. This should be mutually beneficial to both groups and might be expanded to include other external participants either as a service to the business community or, possibly, as a fund-raising activity.

A Faculty and Student Resource -- Council members might be asked to be available as a resource for students and faculty in such activities as:

- guest speaker in classes (where appropriate)
- speak to student organizations
- review student resumes

Fund-Raising -- The council may also facilitate the development of fund-raising plans. While some schools may also use this group as a prime target for fund-raising efforts, the advisability of this may well depend on the stature of the school and/or department within

the business community. In order to maintain a more objective relationship with the council, this is generally not recommended but the authors recognize it is certainly an arguable position.

Secondary Activities

A departmental advisory council may also be able and/or willing to perform a variety of other duties as needed or desired by the department. For example, the council might:

- Aid in recruiting students to the program
- Help in placement of graduates and interns
- Participate in special events (such as annual conferences/symposia, etc.)
- Help faculty with access to practitioner databases for research
- Assist in faculty development programs
- Advise students in a variety of possible group formats on how to obtain entry level jobs and what they can expect as they advance in their careers

With respect to the last activity, an extremely successful format to involve council members and students has been an annual "career panel" in which council members comprise a panel. Each panel member provide career advise to students in a structured format with considerable time devoted to questions. It is recommended that the session last a minimum of 1-1½ hours with at least 5 council members on the panel. Further, a brief "reception" following the panel allows students to interact with council members on a 1 to 1 basis.

The specific activities of the council may well need to change over time (or what falls into primary or secondary activity categories may depend on the circumstances facing a specific program). Clearly, the specific duties need to be flexible and must be viewed by both council members and the faculty as being useful.

PITFALLS TO AVOID

While business advisory councils can be of immeasurable help to a department, their participation may not have all positive results. There are a number of potential pitfalls that can make a council ineffective, or worse. In some cases, advisory councils may become "make-work" projects (something few departments need) or even develop an adversarial relationship with some of the faculty in the department, becoming a dysfunctional arm of the academic unit. The following are some of the pitfalls that could occur

and some suggested precautions and/or solutions to those pitfalls.

Pitfall #1: The faculty must not loose control of the council (i.e., the council must not be allowed to become - or even think of themselves as - a sort of "board of directors"). The faculty will resent the board and the potential value of their advice will be lost. You might also succeed in alienating an otherwise valuable "friend of the department" if they end up feeling their time and efforts aren't appreciated.

Precaution/solution: The Council's charge and activities must be made very clear at the onset. The charge should be written and distributed to council members and faculty, discussed at the first council meeting, and should be periodically reviewed. While the charge and/or activities may change over time, they must, at any given point in time, be very clear. Furthermore, faculty decision-making should never take place when the council is present, thereby, clearly keeping the meeting "advisory".

Pitfall #2: The council should not be allowed to become a "make-work" project for the department. When council duties are not clearly delineated as previously suggested, the department may start "finding things to do with the council." This is neither productive for the council or the faculty. In fact, it's non-productivity will become clear to all involved and could easily lead to ill feelings toward the department and college.

Precaution/solution: Not only must the council's charge and activities be clear, but the council and faculty should not meet unless there is something specific to do. If necessary, a meeting should be canceled rather than allowing it to be non-productive. It may also be useful not to think just in terms of full council-department meetings. For many projects, it may be more appropriate for a subset of that group to get together to work on a specific, defined task.

Pitfall #3: Expecting all council members to be available at all functions. Not all council members will be able to attend all meetings or participate in all functions. In fact, it will be the rare member who can. More importantly, not all council members will prove to be very useful.

Precaution/solution: The council should have a large enough membership so that all members do not have to be present to make the council work effectively. Also, the terms of membership should be clearly defined. Even if the faculty want some members to be reappointed indefinitely, finite terms will provide the opportunity "to ease some members off the council."

Pitfall #4: The council should not become the department chair's personal advisory council. Many of the potential benefits of the council will be lost if a broad spectrum of the faculty are not involved.

the specific interests and talents of the advisory council members.

Precaution/solution: As many department faculty as possible should be involved with the council from the start; from planning for the council, to selecting prospective members, determining the charge to the council and the desired activities for the council. It is a good idea to have the faculty, on a rotating basis, get involved in planning some of the specific functions in which the council is going to be involved.

Pitfall #5: Failure to remember that council members are not employees. Council members are typically extremely busy, hard working business people who are giving freely of their time and efforts, often at considerable expense that they or their company absorb.

Precaution/solution: Treat the council as special, albeit adjunct, members of the department. Make their visits appear to be special events, with all the proper trimmings (e.g., rolls and coffee for breakfast meetings; nice luncheons; and/or catered dinners). When possible, arrange their visits to campus to coincide with other events (a home football game, a concert, a play) and make sure they are escorted by a good representation of the faculty to such events. Some of the faculty may even want to take some students to visit council members' places of business. Asking for a planned tour and presentation - this is the organization version of asking your date about themselves - it is always flattering and may be a very enlightening experience for students.

CONCLUSION

Department advisory councils can be both a blessing and a curse. On the one hand, they can be a great addition to the operations of this level of academic unit. Business practitioners can provide a business-world perspective for a number of department activities, and may well participate in a variety of those activities, adding a dimension that academics alone can not provide. At the same time, it is important not to allow advisory councils to run amok; they should not be allowed to assume the role of an oversight board, nor to become involved in decision-making activities. The role and charge for such a council must be clearly written and understood by all parties involved (both council members and faculty) and all involved should recognize that the appropriate role and activities may need to change over time - they are not written in stone and should reflect the needs of the department as well as

USING Q: AN EXPLORATORY INVESTIGATION OF EMPLOYER CRITERIA FOR HIRING MARKETING GRADUATES

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ABSTRACT

Q-sort methodology was used to investigate the criteria employers use to evaluate candidates for marketing, management, and accounting positions. The paper describes the methodology and illustrates it using a sample of employers. The method produced three clusters of employers with different hiring criteria. Firms recruiting for marketing and sales positions focused on leadership and personal skills of prospective employees. Service organizations stressed people skills and public accounting firms focused on technical skills and graduation from accredited programs.

BACKGROUND

Studies of hiring criteria of campus recruiters often disagree as to the relative weight placed on biographical information, academic performance, work and life experiences, technical skills, and personality, when evaluating applicants for employment. Some studies report that scholastic performance and possession of relevant skills have the largest impact on recruiters' evaluations (Dipboye, Arvey, and Terpstra 1977; Dipboye, Fromkin, and Wiback 1975; Heitmeyer, Grise, and Force 1992). For instance, most previous research indicates that oral and written communication skills are highly desired by recruiters hiring marketing graduates. Other important abilities for marketing graduates have included ability to sell, do research, analyze problems, do word processing, understand new product management, and understand direct marketing (Aurora and Stoner 1992; Boatright and Stamps 1988; Kelly and Gaedeke 1990; John and Needle 1989).

Other studies, however, report that recruiters tend to use irrelevant and subjective information, such as attractiveness and the impression made in the interview, when making hiring decisions (Hitt and Barr, 1989; Kinicki and Lockwood; 1985). For instance, Campion (1978) found that, although undergraduate grade point average predicted hiring, membership in fraternities sororities, and professional societies also aided prediction.

Graves and Powell (1988) found subjective qualifications, such as initiative and communication skill, effectively mediated the recruiter's perceptions of perceived similarity, interpersonal attraction, and objective qualifications (in this case, grade point average).

To develop curricula and successfully place marketing graduates in career positions, marketing educators must know what criteria employers use for selection decisions. However, the existence of inconsistent and simplistic findings suggests that some recruiters may be reluctant or unable to provide candid or accurate responses. Augmenting surveys with additional methodologies designed to improve candidness has potential to be helpful. This paper discusses Q-methodology and presents the results of an exploratory study of recruiter criteria using it.

Q-METHODS

Q methodology is based on the philosophy that it is often more informative to study a single individual in depth than it is to study a large number of individuals superficially (Stephenson 1985; McKeown, Bruce, and Thomas 1988). The in-depth examination of single cases and small numbers of individuals provides the opportunity for the researcher to probe the individual's subjective frame of reference. When doing a Q-sort, respondents rank a common set of stimuli consisting of statements placed on cards along a continuum from positive to negative. For example, the respondent may be asked to rank statements according to how important each would be or how much he or she agrees or disagrees with them. The goal is to produce a normal distribution of items with a few statements at the ends of the continuum and the bulk of the statements in the middle of the sort. The relationship of the items to each other reflects the respondent's subjective evaluation at that point in time.

In addition to providing the advantages of in-depth interviews or case methods, Q methodology also allows for the kind of quantitative analysis

associated with more traditional methodologies. Q methodology lends itself, for example, to the empirical comparison of different sorts, significance testing, and factor analysis. In the case of Q, however, large numbers of respondents do not rate smaller numbers of items. Rather, a few respondents are clustered on the basis of similarity in rankings of a large number of items.

Although Q-sort methods have been used extensively in the social sciences for more than half a century, they are relatively unfamiliar to marketing academics. Because the methodology seemed to offer a way of getting around unreflective responses about selection criteria, however, we elected to employ it in this exploratory study. Our aim in the study was, first, to investigate the usefulness of Q for framing recruiter thinking about employee characteristics. Second, we wanted to develop a picture of the relative importance of the personal, biographical, and academic characteristics of prospective employees to recruiters and human resource managers. Third, we wanted to determine what differences existed in rankings of recruiters from different industries in the belief that this knowledge would contribute to curricular development.

METHOD

Sample

To conduct the study, a convenience sample of 24 recruiters and human resource managers was drawn from a larger group of persons who had completed a survey assessing satisfaction with recent business graduates ($n = 84$ firms). A specific effort was made to include representatives of various industries and of both small (less than ten employees) and large (more than 1000 employees) companies. Industries included consumer products, insurance, retailing, manufacturing, marketing research, services (such as health care and banking) and accounting. Positions for which employees were recruited included marketing management, industrial and retail sales, sales management, research and data analysis, general management, and accounting. Potential respondents were contacted by telephone, thanked for participating in the prior survey, and asked if they would agree to do an interview. Approximately 80% of those that could be contacted agreed to be interviewed.

Q-Sort Procedures

To conduct the study, a literature search was conducted to find employer listings of important personal (e.g., dependability and tenacity), biographical (e.g., the possession of a degree), skill (e.g., ability to communicate and manipulate data) and knowledge (such as knowledge of product management) characteristics. A list of 110 statements was developed from this search. Two independent judges examined the list, indicated which items were too similar or were not interpretable, and suggested additional characteristics that they felt were important but missing from the list. The final list consisted of 64 characteristics in the areas cited above. These were typed on cards for sorting.

Interviews took place in the respondent's office, in another room in the building where the respondent worked, or in an office on campus. At the beginning of the interview, the interviewer explained the Q-sort process and gave respondents a template showing how many of the 64 cards should be placed in each of 11 columns. Because most recruiters and human resource personnel hire for more than one position, the respondent was told to think about the most frequent position for which they recruited and the necessary applicant characteristics for that position. The respondent was told to sort the items according to their importance in the decision to hire an applicant. Scores associated with the card positions ranged from +5 (most important) through -5 (least important). While the sorting was in progress, the interviewer took field notes to record respondent comments. When the sorting was finished, the respondent was asked if he/she was satisfied with the sort and allowed to change card positions. Then the position of the cards was recorded on a blank template by the interviewer with the help of the respondent. Last, interviewees described what they were thinking about as they did the sort and gave the rationale behind their choices. These discussions were tape-recorded.

Data Analysis

A principal components factor analysis with varimax rotation was performed on the sorts using PQMETHOD, a program specifically designed for Q-sort analysis (available on the internet at <http://www.rz.unibw-muenchen.de/~p41bsmk/qmethod/>). The factor analysis comprised the

means by which persons were clustered based on their Q-sort. The aim of the analysis was to develop a factor array, consisting of clusters of individuals who had similar points of view about the relative importance of applicant characteristics in the hiring decision. The output contained sets of average ranks and factor scores for each of the items and indicated which items were ranked significantly differently among the groups ($p < .05$).

RESULTS

The analysis yielded three orthogonal clusters of firms. Firms loading on the first factor were comprised primarily of consumer products, production and retailing firms that were hiring for sales and management positions. Firms loading on the second factor, with the exception of a wood products firm, were those providing government and other services. They were looking for employees in cost accounting and general management. Factor 3 firms consisted of one consulting and research firm and three large public accounting firms. Their most frequent employment needs were for beginning public accountants and data analysts.

Characteristics most sought by employers, together with their ranks and factor scores, in each of the three clusters appear in Table 1. Only characteristics that differentiated between factors (clusters of firms) are presented. Recruiters for firms loading on Factor 1 emphasized characteristics that might be important in marketing and sales. These included leadership potential, initiative, sensitivity to customer needs, and objectivity (defined as being results oriented). Recruiters for these firms also awarded "aggressiveness" a positive score (+1), whereas other two groups gave it negative scores. Technical skills, such as the ability to use computers and manipulate data, were deemed relatively unimportant.

In addition, respondents clustering on Factor 1 described the successful applicant as one who could communicate excitement about the job, was motivated to succeed, and could inspire confidence. Follow-up interviews revealed that academic achievement was thought to be a surrogate for these abilities, just as being an officer in an organization was thought to be a surrogate for leadership ability (ranked as very important by most employers). Respondents believed that the most important skills conveyed by institutions to

students were communication skills, especially in sales, and problem solving skills. The ability of the applicant to understand and focus on the customer's particular situation also was important; however, it was not thought to be strongly related to the applicant's understanding of marketing principles.

Table 1
Ranks and Standard Scores of Defining Statements by Factor

| Statement | Factor Score | z Score |
|---|--------------|---------|
| Factor 1 | | |
| Shows initiative | +5 | 2.03 |
| Shows leadership potential | +5 | 1.66 |
| Sensitive to customer needs | +4 | 1.59 |
| Objective and results-oriented | +4 | 1.36 |
| Willing to take risks | +3 | 1.09 |
| Has ability to inspire confidence | +2 | 1.02 |
| Is skilled in evaluation of subordinates | -1 | -2.29 |
| Has ability to detect problems in data | -3 | -1.09 |
| Skill in use of spreadsheets, computers | -3 | -1.27 |
| Skill in using data base management | -4 | -1.51 |
| Skill in using statistical packages | -4 | -1.54 |
| Factor 2 | | |
| Ability to deal with interpersonal conflict | +5 | 1.91 |
| Ability to get along well with others | +5 | 1.76 |
| Willingness to seek guidance | +3 | 1.05 |
| Ability to meet schedules/budgets | +2 | 0.74 |
| Has motivation to succeed | 0 | 0.17 |
| Knows the firm's products and services | -2 | -0.84 |
| Understands human resource mgmt. | -2 | -0.89 |
| Academic excellence, high GPA | -2 | -1.06 |
| Aggressiveness | -2 | -1.16 |
| Extra-curricular activities while in school | -3 | -1.22 |
| Profile similar to successful employees | -3 | -1.24 |
| Factor 3 | | |
| Academic excellence, high GPA | +5 | 1.76 |
| Has a degree in business administration | +4 | 1.19 |
| Listens actively | 0 | 0.14 |
| Can keep the overall picture in mind | -1 | -0.39 |
| Creativity | -2 | -0.53 |
| Understands the process of innovation | -3 | -1.42 |
| Can effectively plan and run meetings | -5 | -1.81 |

*Positive scores indicate that the characteristic was significantly more important to recruiters associated with the factor than those associated with other factors ($p < .01$). Negative scores indicate that characteristics were significantly less positive. Ranks are the average ranks (range = +5 to -5) given items by sorters. Rankings of statements by recruiters that differed with one, but not both, of the other sets of recruiters are not included on the table.

Service firms loading on Factor 2 stressed "people skills." Recruiters for these firms wanted applicants to have the ability to deal effectively with interpersonal conflict and to get along with other people in the firm. Academic qualifications (such as a high grade point average), knowledge of

specific subject matter, aggressiveness, and extracurricular activities in school were least important. Recruiters generally felt that having some sort of academic experience was sufficient as long as the candidate seemed to have the ability to analyze situations and come up with adequate solutions to problems. Factor 2 firms also rated "having a profile that resembled that of past successful employees" significantly lower than firms loading on other factors. On the other hand, emphasis on willingness to work, to perform a variety of jobs, and to exhibit interpersonal skills indicates that, at least in some areas, employees were expected to resemble each other.

Firms falling on Factor 3 (primarily large public accounting firms) placed the most emphasis on academic excellence, defined as having a high GPA (3.5 or above), and having a degree from an accredited university program. Field notes and follow-up interviews indicated that recruiters from these firms believed that graduation from an accredited program meant that the applicant had been "pre-screened" and had the necessary skills to do the job. Such academic qualifications were a necessary but not sufficient condition of employment, however. Characteristics mentioned as playing a role in tie-breaking between potential employees were "talent," initiative (shown by work experience and outside activities), ability to communicate, leadership, and assertiveness. The personal characteristics of creativity, the ability to take a broad view of the work, and the ability to efficiently organize and manage business meetings were given low priorities in the Q-sort. Factor 3 firms were significantly different from the other two groups in this regard.

Although there were differences between the sorts of recruiters representing the three sets of firms, there were also similarities (Table 2). Applicant characteristics that were important to all firms included general intelligence (described as being able to learn quickly), enthusiasm and vitality, ability to work in teams, adaptability and acceptance of change, and ability to communicate clearly and precisely. Being organized, systematic, and able to do more than one thing at a time were also considered to be positive factors in evaluation of candidates. Follow-up interviews revealed that the presence of these abilities was determined by the schedule of academic, extracurricular, and work activities that applicant had pursued during college. The majority of recruiters believed that, if the applicant had worked and/or

been active in other ways and maintained a good grade point average, he or she must be able to organize and prioritize tasks.

Table 2
Factor Scores on Items Demonstrating Significant Consensus Among Sorters*

| Q-Sort Statements | Factor Scores | | |
|--|---------------|--------|--------|
| | Fac. 1 | Fac. 2 | Fac. 3 |
| Works effectively in teams | +3 | +5 | +5 |
| General intelligence, learns quickly | +4 | +4 | +5 |
| Enthusiasm, vitality | +4 | +3 | +4 |
| Dependability | +2 | +4 | +4 |
| Presents ideas clearly and accurately | +3 | +4 | +3 |
| Ability to accept change, adaptability | +3 | +3 | +2 |
| Previous job-related work experience | +2 | +3 | +2 |
| Flexibility, ability to multi-task | +2 | +3 | +2 |
| Is systematic, well-organized | +2 | +2 | +1 |
| Follows through, doesn't procrastinate | +1 | +2 | +1 |
| Self-sufficiency | +1 | +2 | +2 |
| Emotional stability | 0 | +1 | +1 |
| Draws others into problem solving | 0 | +1 | 0 |
| Understands how business functions are related | 0 | 0 | -1 |
| Has the ability to reason abstractly | -1 | 0 | -1 |
| Does not over-analyze problems | -1 | 0 | -1 |
| Can step right into the job | -1 | -1 | -1 |
| Uses managerial /manufacturing data | -2 | -1 | -2 |
| Knows financial systems | -2 | -3 | -2 |
| Understands risk management | -2 | -3 | -2 |
| Working knowledge of statistics | -4 | -1 | -2 |
| Working knowledge of production | -2 | -4 | -3 |
| Knowledge of marketing principles | -2 | -4 | -3 |
| Knows laws governing business | -3 | -4 | -3 |
| Understand purchasing and inventory | -3 | -5 | -5 |
| Understands international business | -4 | -4 | -4 |
| Knowledge of product planning | -4 | -5 | -4 |
| Knowledge of investments | -5 | -5 | -3 |

*Consensus between sorters was significant at $p < .05$ or lower.

In addition, there were statements that received high consensus between clusters of firms but low negative rankings indicating lower importance. These included specific skills and knowledge that might be acquired in the course of marketing education, such as product planning, use of managerial data, knowledge of government regulations affecting business, and an understanding of the international context of business. The ability of a new employee to step immediately into the job and "hit the ground running" was not considered vital by any firm in the sample of respondents. While job-specific prior training was not considered a negative factor, most recruiters maintained that their firm

provided the necessary training for new employees and that it was sufficient.

CONCLUSIONS AND IMPLICATIONS

In this study, we found that Q-sort methodology had several advantages. It is notoriously difficult to obtain assessments of an institution's graduates from a large number of employers. Difficulties may stem from lack of knowledge of where students went to work, inability of the institution to contact the right respondents and obtain cooperation, and inability of the respondent to provide accurate evaluations. Our situation was one where large numbers of respondents could not be obtained; nevertheless, Q-methods allowed us to develop mental models of a few individuals. These models could be used to improve satisfaction surveys sent to a larger number of respondents.

Another advantage was that the game-like nature of the method induced respondents to become more involved in the process. They tended to talk about their thought processes as they sorted and wanted to discuss the sort later. We believe that this led to a suspension of some defensiveness and an increase in candidness. We further believe that the Q-sort process allowed the respondents to reflect on their beliefs about important criteria for hiring new employees in a way that they would not have done if they had been responding to a survey. If that is true, Q-sort methods can augment traditional survey procedures and serve as a good starting point for interviews. The researcher not only would get information from the ranking of the items, but also would obtain enriched interview responses.

The Q methodology's primary disadvantages are its time-consuming aspects, its subjectivity and its reliance on small samples that are prone to sampling bias. Coupled with the interview, the time spent with each respondent in this study varied between one and two hours, depending on how much the respondent wanted to say. Furthermore, where different interviewers were used, it was difficult to control variations in sort administration and interviewing style. Careful training is necessary to overcome this problem.

The Q-sorts did yield useful information about recruiter hiring criteria. One finding was that the respondents emphasized the personal traits of applicants rather than biographical factors (e.g.,

major in college), academic achievement (e.g., grades) and the possession of job-related skills (e.g., computer skills). Although this may concern marketing and other academics who transmit knowledge about marketing and other business functions, statements from respondents indicate that concern may be unwarranted. Less focus on the applicant's marketing and other business knowledge, according to our respondents, occurs primarily because recruiters expect that university programs have eliminated the most academically deficient candidates from their employment pool. Grade point average was seen as an additional filter, especially by the larger firms.

There are several implications of the study for marketing education. First, it is important that students become involved in student and other organizations as well as maintaining grades. From the standpoint of the student, better grades, the ability to work with others, and leadership skills increase the chance of better employment. Students should be advised early in their academic career that these factors make a difference to recruiters and that they can demonstrate their abilities by their university activities. For instance, participation in clubs is one way of honing interpersonal and leadership skills. From an institutional standpoint, the strength and rigor in the marketing program fulfills the employer's trust in the institution as a filter. Institutions that are recognized as maintaining standards are likely to be preferred among recruiters.

Second, the characteristics thought desirable differed among the clusters. However, the things thought most important were not those that have achieved current popularity in curriculum development (e.g., international experience and total quality management). Firms that sought marketing and sales personnel placed particular emphasis on initiative, leadership, and having a customer orientation. Communication skills were highly important although they did not differentiate firms seeking marketers from the other clusters. Therefore, efforts to increase opportunities for students to acquire, hone, and practice these skills, through both curricular and co-curricular activities, should continue and, where possible, increase.

Third, employers characterized applicants as "packages" in the follow-up interviews. Up to a point, strength in one characteristic could

compensate for some weakness in another. Especially in marketing and sales, recruiters were prepared to loosen up grade requirements if the applicant had other desirable features. Thus, if the applicant had particularly desirable personal characteristics or had demonstrated interests in areas outside of business that complemented their marketing education, that applicant might have an edge over other candidates. This implies that students should be encouraged to evaluate their strengths and weaknesses and attempt to enhance their positive characteristics and modify less positive ones. Interests in areas outside of marketing and other business areas should be viewed as positive and fostered where possible. Marketing faculty can be instrumental in encouraging students to plan a varied set of educational experiences that will benefit their graduates personally and professionally. Where possible, marketing faculty need to take on an active role in facilitating an early start on student career development through careful planning of curricular and co-curricular activities.

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ABSTRACT

EXPERT INSIGHTS ON THE FUTURE OF MARKETING EDUCATION

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INTRODUCTION

A rapidly changing environment has forced marketing educators to forecast the challenges and changes that will face marketing education as it moves into the next century. Although several articles have been published expressing individual predictions of what the future holds for marketing education, no study exists that uses a commonly accepted methodology to forecast the future challenges and changes facing marketing education. This paper bridges this gap by reporting the results of a Delphi study designed to predict how the course of marketing education would change in the future.

LITERATURE REVIEW

Kelley (1996) believed marketing educators would face a more diverse student population, a growing role of technology in delivery of the marketing curriculum, a greater focus on assessment and productivity and the elimination of tenure.

Ferrell (1995) predicted marketing educators would face a continuing conflict between teaching and research, a growing link between marketing practice and marketing education through internships and business involvement in the planning of the marketing curriculum, a new emphasis on weighing the contribution of marketing education research and a changing marketing curriculum that emphasizes the global economy, ethics and social responsibility.

Hair (1995) predicted marketing departments would need to place an emphasis on life-long learning, use technology to deliver the marketing curriculum and open new student markets from around the world.

Mason (1995) thought the future would mean an accelerated use of distance learning, increased faculty productivity, improved faculty teaching through meaningful post-tenure reviews, modified marketing curricula to offer minors that are meaningful to students and fewer full-time tenure-track faculty.

METHODOLOGY

A Delphi method was used in this study. Expert responses to open-ended questions were collated and summarized along common dimensions and sent back to all of the experts with instructions for them to comment on and to assign a probability that an issue/trend would occur.

RESULTS

The results of this study parallel the views of individual educators expressed in the literature. Therefore, one must ask whether the views expressed by the Delphi group based on what they have read or did they come to their own conclusion based on their independent views of the trends that exist? The results indicate there is a need to motivate faculty at our institutions to modify the curriculum and where appropriate, adapt new technology to deliver class material and portions or the entire marketing curriculum.

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USING THE INTERNET IN MARKETING EDUCATION: A SPECIAL TOPICS PANEL PRESENTATION

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ABSTRACT

The panel will describe a series of classroom exercises that utilize the Internet to facilitate marketing education or else to help students understand how the Internet can be used to augment marketing strategies. It's important that marketing educators begin to include the Internet in their classes.

who want to take advantage of the information that is available. This session will give participants several guides with which to access marketing data on the Internet. It will begin with a discussion of search engines and how to use them, followed by a review of several outstanding sources of marketing research data.

COLLABORATION PROJECTS

One of the presenters has had considerable experience with collaboration projects in which teams of students from several different universities work in virtual groups on a case or other project.

THE COUNTRY NOTEBOOK

The International Marketing course requires a report on the environmental factors that exist in a specific country other than the U.S. Traditionally, this assignment requires students to consult the library for information on the country they must study. A two-step structured approach for using the Internet is presented. The purposes for this structured approach are: 1) students start early with their projects, 2) check online sources then supplement these with traditional library searches, 3) instructors who are not too comfortable with incorporating online components to the course have an opportunity to ease into it, and 4) expose students with the wide variety of information sources available.

EXAMPLES OF SOME IMPORTANT WWW SITES FOR MARKETING EDUCATION

One of the presenters will provide examples of many different WWW sites that are important to marketing educators.

TEACHING THE MARKETING ON THE INTERNET COURSE

One of the presenters will talk about teaching the "Marketing on the Internet" course in which students learn to integrate all aspects of the Internet into the firm's total marketing strategy. This course is titled "Electronic Commerce" at many schools.

FINDING TEACHING MATERIALS ON THE INTERNET

There are a considerable amount of teaching materials on the Internet. This presentation will demonstrate how to use the WWW to increase student accessibility to teaching materials not easily available otherwise. These materials are available not only to the teacher, but the professor can make them available to all students as well, or only a few (e.g. a student team).

SECONDARY DATA FOR MARKETERS ON THE INTERNET

One of the primary benefits of the world wide web is its myriad sources of data. Accessing these sources, however, poses a significant challenge to marketers

DISTANCE LEARNING IN A PRINCIPLES OF MARKETING COURSE FROM THE STUDENTS PERSPECTIVE

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ABSTRACT

At present the School of Business and Economics/Central Washington University is delivering upper level business courses at the main campus in Ellensburg and at three remote sites in the State of Washington. Most of these classes are delivered using instructions from a professor physically present in the classroom.

Approximately two years ago (1994-95), the School of Business and Economics began an experiment with distance learning whereby a few selected classes were delivered to a remote site with the instructor physically present in a traditional classroom setting on the main campus. This approach to distance learning enabled the School of Business to cover multiple sections with fewer teaching resources.

The objective of this study is to look at distance learning from the student's perspective. Research questions include differences in student expectations, as well as differences in comprehension, performance, and student satisfaction between sites. Specific questions dealt with such issues as quality of instruction (live vs. remote) from the student perspective.

A research instrument (questionnaire) was developed and administered to students in a Principles of Marketing course which was delivered live at the main campus and electronically to a remote site. The results of the survey were then analyzed for these two different student groups (main campus vs. remote site) providing insight from the student's perspective of the distance learning experience with implications for the electronic delivery of marketing through distance learning in the future.

AN EMPIRICAL APPROACH TO MARKETING CURRICULUM DEVELOPMENT: A CASE STUDY

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ABSTRACT

Recent developments and changes in the business and academic worlds are driving business schools to redesign and adjust curriculum to match the demands of the dynamic market place. To respond to these marketplace pressures, business schools must often make difficult decisions of "right-sizing" programs to meet fluctuating demand. This can mean adding or eliminating courses and/or combining offerings into hybrid classes. Little direction has been offered to marketing academics who seek to make their cadre of classes sufficiently cover the field of marketing or to provide insight into what classes might be added, dropped or combined in light of budget cuts, increased demand or other externally-imposed constraints.

Method

The goal of the project was to examine faculty members' perceptions of different marketing courses at a single institution. A case study approach was employed as diverse teaching styles and institutional missions could create a variation in the perceived characteristics of given courses.

A mini-group consisting of a convenience sample of four marketing professors was asked to summarize into six or fewer dimensions, the general skills and perspectives offered by a marketing major (or concentration). The dimensions identified and subsequently used in the study were: Quantitative Techniques, Consumer Behavior Theory, Strategy Development, Implementation, Environmental Trends and Persuasion/Presentation.

Based on the focus group input, a questionnaire seeking perceptions of the dimensional emphases of twelve marketing courses was developed and distributed to a department of ten marketing professors and a large public institution. Five responses were received. The questionnaires were analyzed using point-vector MDS to allow the assessment of relationships between key dimensions of the marketing curriculum, as well as to evaluate the relative positions of the courses taught.

Findings and Discussion

The perceptual map resulting from the above analysis yielded insight into the both the relationships between the dimensions identified in the mini-group discussion as well as the relative position of the selected classes in the resulting hyper space. The teaching of consumer behavior theory and quantitative techniques were seen as opposites while strategy development and environmental trends were viewed quite similarly. Persuasion/Presentation was seen as an unrelated dimension.

The distinctive courses among the twelve evaluated included Marketing Research, Personal Selling, Sales Management and Promotion Management. Consumer Behavior, Retailing, International Marketing and Product Management were clustered quite tightly, making them candidates for consolidation consideration.

With the insight provided by the proposed approach, marketing educators can develop an integrated program that avoids duplication of coverage and reinforces desired concepts and skills as students progress through the curriculum.

EMPLOYEES ARE CUSTOMERS TOO: THE CASE FOR TEACHING INTERNAL AS WELL AS EXTERNAL MARKETING

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ABSTRACT

While external marketing has traditionally been the emphasis of both marketing educators and marketers, internal marketing is the subject of the complete article. The various definitions of internal marketing are presented, an argument is made for marketing educators to begin teaching internal marketing, a sample course outline for teaching internal marketing is presented, some of the issues that arise are discussed, and an appendix is attached listing articles appropriate for teaching internal marketing. The following is a one page abstract of the entire article.

Marketing education and practice has traditionally focussed on external rather than internal marketing. While internal marketing is covered to some extent in both relationship and services marketing, this coverage is usually shallow at best. An increased emphasis on internal marketing may allow firms to better achieve their goals and educators to provide marketing students a better understanding of their roles within the firm.

The most common usage of the term internal marketing is to represent marketing programs directed at employees, i. e., treating employees as customers and applying marketing tools theories and concepts to these internal customers.

In business there are frequently gaps between planned and actual results. Such gaps are particularly acute in the now dominant services sector of our economy. The question for both marketers and marketing educators then becomes: "How can we close or narrow the gap(s) between planned and actual results to achieve organizational goals such as profits and/or quality in service?"

One possible solution is through internal marketing. While external marketing education focuses on how and why marketers need to satisfy the external customers needs and wants; internal marketing should focus on how and why marketers need to satisfy the internal customers needs and wants. Traditionally, the internal customer (the employee) has been the domain of Human Resources Management (HRM). Marketers and marketing educators have primarily focused only on the external customer and what actions internal customers must take to satisfy external customers.

So what does marketing have to contribute that HRM does not? First, it seems that marketers should know a great deal about researching employee needs and wants. Second, it seems marketers should be adept at designing communications (internal as well as external) designed to influence buying (internal) behaviors. Third, marketers certainly are aware of ways to facilitate the adoption and/or diffusion of ideas and innovations (to overcome organizational resistance to change). Fourth, marketers should be able to shed some light on meeting the needs and wants of unique employee segments (practicing internal market segmentation). The consumer behavior concepts of brand (company) loyalty, high and low involvement (job involvement), reference group theory, learning theory, and information processing all appear to have some direct application to internal customers.

The traditional focus of practitioners and educators on external marketing may need to be revised to include internal marketing. To facilitate such a refocusing of efforts a course outline is suggested. Team teaching (with HRM) and cross-functional integration of concepts are important to such a courses as well as a discussion of "turf".

BUSINESS TRAINING IN TAIWAN: AN OPPORTUNITY ASSESSMENT FOR MEDIUM-SIZED AMERICAN UNIVERSITIES

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ABSTRACT

This paper analyzes and discusses the business training opportunities available in Taiwan for American organizations. Based upon our analysis, medium-sized U.S. universities are judged to have the greatest opportunities for serving these markets.

INTRODUCTION

As a result of global competition, U.S. and foreign executives alike have been confronted with the need to broaden their conceptualization and understanding of the impacts of this competition. In response to these needs, both universities and independent training organizations have developed innovative programs for executive education. Observers predict that demand for this type of education will grow substantially during the next decade. In anticipation of this demand and in response to the requirements of the global economy, educational institutions of many forms have begun to focus on international opportunities, both in terms of new markets and also in terms of subject material.

Some of the most promising (and thus most pursued) international opportunities are in the Asia-Pacific region. This area has experienced faster economic growth than any other region of the world. Taiwan serves as an excellent example of this growth and corollary opportunity for business education. Due to economic development, technological evolution, and employment structural change, businesses within this country have increasingly realized the importance of well-trained workers. Consequently, the market for business education is expected to grow steadily as Taiwan's economy further develops.

This paper presents an array of research which was conducted in order to identify and evaluate the opportunities for business education within Taiwan. The primary objective of this project was to collect valid market information, identify future

opportunities, and provide a foundation for the formulation of marketing strategies for small and medium-sized U.S. educational institutions interested in pursuing this growing market. In this paper, efforts have been made to analyze Taiwan's market structure in terms of its business training and potential executive education opportunities. Potential strategic issues are also discussed in light of basic market identification and development techniques.

OPPORTUNITY IDENTIFICATION

The research results presented in this paper were derived from secondary data sources, personal interviews, and direct mail surveys. During the course of this research, a large number of organizations and individuals were contacted, including those associated with The Country Desk of Taiwan, The American Institute in Taiwan (AIT), The Taiwan Economic and Cultural Representatives Office (TECRO) in Los Angeles, The China External Trade Development Council (CETRA), the training and education departments of ten of Taiwan's largest companies, and local business commentators and managers.

Market Demand in Taiwan

Taiwan has an economy that is the fourth largest in Asia after Japan, China, and South Korea. Taiwan's foreign currency reserves total more than US\$70 billion, exceeding even those of Japan. In recent years, Taiwan's economic structure has changed considerably. According to the Taiwanese Ministry of Economic Affairs' report (TMEA 1996), high-tech products have constituted a significantly increasing percentage of exports, up from 27.6 percent in 1986 to 41.6 percent in 1994. Over the same period, the service sector's share of gross domestic product (GDP) rose from 47.9 percent to 55.9 percent. These statistics indicate clearly that Taiwan's economic structure has been transformed.

To cope with these changes, more and more Taiwanese companies, especially those of medium-

size, are under pressure to upgrade their technology and automate their equipment in order to remain competitive. Large firms are seeking not only international markets but also foreign operations in order to succeed, given the sharply increasing labor and overhead costs in Taiwan. Many labor-intensive companies have already moved their operations out of Taiwan. Traditional corporate structures, values, and operational philosophies are facing new challenges. Stan Chih, the chairman of Acer, says, "Taiwan's companies have to go international if they are to succeed We must adopt brand-new ways of thinking and seek out the most effective means to enhance our competitive edges in the global markets" (Chih 1996).

In response to these issues, the Taiwanese government has introduced a plan for developing Taiwan, and this plan is to be implemented by an agency known as the Asian-Pacific Regional Operations Center. This agency provides various programs which aim at upgrading infrastructure and encouraging the development of high-technology, high-value-added and capital-intensive export oriented industries. More importantly, due to economic development, technological evolution, and employment structural change, Taiwan has increasingly realized the importance of human resources and capital. According to one commercial specialist of AIT (Tien 1996), the Ministry of Economic Affairs declared in 1991 the "Status for Upgrading Industries," which provides tax incentives for private companies which invest over NTD 600,000 (approximately US\$23,000) annually in manpower training. In 1994, the "Economic Revitalization Program" further increased this investment tax credit for training.

Additionally, Taiwan's income level has risen substantially in recent years. According to a government source (Republic of China 1992), Taiwan's annual national per-capita income rose from US\$2,500 in 1982 to US\$9,000 a decade later. This increase suggests that the spending habits of upper and middle class Taiwanese are no longer focused on food and beverages, but rather now emphasize leisure and education. The statistics also indicate that the Taiwanese spend on average 30 minutes per day of their free time studying, researching, and preparing for tests. A representative at TECRO (Wang 1996) notes, "the Taiwanese now have more disposable income than ever before. Nowadays people are concerned about career enhancement and are willing to spend

money to gain advanced knowledge and skills."

Business Training in Contemporary Taiwan

Due to the expensive and time-consuming nature of U.S.-based executive training programs, many directors of these programs believe that only the largest foreign companies have the financial strength and thus willingness to invest in overseas staff training. Nevertheless, corporate training constitutes a significant market segment in Taiwan. In 1994, Dr. Liu Hsiang-Chi (Hsiang 1995) surveyed 100 leading corporations in Taiwan with business revenues over US\$1.9 billion. According to his survey, total spending of these corporations on training during the previous year amounted to US\$87.5 million, or 0.4% of the total business revenues of these firms. On a per-employee basis, training expenditure was NTD 7,979 or US\$306. Dr. Hsiang's research provides valuable information about the Taiwanese market for corporate training. The following list highlights some key factors:

1. Corporate training expenditures vary significantly among the companies. While some firms invest heavily in training, over 45% of the companies surveyed spend less than US\$38,000.
2. Although corporate training tends to be task oriented, 35.6% of the training was driven by the needs of advanced knowledge and skills for future development.
3. Training hours tend to cluster in both high and low quintiles. Forty percent of the corporations surveyed engage in more than 5,000 hours of training per year.
4. Training in general management consists of a large proportion of corporate training courses offered in both the manufacturing and service sectors. However, a strong demand for sales and marketing skills is also evident in the service sector.
5. Trainees are most commonly technical personnel, although 15.6% are middle and upper-level managers.
6. More than 35% of the corporations surveyed retain scholars, experts, or business consultants as in-house trainers.

Unlike Japan and Korea, whose industries are dominated by giant conglomerates, Taiwan's economy is primarily propelled by small to medium sized companies, constituting over 96% of its enterprises. These businesses create over 78% of the employment opportunities in Taiwan. In order

to stay competitive and take advantage of the government's financial incentives, these companies in Taiwan have made significant progress in implementing staff training. According to a 1994 survey conducted by the Taiwanese Council of Economic Planning and Development (1995), 92.2% of the local companies implemented training programs in order to give employees the knowledge and skills required to perform their jobs well. More than half of the local companies surveyed went even further "to design and conduct short-term training programs in line with long-term human resource development." The survey also indicated that small to medium-sized companies spent an average of 2.03% of their total payroll on training, compared to 1.6 % in 1990. In general, for firms of all sizes, employer-financed training amounts to roughly 35% of Taiwan's training industry.

Additionally, training demand in the personal or voluntary sector has grown rapidly. Tien (1996) says: "In Taiwan, for many employees, old and new, the pressure and materialism of modern life have also motivated the need for learning more up-to-date knowledge and advanced skills which are essential for employability and advancement." According to the Executive Yuan's Council of Labor Affairs (1995), there were approximately 350,000 people attending off-site local business training.

Competitive Situation in Taiwan

As demand for business training rises sharply, domestic competition in the Taiwan market for this training has become intense. Currently, there are hundreds of organizations, including university extension centers, quasi-official organizations, and private training companies that provide a large variety of business training programs.

In general, there are two main groups of training providers in Taiwan: public institutions and private firms. On average, the training courses provided by the public sector are primarily at the entry and intermediate levels, and these institutions charge lower prices. Private training companies develop and provide either standard or custom-made programs to meet the specific needs of clients. In Taiwanese business, there is an increasing trend toward favoring private training companies over public programs.

Due to language and cultural barriers, and high

operating costs, there are currently very few foreign companies or institutions offering business training in Taiwan. According to Henry Lee (Lee 1996), the deputy director of CETRA, many local training companies import training packages and materials from the U.S. and Japan, and then translate these materials into Chinese. Nonetheless, opportunities would seem to exist for U.S. organizations willing to make the necessary adaptations. Currently, Carnegie is one of the leading American-based firms operating successfully in Taiwan. Based on industry sources, more than 25,000 people have attended the courses provided by Carnegie in Taiwan since it started in 1987. Other U.S.-based firms active in the Taiwan market include *Personal Dynamic Company*, *Zig Ziglar, Success Motivation Institute Inc.*, and *AMA*.

Market Prospects for U.S. Programs

The market for overseas-based business training in Taiwan is still developing, and currently shows considerable potential. Many observers predict that the market will grow steadily as Taiwan's economy further develops. This is expected for two reasons. First, U.S. expertise in the training field is recognized and well-regarded in Taiwan. According to one industry analysis, the U.S. receives an average of four (on a scale of one to five) in terms of Taiwanese receptivity to U.S.-based business training. Second, the majority of courses designed and conducted by Taiwanese training companies are at the basic or intermediate level. As the need for high-tech or higher-level training programs grows in Taiwan, opportunities for U.S. firms will increase.

Based on observations and forecasts of industry professionals, the best prospects for business training in Taiwan for the next three years include:

1. *Personal Training:* The demand in this sector for personal development training is growing rapidly. Topics such as success motivation, time management, leadership, stress management, and individual career consulting should be profitable.
2. *Industry and Factory Training:* The demand will continue to grow for communication skills, collaborative quality management, preparation for multi-skills and new technologies (particularly in the computerized workplace), and quality management and control.
3. *Service Business and Office Training:* There are growing markets for sales and marketing strategy, financial management for local financial

institutions, communications, personal relationship (*Gongguan*) skills, and management training.

MARKET ENTRY STRATEGIES FOR AMERICAN EDUCATIONAL INSTITUTIONS

The results of this investigation suggest that potential market opportunities exist in Taiwan for U.S.-based executive education programs. However, the success of these American programs is dependent upon Taiwanese perceptions of their value in relation to the benefits provided and to the training offered by domestic providers.

The Dynamics of Executive Education

While business training is driven by the changes of economic conditions within Taiwan, executive education in the U.S. is enjoying an unprecedented period of growth. Due to its ability to utilize existing resources, universities find executive education to be highly profitable. It has been estimated that \$12 billion a year is spent on corporate learning internationally, including open-enrollment programs offered by university business schools. According to a *Business Week* survey (*Business Week* 1995), the 20 largest institutions for executive education in the U.S. have experienced an average growth rate of 95% over the last five years. In the future, executive educational course development will tend to: 1) be more company-specific and/or customized, 2) consist of shorter courses, and 3) have video-based or satellite-supported "distance learning" offerings.

Target Segments and Products

The business training market in Taiwan can be divided into various segments, based either upon the size of the companies or upon the type of business. One of the segments with the greatest potential would seem to be that consisting of higher-level managers from medium-sized Taiwanese companies. This segment should be attractive to smaller American university residential and distance executive programs for four main reasons. First, the size of this segment is large. Second, because this segment is somewhat fragmented, it may appear less attractive to flagship executive programs of large or prestigious universities. Third, the customers in this segment tend to be less sensitive to brand name, and generally have more price concerns. Fourth, businesses in this segment have a strong desire for

U.S. managerial and technological expertise in order to enhance their competitive strength in global markets. In providing training to this segment, capabilities such as teleconferencing would certainly be advantageous.

CONCLUSION

Currently, business and executive training is perceived as a value-added investment by many companies as well as by individuals. Business organizations in Taiwan look to the United States as the front runner of technological innovation and management education and development. As yet, however, the presence of U.S.-based educational training providers is not strong in this market. With the continuing growth in the economy of Taiwan and the corollary development of Taiwanese businesses, the demand for business training and executive education should increase significantly. As a result, the time is right for middle-sized American universities to venture into this market.

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AN IDEA WHOSE TIME HAS COME: CURBING BRIBERY AS A TRANSNATIONAL MARKETING STRATEGY

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ABSTRACT

In the 1970s, the U.S. Congress began a series of hearings to scrutinize the manner in which U.S. business firms conducted themselves abroad. Specifically, the Congress wanted U.S. businesses to halt the practice of using illicit payments to foreign government officials as a method to increase their sales. Congress noted that bribing a public official not only penalizes the company who loses a sale because of it, but recognized that there are downstream consequences too for the nation that permits such unethical behavior.

The legislation arising from these hearings was the 1977 Foreign Corrupt Practices Act (FCPA). Since put into law, critics of the FCPA have argued that it unduly hampers their overseas competitive position. These critics maintain that no other countries' multinational firms are bound by such a law. Further, while laudable, the FCPA places U.S. firms at a disadvantage in those foreign locations where commercial bribery is an accepted business practice and monies obtained through that practice is considered part of an official's income.

Recognizing that the FPCA was hampering U.S. sales abroad, the Carter administration attempted to get other countries to adopt similar standards. The major attempt was brought before the international organization that comprise the world's wealthiest industrialized nations, the Organization for Economic Cooperation and Development. While the issue was debated, it was not seriously considered and no action was taken.

A decade later, the Reagan administration also attempted to get other nations to adopt legislation similar to the FPCA. The Omnibus Trade and Competitiveness Act of 1988 specifically addressed correcting perceived injustices in trade practices, such as bribery. The Act recognized that U.S. exports were impeded by the FPCA, especially in those countries where bribery was nearly universal. But the only inroads made by the Act was that some of the ambiguity in the FPCA language was removed and illegal payments was clarified.

Over the past twenty years, many countries have passed laws whose intent is to eliminate transnational bribery. These countries include many who are well known for

tolerating corruptive practices such as bribery. Some other countries maintain that their existing criminal statutes cover bribery. Arguably, some enforcement against bribery has taken place. But whereas some countries have begun to put pressure on people who offer or accept bribes, treatment of the problem is by no means uniform. Aside from non-standardizing the meaning of bribery, a big part of the enforcement problem is that attention paid to bribery is temporary.

A new organization, Transparency International (TI) was established in 1993 to help focus attention on corruptive practices around the world. TI now annually publishes a comparative rank-ordered index of countries perceived to be corrupt. It appears that TI is attempting to spotlight the problem of corruption by revealing the degree of practice for each country.

The publication of TI's corruption index should serve as a wake-up call for the politicians of those countries who are ranked high. Those politicians likely believe that to be identified in relative terms as a country whose officialdom is corrupt is not good for politics.

After twenty years as one of the few countries in the world that passed a specific law to outlaw transnational bribery, now with the help of TI U.S. efforts to get other trading blocs, international or regional organizations, and individual nations to join with it are finally paying off.

An international response against bribery is beginning to take shape. Chief among these initiatives are those undertaken by the United Nations (issued a declaration condemning all corrupt practices), the Organization of Economic Cooperation and Development (issued a statement advocating that its member nations take effective measures to combat bribery) and the Organization of American States (signed the first anti-bribery treaty instrument in support of the fight against bribery.)

After two decades of trying, the U.S. is finally seeing other nations, trading blocs and international organizations become partners in its battle to curb bribery as an accepted business practice.

A COMPARISON OF EXPORTERS AND STUDENTS: ATTITUDE AND ETHICS IN EXPORT MARKETS

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ABSTRACT

What is taught in the classroom is not always consistent with the "realities" of the business world. This study helps in understanding differences between student and export manager perceptions of ethics in foreign markets and their attitudes toward exporting. Using measures of ethics and export attitudes, business students and exporters were found to differ considerably on a number of issues, but not always in the ways predicted. Six propositions were tested, but only two were supported completely. Implications for business educators are discussed.

INTRODUCTION AND BACKGROUND

In preparing business students to take an active role in the firms which hire them, academicians may emphasize and reinforce areas in which uncertainty exists in industry, rather than presenting a more balanced picture. In addition, ethnocentrism and self-reference criteria may preclude a balanced approach to the study of international business and export marketing. Two perceived barriers to exporting, attitude toward exporting and ethical problems, are examined in this study. Exporters and students are compared on their perceptions of the extent these of these factors in export markets.

Attitude Toward Exporting

Corporate culture incorporates the attitudes, assumptions, beliefs, goals, knowledge, and values which are shared by members of the organization. Of these, previous research has shown management's attitude toward exporting to

affect export performance, especially in small and medium-size companies (Ali and Swiercz 1991; Holzmueller and Kasper 1991). Internal firm characteristics also influence export behavior and performance (McGuinness and Little 1981).

Ethics

Values are a part of corporate culture and they are considered to be influential in directing individual and corporate behavior. Corporate ethical values help establish and maintain standards for business behavior (Hunt, Wood, and Chonko 1989). Understanding the "right" thing to do in domestic markets is one thing, but understanding those standards for doing business in a foreign market may be very different and problematic. The study of business ethics is dominated by two competing theories, teleological philosophy, represented in the business world primarily by utilitarianism, and deontological philosophy.

Utilitarianism refers to the "greatest good for the greatest number" and the deontological approach is based on whether individual behavior meets the universal good will. Dominance of one approach within a firm may be influenced by the firm's corporate culture, while in a given market, it may be a product of the societal culture.

U.S. society tends to emphasize the individual's role as a critical source of ethical values, rather than ethics emanating from the firm (Vogel 1992). In addition, business ethics are more legalistic and rule-oriented in the U.S. and U.S. citizens tend to consider their own ethical rules and standards to be universally applicable. This is in contrast to other industrialized nations where business ethics has more to do with arriving at decisions based on shared values. While there does appear to be an

emerging global attitude that bribery and other forms of business corruption are becoming less standard business practices and less tolerated (Ettorre 1994), many North Americans may continue to perceive that business ethical standards are different overseas, most often being "lower."

Propositions

The first proposition suggests that through efforts to inform students of the potential problems of doing business internationally, they may perceive that all business conducted overseas is corrupt. This should contrast with the experiences of exporters who realize that not all foreign markets are corrupt or unethical.

P₁: Students will perceive there to be a greater frequency of ethical problems in foreign markets than will exporters.

A discussion of global marketing typically includes sections on bribery, corruption, intellectual property rights, etc., which are not usually included in "domestic" marketing. Also, the popular press stresses U.S. complaints of an "uneven playing field," software piracy, and other forms of intellectual property rights violations. The second proposition addresses this issue.

P₂: Students will perceive there to be more difficulties in transacting business in foreign markets than will exporters.

Students may perceive that U.S. firms engaging in unethical activities overseas would suffer an image problem in the U.S. The exposure of firms violating U.S. ethical standards is often discussed in cases which could influence students to view this as an image problem. Experienced exporters may believe this to be less of a problem.

P₃: Students will perceive to a greater extent than will exporters that a firm's image could be tarnished if found engaging in ethically questionable activities.

Students are assumed to be more idealistic than are exporters. Exporters, on the other hand, are

expected to be somewhat more pragmatic and legalistic. In the fourth proposition it is expected that students believe top executives will be more concerned about the ethical implications of engaging in ethically compromising activities in foreign markets, whereas exporters are expected to believe that legal implications are of more concern to top management.

P₄: Students believe that the top management of U.S. export firms are more concerned about the ethical implications of engaging in ethically questionable business practices in foreign markets. Export executives believe they are more concerned about legal implications.

Because students will have been exposed to more of the negative aspects of exporting, it is expected that their attitude toward exporting will be less favorable than that of exporters. Exporters should have a positive attitude toward exporting.

P₅: Students will have a less favorable attitude toward exporting than will exporters themselves.

Finally, it is expected that there will be differences between U.S.-born students and foreign-born students in the measures used to test both ethics and attitude toward exporting. U.S. born students should reflect a deontological perspective of ethics, emphasizing individual ideas of ethics, and should also have a more negative attitude toward exporting.

P₆: U.S.-born students will have a greater perception of ethical problems existing in foreign markets than will foreign-born students and their attitudes toward exporting will be more negative.

METHODOLOGY

A questionnaire was mailed to 325 contacts in an export directory of firms in the Pacific Northwest. 92 usable surveys were returned, for an effective response rate of 28.3%. The student survey was administered to 148 business students in several different classes at a medium-size regional university in the Pacific Northwest.

Attitude Toward Exporting

The attitude toward exporting scales were based on previous studies (Ali and Swiercz 1991; Czinkota and Johnson 1983). The relevant scales asked the extent of agreement with the following statements: "Exporting is desirable for my firm" "Exporting is no different from doing business locally," and "My firm is actively seeking new foreign markets for our current products." All measures used five point scales anchored by "Strongly Disagree" (1) and "Strongly Agree" (5).

Ethical Measures

Ethical questions were drawn from Mayo (1991), who used four categories: (1) Frequency; (2) Ability to Transact Business; (3) Image Tarnish; and (4) Ethical Implications. Frequency items, asked to what extent "the frequency you believe the following occur in your primary foreign market" and included Bribery, Government Interference, Lubrication (grease) for customs clearance, Problems with transfer of funds, Cultural and/or Business differences, Technology/Copyright theft, Ecological exploitation, and Ethical problems with misuse of product. Each of the scales used these same descriptors of ethical problems.

RESULTS AND DISCUSSION

Tests of Propositions

Propositions were tested by t-tests between the means of students and exporters on a particular scale. The results are listed in Tables 1 and 2.

The first proposition is supported. Students were much more likely to assume there to be ethical problems such as bribery in foreign markets compared to exporters. The second proposition was also supported, with students perceiving it more difficult than exporters to transact business in foreign markets.

Proposition 3 was not supported. While there was a significant difference between students' and

exporters' perceptions on the Image-Tarnish measure, the direction was opposite to that expected. Exporters were more likely than students to be concerned that engaging in unethical practices in foreign markets would tarnish a firm's image. This was true for both Image-Tarnish Factor 1 ($P=0.039$) and Factor 2 ($P<0.01$).

The fourth proposition was not supported. It had been assumed that students would take the less cynical position of assuming U.S. export managers were more concerned about ethical implications than the legal aspects of engaging in questionable behaviors in foreign markets. The results suggest the opposite.

The fifth proposition suggested that students would have a less favorable attitude toward exporting than exporters themselves. Three independent measures were used to assess attitude toward exporting. Proposition five was only supported on one of these measures. The first measure asked if exporting were a desirable strategy for U.S. firms. The mean for exporters was greater than that of the students ($P<0.01$), supporting the proposition. The second measure asked if respondents thought there was much difference in exporting and doing business locally. There was not a significant difference between exporter and students. The final measure asked if U.S. firms should actively seek foreign markets. Both exporters and students agreed they should, but the students' mean was slightly greater (4.24 vs. 3.99) and was significant at the 0.10 level ($P=0.08$), failing to support this part of the proposition.

Finally, the sixth proposition expected differences between U.S.-born and foreign-born students, with U.S.-born students expected to believe there to be more ethical problems in foreign markets than foreign-born students. The proposition is supported on five of the eight measures.

U.S.-born students seemed to think that ethical problems occurred more frequently in foreign markets than did foreign-born students ($P=0.069$). There was, however, no difference between student groups in their evaluation of the ability of U.S. firms to transact business in foreign markets.

U.S.-born students believed to a greater extent than foreign-born students that a firm's image would be tarnished if it was found to be bribing, using grease, engaging in technology/copyright theft, etc. (P=0.03). Foreign-born students, on the other hand, were more concerned about the transfer of funds and cultural differences tarnishing a firm's image (P=0.03). There was no difference between student groups in their perceptions of top management's concern with ethical implications. U.S.-born students did perceive that exporting was more desirable for U.S. firms than did foreign-born students (P=0.01). Foreign-born students thought that exporting was less different from doing business locally than did U.S.-born students. Finally, both groups of students agreed that U.S. firms should actively seek foreign markets and there was no difference between their means.

IMPLICATIONS FOR BUSINESS EDUCATORS

Undergraduate business students appear to have opinions, but less knowledge about international markets and doing business internationally. Based on their perceptions of these markets, international business could be difficult and exporting to foreign markets would probably involve ethical compromises. The realities, as expressed by export executives, seem to be very different. International business is a fact of doing business in the 1990s and will undoubtedly be even more important in the next century, as markets and firms become more interdependent. One task of the educator, then, could be to reconcile these differences.

There are a number of ways by which this reconciliation could occur. One effective means is to include outside speakers from firms doing business internationally. Students appreciate hearing "real-life" experiences and anecdotes and executives often enjoy the classroom experience. What actually happens in the marketplace versus the impressions textbooks often leave can be significant.

Another strategy for bringing academia and real-world ethics together is the use of international case studies containing ethical dilemmas. Analyzing ethical dilemmas in an international

context forces a student to do at least three things differently. First, students must analyze their own ethical standards; second, they must analyze the ethics of the country in which the case occurs; and third, they must reconcile the two. Class discussions often become lively and sometimes heated, but learning can occur.

Finally, international business studies should become an important part of each course. Too often, it seems, only lip service is paid to international business. Exporting is increasing in the U.S. and many firms are now involved in this strategy. Many more could and will become involved. Business educators, and particularly marketing educators, need to focus greater attention on the export and international processes to help students deal with the realities of business today.

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(furnished upon request)

Table 1. T-Tests of Measures

| Measure | Student Mean | Exporter Mean |
|---------------------|--------------|---------------|
| Ethics-Frequency | 5.13 | 3.17 ** |
| Ethics-Ability | 4.74 | 2.50 ** |
| Image-Tarn F1 | 4.97 | 5.33 * |
| Image-Tarn F2 | 4.16 | 4.77 ** |
| Ethics-Implications | 4.29 | 5.30 ** |
| Exporting Desirable | 4.26 | 4.62 ** |
| Exporting Same | 2.13 | 2.11 |
| Seek Exporting | 4.24 | 3.99 * |

*P<0.10 ** P<0.01

Table 2. T-Tests of US-Born Vs. Foreign-Born Students

| Measure | US-Born ¹ | Foreign Born ² |
|---------------------|----------------------|---------------------------|
| Ethics-Frequency | 5.18 | 4.84* |
| Ethics-Ability | 4.79 | 4.43 |
| Image- Tarn F1 | 5.05 | 4.47* |
| Image- Tarn F2 | 4.05 | 4.83* |
| Ethics-Implications | 4.25 | 4.52 |
| Exporting Desirable | 4.33 | 3.81** |
| Exporting Same | 2.02 | 2.81** |
| Seek Exporting | 4.27 | 4.10 |

¹ N = 127; ² N=21 *P<0.10 ** P<0.01

INSURANCE OR SIGNALS? STUDENT PERCEPTION OF PRE-FINAL TESTS AN EXPERIMENTAL ANALYSIS

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ABSTRACT

Do students perceive pre-final tests (quizzes, midterms etc.) as providing insurance against a poor final exam, or as means of signalling their "quality" to the instructor?

Theoretical work on insurance markets indicates that the individuals most at risk would seek the most insurance coverage (adverse selection) and that the acquisition of the insurance causes agents to alter their behavior, increasing their risk of loss (moral hazard). The insurance hypothesis predicts that poorer students would take pre-final tests (tests as insurance); and further that a greater number of pre-final tests would *ceteris paribus*, cause final performance to decline. In the literature on market signalling, it is observed that the high-quality agents have an incentive to signal their type, as it costs them less to create a favorable signal. The signalling hypothesis predicts that better students would take more pre-final tests (tests as signals), and hence a greater number of pre-final tests would be associated with a better final performance. Using data set of 528 students taking a single course over a six year period, we are able to strongly reject the insurance hypothesis. It would appear that in the aggregate students view pre-final tests as a signalling mechanism.

INTRODUCTION

A number of studies have investigated the impact of individual characteristics on student performance (Park and Kerr, 1990; Borg et al, 1989; Leppel, 1984 and Spector and Mazzeo, 1980). Further, a number of studies have examined the effect of differential test presentation on student performance (Chidomere, 1989; Gohmann and Spector, 1989; Schmitt and Scheirer, 1977 and Marso, 1970). In this paper the analysis considers students' behavior with respect to pre-final tests (i.e., quizzes, midterms etc.) and the effect of this behavior on their subsequent performance in the final examination and the course. Given that a course is a risky endeavor with a variable pay-off (a grade), pre-

final tests which contribute to the course grade may be viewed by students in two different ways. They may either be viewed as *providing insurance* against a poor performance on the final examination or as a means of *signalling student abilities* to the instructor. These two perspectives lead to testable different theoretical predictions. It is possible that extraneous psychological issues of self-perception may affect students' behavior toward tests. If students expect a failure will indicate incompetence, they may intentionally reduce effort so that failure can be attributed to low effort, rather than low ability (Eshel and Kurman, 1991). There is evidence suggesting that such effort-reducing strategies are *not* pursued by students (Jagacinski and Nicholls, 1990). Thus, it is assumed that tests results are relatively unaffected by considerations of self-perception. Further, if students perceptions of their own performance change over the semester, this would affect their decisions with regard to pre-final tests, i.e., they may begin the semester with the expectation of doing well, but change this as they gain experience in the course (or vice versa). However, there is evidence indicating that students expectations of their own performance shows great stability through the semester (Ortinou and Bush, 1987). Thus, student decisions with regard to pre-final tests are considered to be chronologically unbiased. If students view pre-final tests as providing insurance, then it follows that the students facing the highest risk of poor performance (loss) will tend to be disproportionately represented in the set of those seeking insurance (adverse selection). A further implication is that insured students will tend to modify their behavior so that their risk of poor performance or loss increases (moral hazard). On the other hand, if students view pre-final tests as a means of signalling their abilities, higher quality students (those facing the lowest risk of poor performance) have the strongest incentive to signal, as they can create a favorable signal with the least effort. The two perspectives lead to conflicting hypotheses. The insurance (IN) hypothesis leads to the predication that the poorer students would take more pre-final

tests, and further that a greater number of pre-final tests would, *ceteris paribus*, cause final exam performance to decline. The signalling (S) hypothesis leads to the prediction that the better students would take more pre-final tests and that a greater number of pre-final tests would be associated with a better final exam performance. The IN hypothesis of adverse selection and moral hazard is strongly rejected. This leads us to the conclusion that pre-final tests are generally *not* perceived as risk alleviating instruments by students. Rather, they appear to be seen as instruments of signalling superior ability.

These results indicate that increasing the number of grade-related activities in a course is unlikely to increase students' perceived welfare. This is because the increased work is *not* seen as an increase in availability of insurance and because a small number of pre-final activities is sufficient to create a favorable signal.

The paper is organized as follows. Section 2 describes the experimental procedure and the hypotheses under test. Section 3 contains a discussion of the results. Section 4 concludes the paper.

PROCEDURE

The sample consisted of students taking a statistical methods course from one of the authors over the period Fall 1985 to Spring 1991. A usable sample of 528 was generated.

There were two **Types** semesters. In type 1 semesters, subjects were allowed to choose the number of quizzes that they would take, but all the exams were mandatory. They were able to vary the weight of the final in their course grade from a minimum of 35% to maximum of 45%. In Type 2 semesters, subjects were allowed to choose both the number of quizzes and the number of exams that they would take. They were able to vary the weight of the final in their course grade from a minimum of 35% to a maximum of 85%. The variable CHOICE is defined to be the weight of the final in the overall grade. As described above, this variable has a minimum value of 0.35. It has a maximum value of 0.45 for Type 1 semesters and 0.85 for Type 2 semesters. An decreasing value for CHOICE implies the purchase of more insurance.

The first hypothesis test concerns the relationship between subject-specific risk exposure and choice with regard to insurance. In the experiment, subjects' risk exposure (or ability) was proxied by

cumulative GPA on entry into the course; the higher the GPA, the lower the subject's risk of obtaining a poor grade. Both the IN and S hypotheses offer predictions with regard to the nature of the relationship between CHOICE and GPA. Thus in the relationship.

$$\text{CHOICE} = a_0 + a_1 \text{GPA} + a_2 \text{ATT} + e \quad (1)$$

the IN hypothesis predicts that $a_1 > 0$. A secondary prediction would be that $a_0 > 0.35$, i.e., subjects with extremely high risk exposure should buy as much insurance as possible. If the number of pre-final tests is considered by the low-risk (high GPA) subjects, to be a signal indicating their risk-status to the instructor, then the S hypothesis predicts that $a_1 < 0$. The second hypothesis test concerns the relationship between the amount of insurance taken (number of signals emitted) and the outcome for the subject. Two measures of outcome for the subjects were used. The first measure used was the score obtained by the subjects on the (mandatory) final examination; this variable is called FINAL. The second measure was the overall semester score obtained by the subjects; this variable is called SCORE. Again, the IN and S hypotheses offer opposing predictions with regard to the relationship between dependent variables FINAL or SCORE and the independent variables GPA and CHOICE, normalizing for commitment using ATT. In the relationships

$$\text{FINAL} = b_0 + b_1 \text{CHOICE} + b_2 \text{GPA} + b_3 \text{ATT} + e \quad (2)$$

$$\text{SCORE} = c_0 + c_1 \text{CHOICE} + c_2 \text{GPA} + c_3 \text{ATT} + e \quad (3)$$

the IN hypothesis predicts that $b_1 > 0$ and $c_1 > 0$. And since the S hypothesis predicts that the low-risk (high ability) subjects would emit more signals, it implies that $b_1 < 0$ and $c_1 > 0$. And since the S hypothesis predicts that the low-risk (high ability) subjects would emit more signals, it implies that $b_1 < 0$ and $c_1 < 0$. In order to validate that GPA is indeed a measure of risk exposure (or subject ability), it is expected that $b_2 > 0$ and $c_2 > 0$, i.e., higher GPA is associated with better performance in the course. In order to take subjects' perception of 'good' and 'bad' outcomes into account, GPA is used to proxy a subject's expected grade; denoting the course grade obtained by the subject by GRADE, the relationship

$$\text{NETGRADE} = d_0 + d_1 \text{CHOICE} + d_3 \text{ATT} + e \quad (4)$$

is set up. The IN hypothesis then predicts that $d_1 > 0$, while the S hypothesis predicts the reverse. Finally, while variance is generally accepted to be a measure of risk, its significance as a measure of dispersion must be taken in account. Students' choosing to accept higher dispersion may not always coincide with their acceptance of higher risk exposure. In particular, students who expect to score at the high end of a particular grade may prefer a distribution of outcomes with greater dispersion to increase the probability of moving into a higher grade. For example, a student with an expected grade of 79 may prefer a distribution with a larger dispersion, since this may greatly increase the probability of obtaining a 'B' (rather than a 'C'), while the probability of obtaining a 'D' may increase by little, if at all. This effect causes a demand for increased dispersion (and fewer pre-final tests) by students who expect to score at the upper margin of any grade, and is independent of IN and S hypotheses. Therefore the sample is censored to remove these "upper marginal" students.

RESULTS

The first hypothesis test is based on an estimation of equation (1).

$$\text{CHOICE} = .486 - .041\text{GPA} + .0002\text{ATT} \quad (1.1)$$

t (49.88) (14.25) (1.84)

Adj. $R^2 = .518$ F-Ratio = 117.65

$$\text{CHOICE} = .8999 - .1417\text{GPA} + .00043\text{ATT} \quad (1.2)$$

t (28.83) (13.34) (1.06)

Adj. $R^2 = .599$ F-Ratio = 122.64

For all tabulations of the data, the IN hypothesis is soundly rejected. The GPA coefficient is always negative with a 't' statistic always at an extremely high level. This indicates that contrary to the IN hypothesis, increasing amounts of insurance are taken by subjects with successively lower exposure to risk. Further, while the IN hypothesis predicts that the constant term should approach 0.35, this prediction is strongly rejected, in favor of a larger value. *Thus, the experimental results overwhelmingly favor the S hypothesis.*

The second hypothesis test is based on the impact of CHOICE on FINAL and SCORE, after normalizing for GPA and ATT. Using SCORE as the dependent variable would appear to be preferable, since the grade is assumed to be the

subjects' payoff. However, it suffers from the drawback that it is already partly determined on the basis of performance in pre-final tests. Thus, while FINAL is not the ultimate payoff, it has no pre-determined component. The results obtained from using either of these two variables as dependent are remarkably similar.

Regressing either FINAL or SCORE directly on CHOICE, GPA and ATT was problematic as the first two regressors are highly correlated. The correlation coefficient between CHOICE and GPA was -0.718 for Type 1 semesters and -0.775 for Type 2 semesters. Thus, using these regressors directly would pick up only the direct effects, and not reflect the effects of GPA on CHOICE. This would cause the effects of GPA on CHOICE.

This would cause the effects of GPA to be understated. The researchers follow Park and Kerr (1990) by filtering CHOICE through GPA, i.e., using the residuals from the regression of CHOICE on GPA. These residuals are designated to be the filtered (net) values of CHOICE, and denoted by CHOICE'.

Thus, in order to run the second hypothesis test, equations (2) and (3) are estimated with CHOICE' in the place of CHOICE. On the basis of both versions of the test, the IN hypothesis is strongly rejected. Using either SCORE or FINAL as the dependent variable, the CHOICE' coefficient is always negative with a corresponding 't' statistic at an extremely high level. This indicates that contrary to the IN hypothesis, subjects taking on a high level of insurance are less likely to suffer the loss (i.e., a poor grade) than subjects taking on a low level. Further, GPA is indeed validated as a measure of risk as its coefficient is positive with a very high 't' statistic. *Again, the experimental results strongly favor the S hypothesis.*

$$\text{FINAL} = 0.262 + 17.441\text{GPA} - 7.346 \text{CHOICE}' + .063 \text{ATT} \quad (2.1)$$

t (0.09) (21.28) (13.79) (1.67)

Adj. $R^2 = .789$ F-Ratio = 407.81

$$\text{FINAL} = 1.166 + 18.409\text{GPA} - 4.878 \text{CHOICE}' + .051 \text{ATT} \quad (2.2)$$

t (0.53) (24.43) (9.85) (1.78)

Adj. $R^2 = .847$ F-Ratio = 451.96

$$\text{SCORE} = 10.953 + 13.186 \text{GPA} - 2.64 \text{CHOICE}' + .194 \text{ATT} \quad (3.1)$$

t (5.06) (20.79) (6.41) (1.94)

Adj. R^2 = .791 F-Ratio = 274.86

SCORE = 5.088 + 13.999 GPA - 3.455 CHOICE +
t (5.06) (20.79) (6.41) (3.2)
.2225 ATT
Adj. R^2 = .791 F-Ratio = 274.86

The guard against the possibility that the above tests have ignored subject-specific perceptions of outcome quality, equation (4) is estimated.

NETGRADE = .439 - 4.857CHOICE + .013 ATT(4)
t (.95) (5.21) (5.63)
Adj. R^2 = .267 F-Ratio = 40.61

The results from this estimation merely reinforce the results described above; the IN hypothesis is again rejected in favor of the S hypothesis.

CONCLUSIONS

In this paper an experimental study to investigate students' perceptions of pre-final tests is described. Such tests are widely used in assigning overall course grades in US universities. It is pointed out that such pre-final exam testing serves two purposes: (a) It distributes the course grade over a number of tests and provides insurance against a poor performance in the final exam. (b) It signals the student's abilities to the instructor. The objective is to test which of these attributes is considered important by students in their decision-making. The hypothesis that pre-final tests are perceived as grade insurance implies the properties of adverse selection and moral hazard. The competing hypothesis that the tests are perceived as a signalling mechanism implies that the best students provide the most signals, since they can create favorable signals with the least effort. The experimental results strongly reject the insurance hypothesis, and consequently support the signalling hypothesis. These results suggest that the provision of optional grade-related work reinforces existing inequalities in student abilities. Since grading is typically done on a relative scale, such work will probably increase, rather than reduce the dispersion in the course grades. In addition, we have the advantage of CHOICE' and GPA being orthogonal to each other.

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TEACHING TECHNIQUES AND STUDENT SKILLS: AN EVALUATION OF WHAT WORKS FOR WHOM

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ABSTRACT

This study examines the teaching techniques by which students perceive they learn most and then attempts to identify whether the skills students bring to the classroom affect their propensities to learn from different teaching styles. The data for the study come from a survey of students attending Marketing classes at a state university. The results suggest that faculty should tailor their teaching techniques to the skill level of their student body and should avoid specific teaching techniques from which students perceive they seldom learn.

INTRODUCTION

Marketing professors have a variety of teaching techniques, teaching materials, and publisher-supplied aids in their pedagogical arsenals. Our choices of how to teach are influenced by numerous factors including our own educational backgrounds, our classroom experiences, pressures from outside (for example to integrate computers into courses), and available materials. We all have classes that go well and classes that go poorly. Although some might congratulate or blame themselves while others will complement or disdain the students, we seldom know exactly what worked or why.

A number of studies have examined the effectiveness of different teaching methodologies in business classes. Several studies found that the case method is more effective than lectures (Bocker 1987; Carlson and Schodt 1995; Karns 1993). Class projects for real outside businesses are also rated as effective learning experiences (Wynd 1989; Karns 1993). Laughlin and Hite (1993) found computer simulations to be highly effective learning tools, but other scholars report no advantage to simulations (Miles, Biggs, and Schubert 1986; Wolfe 1985). Karns (1993) reports that students rated teaching techniques from most effective to least effective as follows: discussion, client project, guest speaker, case analysis, simulation, role play-

ing, lecture, essay tests, term paper, film/video, text/readings, multiple choice tests.

Two additional studies suggest that the effectiveness of specific techniques may be linked to students' skills. Scheck and Catalanelo (1995) report that individual student characteristics do affect student performance and Skipper (1990) reports that first year college students, who presumably operate at low conceptual levels, prefer learning through lectures, while senior honors students, who presumably operate at higher conceptual levels, prefer learning through independent studies.

The purpose of this study is to examine the teaching techniques by which Marketing students perceive they learn most and to identify whether the skills students bring to the classroom affect their propensities to learn from different teaching styles.

METHOD

Data

The data for this study come from a self-administered questionnaire distributed to students attending Marketing classes at a state university in Southern California. Packets of questionnaires were brought to 25 randomly selected Marketing classes scheduled in Fall, 1996. All instructors contacted participated. In total, 283 usable questionnaires were collected. The breakdown of respondents' majors is: 76% Marketing, 16% other business, 5% non-business, 3% no answer.

A comparison of responses of Marketing majors' on 22 key questions with those of students majoring in other disciplines revealed only two statistically significant differences at the .05 level and none at the .01 or lower level. As such the analysis is based on all students attending Marketing classes.

Measures

Respondents were asked to rate how often they

"learned important skills or knowledge" from each of 13 teaching techniques using a five point rating scale: "almost always," "often," "sometimes," "seldom," "almost never" ("haven't experienced/don't know" was assigned a missing value). The 13 teaching techniques were generated using 25 student subjects, working in groups of 3 or 4, list all the teaching techniques they had experienced in business classes. I combined these lists (eliminating redundancies) and distributed the combined list back to the students. Then the class, working as a whole, brought together similar techniques into broader categories.

This process resulted in 13 teaching techniques: lectures, cases, group projects, giving a presentation to a class, listening to class presentations, in-class small group exercises, projects for outside clients, simulations, computer based assignments, guest speakers, videos, short writing assignments (less than 2 pages), and research papers.

A pretest of the questionnaire revealed that students had difficulty evaluating "how much" they learned from each method (since they may have had several classes with different instructors using a single method), but were comfortable rating how often they learned from each.

Having respondents rate their perceptions of how often they learned important skills or knowledge in classes parallels the type of questions most universities use on student evaluations of courses. The premise underlying face validity in both cases is that students' perceptions offer valuable insight into the educational experience. The lack of correlations between the 13 teaching techniques and three items theoretically unrelated to learning styles suggests no response set bias.

Next, respondents were asked to rate their perceptions of how strong they were in 9 skill areas using a five point scale: "very strong," "somewhat strong," "in the middle," "somewhat weak," "very weak" ("don't know" was assigned a missing value). The list of skills was generated the same way the list of techniques was generated. This resulted in the following 9 skills: writing skills, oral communication skills, one-on-one interpersonal skills, group interpersonal skills, quantitative skills, problem solving skills, leadership skills, spreadsheet/data base skills, and computer presentation skills.

I chose to measure skills by students' subjective perceptions rather than objective measures such as achievement tests because of ease of administration, while recognizing that students may misperceive their skills or have their perceptions confounded by grades they have received. Again, response set bias is not a concern: none of the 9 skills are related to three similarly scaled items measuring theoretically unrelated to skills.

RESULTS

Table 1 presents mean scores on the teaching techniques (higher scores indicate respondents perceived that they learned important skills or knowledge more often).

TABLE 1
How Often Students Learned Important Skills or Knowledge from Techniques.
(mean scores)

| | (5 = almost always; 1 = almost never) |
|----------------------------------|---------------------------------------|
| lectures | 3.83 |
| research papers | 3.78 |
| giving a presentation to a class | 3.69 |
| projects for outside clients | 3.69 |
| cases | 3.68 |
| group projects | 3.61 |
| simulations | 3.55 |
| computer based assignments | 3.49 |
| in-class small group exercises | 3.36 |
| guest speakers | 3.36 |
| short writing assignments | 3.21 |
| videos | 3.20 |
| listening to class presentations | 2.98 |

Overall, students perceive that they learn the most from the two most traditional teaching techniques: lectures and research papers. Students perceive as next most effective techniques which are labor intensive and typically accomplished in groups: giving a presentation to a class, projects for outside clients, cases, group projects and simulations. Least effective are "small" projects -- computer based assignments, in-class exercises, and short papers -- and "enriching" experiences -- guest speakers, videos, and listening to presentations.

Table 2 presents the Pearson correlations of perceived skill levels and perceived learning from techniques.

TABLE 2
RELATIONSHIP BETWEEN SKILLS AND TEACHING TECHNIQUES

| | writing skill | oral comm skills | one-on-one interper'l skills | group interper'l skills | quantitative skills | problem solving skills | leader-ship skills | spread-sheet skills | computer presenta'n skills |
|------------------------------|---------------|------------------|------------------------------|-------------------------|---------------------|------------------------|--------------------|---------------------|----------------------------|
| lectures | | | | .17 | | | | | |
| cases | .21 | .16 | .23 | .24 | .26 | .30 | .27 | .23 | .18 |
| group projects | | | | .20 | | .17 | | | |
| giving class presentation | .24 | .27 | .24 | .24 | | | .24 | | .20 |
| listening class presentation | | | | | | | | | |
| in-class small group ex's | | | | .16 | | .21 | | | |
| projects for outside client | .28 | .22 | .25 | .29 | .21 | .20 | .24 | .25 | .24 |
| simulations | .30 | .25 | .27 | .25 | .20 | .19 | .25 | | |
| computer assignments | | | | | .17 | | | .27 | |
| guest speakers | | | | | | | | | |
| videos | | | | | | | | | |

It appears that learning from cases, projects for outside clients, and simulations draw upon or are associated with the most skills. These techniques fall within Roach, Johnston, and Hair's (1993) "student interactive" category, teaching methods requiring the greatest level of student involvement. Four techniques -- giving a class presentation (associated with six skills), group projects, in-class small group exercises, and computer assignments (all associated with two skills) -- are "student communicator" methods, requiring less involvement.

Lectures (associated with one skill), and listening to presentations, guest speakers, and videos, (associated with no skills), are "student passive" techniques involving the little student involvement.

In addition to identifying the skills associated with perceived learning from each of the techniques, these data permit us to examine the types of techniques by which students of different skill levels learn best. To do this I computed an "overall skills" variable by adding each individual's scores on each of the nine skill areas. Scores ranged from 18 to 45. Students were then divided into high, medium, and low thirds: low skill level (18 to 31); medium skill level (32 to 35); and high skill level (36 to 45). Mean learning scores were then computed for each group and sorted from high to low to show relative effectiveness of each technique.

These data are presented in Table 3. Lectures and research papers are perceived to be the most

effective techniques by low and medium skill level students whereas working for outside clients and cases are perceived to be the most effective teaching techniques by highly skilled students.

TABLE 3
Sorted Technique Scores for Students with Low, Medium, and High Composite Skill Scores

| low skills | medium skills | high skills |
|-----------------|-----------------|-----------------|
| lecture 3.68 | lecture 3.96 | out client 4.14 |
| res pap 3.65 | res pap 3.79 | cases 4.00 |
| grp pro 3.52 | out client 3.78 | give pr 3.98 |
| give pre 3.40 | cases 3.76 | simula 3.94 |
| cases 3.34 | give pre 3.71 | res pap 3.94 |
| comp as 3.31 | grp pro 3.54 | lecture 3.88 |
| out client 3.23 | simula 3.54 | grp pro 3.75 |
| simula 3.23 | comp as 3.50 | comp as 3.66 |
| guest sp 3.22 | small grp 3.42 | guest sp 3.54 |
| small grp 3.17 | guest sp 3.35 | small grp 3.50 |
| videos 3.08 | sh writing 3.17 | sh writing 3.44 |
| sh writing 3.05 | videos 3.14 | videos 3.31 |
| listen pre 2.88 | listen pre 3.04 | listen pre 3.00 |

Other differences are: group projects are perceived to be relatively more effective the lower the students' skill and simulations are perceived to be relatively more effective the higher the students' skill. There are also consistencies across groups: for all groups in-class group exercises, guest speakers, videos, short writing assignments, and listening to presentations are the least often effective.

SUMMARY AND IMPLICATIONS

Different teaching techniques are related to different types of and numbers of skills. The three techniques related to the most skills -- cases, projects for outside clients, and simulations -- are perceived to be relatively more effective by highly skilled students. The three techniques associated with few skills -- lectures, research papers, and group projects -- are perceived to be relatively more effective by less skilled students. Techniques associated with few or no skills -- listening to presentations, guest speakers, videos, in-class small group exercises, and short writing assignments -- are seldom effective for students regardless of skill levels.

These findings may help explain why some classes go poorly. The faculty member using cases, who finds students are not involved and simply want to know THE answers, may have students who lack the requisite skills to benefit from the technique. The faculty member who presents well-organized well-thought out lectures but never receives strong teacher evaluations may not be engaging highly skilled students. The course that uses those great videos from the publisher or has a series of guest speakers may be perceived to be lacking content.

Faculty should consider tailoring their techniques to the skill level of their student body and avoiding techniques from which students perceive they seldom learn. Cases, projects for outside clients, and simulations, effective for highly skilled students, should be used in advanced courses where students have developed the requisite skills or in lower level courses only at highly selective universities. Lectures and research papers, more effective for less skilled students, should be employed earlier in students' careers and at less selective schools.

Five techniques are relatively ineffective for students regardless of skill level: listening to presentations, short writing assignment, videos, in-class small group exercises, and guest lecturers. One more, computer exercises, is marginally effective. These techniques should be used selectively to accomplish goals other than teaching important skills or knowledge. For example, listening to presentations provides the opportunity to give presentations, videos and guest speakers may provide practical insights, in-class and short writing exercises may provide clarification or reinforcement of

concepts, and computer exercises offer experience with job related technology. Yet the faculty member should be convinced of the worth of the alternative goals before using them extensively.

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DESIGNING AND DELIVERING A CUSTOMER SATISFACTION MEASUREMENT AND MANAGEMENT (CSMM) COURSE

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ABSTRACT

The purpose of this paper is to share a pedagogical approach for teaching an advanced undergraduate or graduate level course in the field of what is commonly known as customer satisfaction measurement and management (CSMM). This pedagogy draws upon both the theory and practice of customer satisfaction measurement (CSM). The ideas and methods shared result from my experience in teaching both graduate and undergraduate versions of the course, instructing non-credit professional seminars, conducting empirical research on managerial practices, and from working with an international CSMM consulting firm.

BACKGROUND ON THE CUSTOMER SATISFACTION 'MOVEMENT'

Without a doubt, one of the most important trends affecting world class businesses today is a renewed and more serious focus on bringing the voice of the customer (VOC) into their organizations and using that information to change or improve business processes. Much of this trend is certainly due to the emphasis placed upon customer satisfaction found in the Malcolm Baldrige Quality Award Program and the general teachings of the late Dr. Edward Deming. More broadly, intense competition and increasingly sophisticated and fragmented markets have necessitated that suppliers better understand how they are assessed by customers. However, this "new thing" about businesses studying customers probably has come as a "what's new?" phenomenon to many marketing educators who have preached the marketing concept for decades and who have taught marketing research for even more years. The question arises as to why we, as marketing educators, should devote more or special attention to customer satisfaction measurement if, in fact, it is already encapsulated in traditional marketing education curriculums.

THE POTENTIAL PROBLEM

Unfortunately, too many marketing educators may be standing still on CSM-related curriculum because they do not feel or perceive that anything is new. While the

basic premise that needing to understand customers (current and potential) to create successful marketing strategies is not new to marketing educators, many of the approaches for measuring customer satisfaction and incorporating results into organizational culture and business processes may represent a turf that a relatively small number of marketing educators are walking on today. A non-scientific survey of numerous marketing textbooks crossing this author's desk suggest that textbook authors see customer satisfaction as something to be mentioned only in a paragraph or two of their books. Some authors locate the topic in the research chapter while others put it in the product chapter—tying CSM to product quality. A search for a robust textbook in customer satisfaction results in few choices with all but one being oriented toward what is known as "the trade." None have ancillary or support materials to aid student learning and instructor teaching. In fall 1997, a senior McGraw-Hill/Irwin representative suggested that some 40-50 U.S. schools of business now offer a customer satisfaction measurement class. While this is a marked increase over the less than one dozen that offered such a course when BSU offered its first CSM course (1994), it still seems to be a low number given industry's interest in the field and desire for graduates prepared to help them bring VOC to their firm.

But, the purpose of this paper is neither to empirically prove that there is a need for teaching customer satisfaction (i.e., the demand) nor is it to document that too few schools offer such a course (i.e., the supply). Instead, its purpose is to suggest a clinically tested pedagogical approach to teaching CSM (and some CSMM) to those professors who would like to offer an effective CSM course to their students. It is assumed that this audience is not necessarily interested in "reinventing the wheel" or spending inordinate amounts of time designing the course. The ideas shared in the paper can also be used by those already teaching a module of CSM in another course such as marketing research. Thus, the paper was written expressly for WMEA members who typically look for ideas, information, and tools that can be put to immediate use. The remainder of the paper will focus upon three very relevant pedagogical questions and the answers found via my experiences with the

CSM course.

Three CSM Pedagogical Questions (and Answers)

Question 1: Where should a CSM course be positioned in the marketing curriculum?

There has been a documented call for the teaching of customer satisfaction within the context of relationship marketing-focused curriculum (Cannon and Sheth 1994). While these authors suggest that the CSM course only be a five- to eight-week module within another course (e.g., marketing research), it is believed it should be a stand alone course—not a module within other courses such as marketing research, marketing strategy, or buyer behavior. While many CSM tools should be learned in a traditional (marketing or general survey) research class, or their use shown in a product management or strategy class, or shown with specific application models (e.g., SERVQUAL), or demonstrated in a number of other marketing classes (such as services marketing), it is felt that this coverage approach is incomplete.

The main reason for favoring a stand alone CSM course is the belief that a successful CSM course must devote considerable effort to teaching students how customer satisfaction measurement programs must be linked to key business processes and made part of the overall organizational culture (again, this is the notion of a CSMM not just a CSM focus). Thus, the need for marketing curriculum integration called for by others (Pharr and Morris 1996) is a key consideration. And,

criticisms of relying upon individual course exposures such as buyer behavior and marketing research to provide a complete understanding of how to analyze customers have been documented (Anderson 1997). Going further, many CSM program construction and implementation issues typically are not even found in other marketing courses—but may be found in quality management classes or other related courses lying outside the domain of marketing. Finally, it is believed that a stand alone course is necessary because effective CSM learning requires a complete immersion into CSM model building and execution. This level of exposure is only made possible by significant and time consuming experiential exercises. Still, one (especially department chairs) must recognize limited resources and the need to make tradeoffs in course and content coverage. Thus, this paper also offers ideas on how the proposed learning modules of full semester CSM course could be sliced, diced, and modified for use in other marketing courses.

Question 2: How should a CSM course be structured around learning objectives?

Table 1 summarizes my current ideas on how an undergraduate CSM course should be structured using a single semester time frame (assuming that principles of marketing is the only course prerequisite). This table presents sixteen learning modules in chronological order, the approximate number of class periods spent on each module (assumes 75-minute class periods), and the key learning objectives for each module. Table 2 offers ideas on which modules can be used in other course settings for those unable to offer a full semester CSM course.

TABLE 1

CSM Course Content and Learning Objectives

| Mod. No./ No. Days | Module Title | Key Learning Objectives |
|-----------------------|---|---|
| 1/2 | The Role of CSM in Business Strategy Course Introduction | <ul style="list-style-type: none"> • Understand how and why the changing business environment has necessitated the use of CSM. • Review entire course content and expectations. |
| 2/1 | Achieving Competitive Advantage Through Customer Value Management | <ul style="list-style-type: none"> • Understand how CSM is only part (albeit a key part) of the overall marketing strategy of establishing and maintaining relatively high levels of customer value (vs. competitors). |

Table 1 continued on next page.

Table 1 (continued)

| Mod No./ No. Days | Module Title | Key Learning Objectives |
|----------------------|---|--|
| 3/2 | CSM Objectives, Models, and Uses | <ul style="list-style-type: none"> Understand that there are a variety of ways that CS data can be used. Establish a "big picture" of how CSM should be linked to Business Processes. |
| 4/3 | Designing CSM Programs | <ul style="list-style-type: none"> Understand different varieties of CSM programs. Learn the steps used to establish a CSM program. Appreciate how organizational culture influences program design, implementation, and success. Realize the fundamental importance of conducting CSM programs that produce both valid and reliable results. Understand the importance of defining "customer." |
| 5/2 | Benchmarking with CSM | <ul style="list-style-type: none"> Create understanding of how CSM programs can include collection of competitive performance data. Demonstrate unique complexities of collecting perceptions about competitors as well as the sponsoring firm. Inform students about existence of other data sets available for comparative purposes. |
| 6/1 | Class Project Orientation | <ul style="list-style-type: none"> Establish clear expectations regarding the course project. Give students keys to success for initiating client relationship. Lay groundwork for start of CSM program. |
| 7/3 | Identification of Satisfaction Drivers | <ul style="list-style-type: none"> Understand the processes used to generate a list of company, product, and/or service attributes that are drivers (i.e., predictors) of customer satisfaction. Recognize of which attributes are most important. |
| 8/3 | Alternative CSM Data Collection Approaches | <ul style="list-style-type: none"> Create an awareness of the different processes that can be used to collect CSM data. Clarify the relative advantages and disadvantages of each method. Demonstrate how a variety of organizational and customer considerations influence the choice of method(s). |
| 9/4 | Questionnaire Design | <ul style="list-style-type: none"> Establish clarity on characteristics of instrument which produce valid and reliable data. Demonstrate the importance of instrument design to effective CSM. |
| 10/2 | Sampling | <ul style="list-style-type: none"> Understand statistical implications of sample size. Recognize importance of carefully delineating who the customer is and who has the information needed. Know how to minimize/measure sampling error. |
| 11/1 | Pre-Testing the CSM Methods and Questionnaire | <ul style="list-style-type: none"> Teach the importance of a pre-test step. Explore options for pre-testing. |
| 12/2 | Analysis of CSM Data | <ul style="list-style-type: none"> Understand the use of personal computer technology for analyzing and reporting CSM results. Give students enough basic training that they can establish and use SPSS on their class project (pre-test) data set (outside of class). |
| 13/2 | Dissemination of CSM Results and Implementation Action Issues | <ul style="list-style-type: none"> Understand the value of sharing CSM data—internally and externally (e.g., with customers). Understand the variety of platforms or vehicles with which to share CSM results and the pros and cons of each. Reinforce the need to have (internal) ownership of results and translate into action-changing business processes. |
| 14/1 | Internal Customer Satisfaction Measurement | <ul style="list-style-type: none"> Understand how the basic components of an external customer CSM program can be applied to the internal customer setting. Reinforce the importance of the relationship between internal customer (employee) satisfaction and external customer satisfaction. |
| 15/1 | Future Directions of CSM Programs | <ul style="list-style-type: none"> Underscore the need to continually improve CSM programs and methods. Explore some recent trends. |
| 16/2 | Presentation of Student Developed CSM Programs | <ul style="list-style-type: none"> Grasp a wide variety of CSM settings, obstacles, and possible solutions. The main purpose is to expose students to the learning lessons experienced by classmates. |

TABLE 2
**CSM Learning Modules as Segments
in Other Course Settings**

| Course Title | Learning Modules Recommended | No. 75-Min. Class Periods |
|---|------------------------------|---------------------------|
| CSM with Marketing Research Prerequisite | 1-5, 7-9, 13, 15 | 16 |
| Marketing Research | 1-4, 7, 9, 13 | 8 |
| Buyer Behavior | 1, 3, 4, 7, 8, 13 | 6 |
| Marketing Strategy/ Product Management | 1-5, 13 | 6 |
| CSM Seminar (two days) | 1-5, 7-13 | 13 |

Question 3: What specific in-class and outside-of-class activities, exercises, lectures, visual aids, discussion topics, textbooks, and journal readings are appropriate for a CSM course?

Included below is a list of suggested textbook and journal readings for both the undergraduate and graduate versions of the CSM course. Readers interested in a complete set of detailed learning modules, please check my WEB site for documents which identify lecture focus, key class visuals/learning supplements, in-class discussion focus, in-class exercises/activities, and outside-of-class exercises/assignments for all 16 learning modules:
<http://biz.idbsu.edu/faculty/rmklinco>

SUGGESTED TEXTBOOKS AND READINGS

Textbooks

Naumann, E., and K. Giel (1995). Customer Satisfaction Measurement and Management. ASQC Quality Press. (required)

Hayes (1997). Measuring Customer Satisfaction. American Society for Quality Control (library reserve)

Undergraduate and Graduate Journal Articles

Fornell et al. (1996). The American Customer Satisfaction Index: Nature, Purpose, and Findings. Journal of Marketing. (October): 7-18.

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MARKETING CONCERNS FROM THE PHILLIPINES AS IT MOVES TOWARD THE NEXT MILLENNIUM

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There are three major marketing concerns raised by the faculty from the Phillipines as the country moves towards the next millenium. The purpose of this special session will be to discuss each of these issues:

MARKETING BLUNDERS

Studying actual cases of marketing blunders can assist firms going overseas in learning from other firm's mistakes and prevent similar situations from happening to them. Case studies are important because they contribute to scientific knowledge, used as tools for teaching and a means to popularize social science (Spiegei, 1995). Published cases of blunders are usually experiences of firms from developed countries. While these cases prove to be important for managers and students, cases in the Philippine setting may be very useful to Filipino managers and students.

PROPERTY BLUES

The economic downturn, high interest rates and an oversupply of housing have turned Asia's once thriving property market on its head. And with everyone from large corporations to small homeowners exposed, the effects are set to reverberate throughout the region's economies (Asian Business, January, 1998). The Phillipines is one of these economies. Marketing has a greater responsibility towards the survival of the property sector. Highlighting service strategies in a changing environment will ultimately result in a more viable business practice.

EXIT INTERVIEWS

In the academic sector, an exit interview of graduating students is normally done by the Guidance Counseling Department of the

University and reported back to the various academic departments. The Marketing Management Department of De La Salle University went a step further by initiating its own exit interview every end of the term. The Chairman probes on problems, concerns, and even the satisfaction level of the graduating students and acts on workable suggestions through immediate implementation of the following term. Some of these interview insights are shared in this session.

ESPRIT DE CORPS IN CLASSROOM GROUP PROJECTS: HOW TO CREATE AND BENEFIT FROM IT

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ABSTRACT

Groups have become a predominant way of organizing students for various projects in a multitude of marketing classes. Often groups are formed haphazardly with little concern for what makes groups productive. One of the factors that separates high performing from low performing groups is esprit de corps. Esprit de corps is defined as *a set of enthusiastically shared feelings, beliefs, and values about group membership and performance, and may manifest itself as a strong desire to achieve a common goal even in the face of hostility*. In order to form groups with a high potential for developing esprit de corps the instructor needs to know the antecedents and consequences of esprit de corps in groups.

Improved group and individual performance in the face of hostility is one of the major benefits of esprit de corps. Consequently, it is not surprising that the desired consequence of esprit de corps in groups formed in the classroom is improved performance. If improved performance is the desired result of esprit formulation, how can you as an instructor create esprit in your group projects?

The antecedents of esprit de corps are task complexity, task importance, communication between groups and within groups, external pressure, size of the team, common background, common skills, common experiences, and group training. These must be in place for esprit de corps to exist. Once esprit de corps is present within a group, it is important to foster esprit if its inherent benefits are to be realized. To foster esprit de corps you must provide the group with time, resources, identification, and reward/recognition. Resources must be made available to

the group such as access to computers, telephones, meeting facilities, focus group rooms and telemedia equipment. The groups should be identifiable. They may wear special name tags, or shirts. They may be identifiable by where they sit in the classroom. Groups must be rewarded. Of course a grade is the reward they seek but other rewards can be used throughout the semester to foster esprit de corps. Trophies and certificates can be awarded at various stages of the project.

Groups with esprit de corps are more productive. In order for esprit de corps to exist the instructor must understand what the antecedents are and then once esprit de corps is present how to foster it.

A COMPARISON OF SELF VERSUS PEER EVALUATIONS IN TEAM PROJECTS USING ALTERNATIVE SCALING FORMATS: IMPLICATIONS AND ISSUES

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ABSTRACT

Self evaluations as well as peer evaluations are typically used to evaluate team-member performance in group projects. This study is concerned with the extent of inflation in self responses relative to peer evaluations on three traits over three scaling formats. The results suggested that the ratio scale produced the greatest inflation followed by the semantic differential scale. Further, a scale anchored to expectations and which was designed to reveal the social loafer and the supra normal performer had the least inflation, as the magnitude of the scale intervals was so large that inflated responses were inhibited.

INTRODUCTION

Team projects in marketing courses continue to receive scrutiny (Beatty, Haas, and Sciglimpaglia 1996; Dommeyer 1986; Williams, Beard, and Rymer 1991) and this attention is necessary given the need for the development of team-building skills among business students (Wright, Bitner, and Zeithaml 1994). Some of this scrutiny has involved the use of peer evaluations with a focus on the assignment of grades in an equitable manner (Beatty, Haas, and Sciglimpaglia 1996). Additional research has also involved a comparison of alternative scaling formats in the assessment of team-member performance (Van Auken 1994 and 1995). In this regard, how do alternative scales perform in the revelation of the social loafer and supra normal performer? Further, a plethora of controls and procedures has been developed to evaluate individual team-member performance (Williams, Beard, and Rymer 1991). Most notably, the use of triangulation.

Despite these enhancements in evaluations, one area that has not been scrutinized is the self evaluation of a team-member's performance relative to the evaluation of other team members. In turn, a

number of questions are raised. To illustrate, are self evaluations inflated? Are they honest? Should they be discarded? Do they have a meaningful role to play in team-building projects?

On the surface, self evaluations help to combat anomie by giving students a sense of empowerment. In essence, a student may perceive a self evaluation as a means of defending oneself, especially if personality conflicts exist among team members. Self evaluations may also allow one to display a situational self image (Schenk and Holman 1980). That is, a perception of one's performance image relative to the perception of others. However, for some, a self evaluation may be defined as a "looking glass self" (Sirgy 1982), or the performance image that one believes that others hold. By assessing the relationship between self evaluations and fellow team-member evaluations in team projects, suggestive and cursory insights can be achieved as to which self is being activated.

Questions of honesty also abound with respect to self evaluations. For many students, the pressure to receive good grades results in the need to take advantage of any opportunity that is presented to them and this could entail inflated self evaluations (Roberts and Rabinowitz 1992). Basically, academically dishonest behavior is a way of dealing with academic pressures (Todd-Mancillas and Sisson 1987). Further, recent studies suggest that the propensity and magnitude of cheating by business majors is both widespread and increasing (Meade 1992).

To achieve insights into these issues, one must determine if there are meaningful discrepancies between individual self perceptions and the perceptions of others. If so, a number of hypotheses may be developed. This study will therefore operate in an exploratory sense to determine the relationship between average self-

evaluation scores on each of three traits relative to average peer evaluation scores on the same three traits across three alternative scaling formats. The latter, of course, is designed to reveal scale sensitivity, as the nature of a scale could impact self evaluations based on its anchoring.

THE STUDY

In an effort to generate the data for the study, ten student teams comprised of five students each who had completed a marketing research project provided individual self evaluations and peer evaluations on the following three traits: one's extent, quality and overall contribution to the assigned project. These traits were measured on each of three measurement scales: ratio, semantic differential and a newer scale entitled "meets expectations." These scales were systematically rotated among individual team members for each student group to help control for order bias.

The ratio scale appears in Figure 1 and its purpose is to achieve relative insights into individual team member performance on each of the three criteria. The semantic differential scale appears in Figure 2 and it replicates the traits utilized by Haas and Sciglimpaglia (1994). Among these traits are variables that encompass the extent, quality, and overall nature of one's contribution. These traits were selected for analysis because they were common to both the ratio and the to be discussed "meets expectations" scale. The semantic differential scale is unique in that each group member is evaluated in an absolute way and not in a relative sense on each of the indicated traits. In other words, each team member is not directly compared against other team members as is the situation for the ratio scale. Finally, the "meets expectations" scale appears in Figure 3. In this scaling format, individual team members are evaluated on each of the three indicated traits, yet these traits are anchored to group expectations which are formed at the initiation of a project (Van Auken 1996). This scale is unique in that it forces evaluators to relate each peer and themselves to a group performance norm. Although team members are being evaluated independently, like in the semantic differential scale, the forced comparison with the central scale position results in a judgment as to who meets and does not meet group expectations.

As can be observed the scales are very different. The ratio scales provides relative judgments, while the semantic differential scale produces absolute judgments. The "meets expectations" scale produces absolute judgments, yet the anchoring approach is similar to the conceptual effect of the constant sum scale. It is these scale differences that are of interest in assessments of self versus peer evaluations. Basically, the "meets expectations" scale may not encourage inflated responses to self evaluations as all respondents are related to a group performance norm. Deviations from the norm are thus quite conspicuous.

Given a total of fifty students, 50 self evaluations were obtained as well as 200 peer member evaluations (i.e., 20 peer evaluations per student team). In turn, two groups were created: a self evaluation group and a peer evaluation group. An assessment of the differences between these groups on the three traits across the three scaling formats thus represents the heart of this study.

THE RESULTS

Table 1 portrays the mean response for each trait and the accompanying Z score for each of the alternative scaling approaches. As can be determined from the results of one-way ANOVA tests, two of the three scaling formats evidence statistically significant differences between self and peer evaluations. In this regard, the semantic differential scale evidenced a significant difference on all three traits, while the ratio scale revealed a difference on two traits with a near miss on the quality trait ($p < .06$). Noteworthy is the lack of a statistically significant difference for each of the three traits measured by the "meets expectations" scale.

As can be further observed from Table 1, the mean scores on every trait across the three scaling formats were higher for self evaluations when contrasted to peer evaluations. To help dramatize this, the data were standardized to a mean of zero and unit variance. The resulting Z scores thus show the extent that a given trait mean is over or below the sample average. In this regard, positive Z scores denote above average responses, while negative Z scores evidence below average responses. The higher the absolute magnitude of a Z score, the greater its distance from the overall sample mean. As can be noted in Table 1, the

overall contribution trait using the ratio scale produced a Z value of .402 for the self evaluation and a value of -.100 for the peer evaluation. This was the highest mean separation and the lowest probability of committing an alpha error ($P < .00$).

A Multiple Discriminant Analysis was also run on each of the scaling formats and the percentage of correct classifications for each of the scaling formats are as follows: ratio = 70.4 %, semantic differential = 50.8%, "meets expectations" = 63.6%. Given the lack of a statistically significant difference on any trait in the latter scaling format, the discriminant function is viewed as spurious and the resulting classification is due to chance. Overall, the ratio scale's discriminant function produced a classification percentage which exceeded the proportional chance criterion of 68.0%, while the semantic differential scale did not. Thus, the ratio scale invites the greatest inflation in self evaluation, followed by the semantic differential scale, while the "meets expectations" scale is relatively clean.

Apparently, judgments that force relative evaluations result in greater inflation in self evaluations and this may be a caveat associated with the ratio scale. The semantic differential scale also invites inflation in self evaluations; however, it does not force relative judgments. Finally, the "meets expectations" scale does not invite inflation on the magnitude of the other scales as it is anchored to a meeting of expectations and departures from this norm are far more conspicuous.

IMPLICATIONS

The results suggest that inflated evaluations of the self in team projects do exist and that a situational self image involving one's performance image relative to others does exist. It is significant to note that this image is apparently activated when relative judgments are made or when there is an expectation of an instructor comparison among peers. The results also suggest that the revealed inflation may be somewhat academically dishonest. Further, one can conjecture that the western value of individualism and its tenets of success and winning may be a factor in this dishonesty (Triandis 1985). Basically, the instructor may invite dishonesty depending upon the selection of a scaling format for team member evaluations. Overall the cleanest scale is the "meets expectations" scale. It can reveal the social loafer

and the supra normal performer and has the added benefit of forcing a discussion of expectations among all team members prior to the initiation of a team project.

ISSUES

The actual project that students worked on and supplied the indicated team member evaluations was a difficult one and there was variation among and within teams as to performance. It is therefore possible that simpler projects will not result in inflated self perceptions as to the extent found here. This project also did not involve the use of triangulation as a means of evaluation. In essence, the use of multiple evaluation strategies may inhibit inflated self evaluations. Some of these multiple methods encompass confidential memos, instructor observation, and interaction logs (Williams et al. 1991).

This study was also exploratory, yet it does permit the creation of a number of hypotheses as differences were found between self and peer evaluations. One hypothesis is that situational image is being measured relative to "looking glass" image as the latter would not invite discrepancies between self and peer evaluations.

Another hypothesis is that the nature of the measurement scale invites inflated self evaluations and this may be particularly true when relative evaluations are being sought. However, one may also hypothesize that absolute judgments, as found in the semantic differential scale, will generate inflated self evaluations; especially, if students perceive that the instructor will make relative comparisons among team members.

A final hypothesis would be that a "meets expectations" scale would lessen inflated self evaluations relative to one's peers as a departure from a meeting of expectations would produce a more conspicuous result. Finally, a replication of this study under conditions of triangulation versus nontriangulation may further develop a theory for peer and self evaluation measurement.

CONCLUSIONS

This exploratory study suggests that inflated self evaluations in the assessment of team-member performance may be a function of the measurement

scale and that such evaluations may be influenced by a lack of triangular controls in team evaluations. Although these inflations may be dishonest, they would appear to occur when students are given scales that require relative judgments, or when there is a perception among students that the results will be used in relative student evaluations. Uniquely, a scale anchored to expectations lessened inflated self evaluations as team-member performance was related to group norms for the extent, quality and overall nature of one's contribution. Deviations from these norms are possibly of a higher psychological magnitude than the inflated self perceptions of ratio and semantic differential scales, and may call attention to oneself in a way that is unlike the other scaling approaches. Thus, the "meets expectations" scale may inhibit an inflated response. All in all, self evaluations combat a sense of powerlessness among team members and would appear to function best in an environment characterized by multiple controls. Finally, the "meets expectations" scale tends to discourage a dishonest response.

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Figures 1-3 and Table 1 are available from the author by request.

**VENUS AND MARS MAY BE CLOSER THAN YOU THINK:
FACULTY PERCEPTIONS OF STUDENT BEHAVIOR**

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ABSTRACT

While a great deal of research has been based on student evaluations of faculty, less studied is the academic climate as perceived by the male and female professor. There is some research that shows that men and women faculty who teach the same subject to a similar class have very different experiences from one another (Sandler 1991) and that female faculty members experience things differently since they are subject to "culturally conditioned gender stereotypes" (Bennett 1992, p. 170). Therefore, this study was undertaken to assess the perceptions of the academic climate among marketing faculty, to examine whether there are differences in these perceptions according to the gender of the faculty member, as well as to compare the actual policies the faculty establish for students (e.g., office hours). Finally, with so much written about the "generation X" student, we wanted to get some idea as to whether faculty were experiencing problems due to disruptive behaviors in the classroom.

A survey was developed to measure faculty self-reported experiences in the classroom/office and faculty perceptions of their treatment by students. Faculty were asked for information on occurrences of complaints, disruptions, being asked for exceptions, etc., in addition to information on their office hours, how students address them and how they think students perceive them. The survey was sent to all Western Marketing Educator Association members at four-year colleges. The original sample was approximately 420 (90 of which were women). Because the number of females returning surveys was relatively low in the initial sample, 72 surveys were sent to female professors listed in the American Marketing Association directory who were at 4-year universities in the western region of the U.S.. The final number of surveys returned was 152, with 50 female and 102 male respondents.

Overall, male and female faculty report about the same number of classroom disruptions, requests for exceptions to due dates and explanations/changes to a paper or exam grade by students. Additionally, male and female faculty believe they receive similar levels of respect by students and that students seek advice on personal matters from them in equal numbers. However, some gender differences do exist. For example, males are more likely to think that their students see them as experts, perceive them to have a lot of business experience and consider them humorous while female faculty are more likely to believe that students see them as setting high standards and assigning a challenging workload. In addition, women faculty report being addressed by their first name or by Ms. or Mrs. significantly more frequently than male faculty and being addressed as Dr. or Professor significantly less than male faculty. Males report holding more office hours than women.

In addition to the interesting information from the survey results, the findings can also serve as an important benchmark for faculty. Faculty can compare their experiences and their policies with those of other marketing faculty who are at similar institutions. In addition, it would be useful to conduct the survey again in the future to track trends in behaviors of marketing students and in behaviors and perceptions of faculty.

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**STUDENT VIOLATIONS OF ACADEMIC INTEGRITY: CAUSES, FORMS OF DISHONESTY,
DETECTION, PREVENTION/ CONTROL, PUNITIVE SANCTIONS, AND LEGAL ISSUES**

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ABSTRACT

Student dishonesty is relatively common in universities (and in high schools as well). Educators at all levels are showing increasing concern about the phenomenon of student cheating. The various causes of student cheating stem from the erosion of ethics in all sectors of the culture including government, business, law, religion, education, family, and media. Some student dishonesty is the result of stringent competition within the academic environment. Academic dishonesty also stems from the lackadaisical attitude of professors toward cheating and an absence of meaningful negative consequences for cheating. The numerous (and often creative) forms of cheating are known (albeit not to every professor). Being aware of the various ways in which students cheat can assist educators in the prevention (or reduction of frequency) of cheating. There are simple techniques that can be used to prevent, detect, and control cheating in its various forms. Punitive sanctions for violations of academic integrity must be related to the type and severity of the cheating offense. Punitive sanctions for cheating should be formalized in course syllabi and promulgated by the university to students. Legal ramifications of applying punitive sanctions to students who violate the university's or professor's codes of academic integrity have certain potential for legal ramifications in the form of litigation.

BRINGING CREATIVITY AND INNOVATION INTO THE MARKETING CLASSROOMS

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ABSTRACT

This paper reports personal experiences in developing and teaching a course in business creativity and innovation as well as introducing these concepts into other marketing courses. The paper's intent is to encourage my academic colleagues to introduce the concepts of creativity and innovation into their marketing curriculum. The ideas of creativity and innovation as well as the creative process are reviewed.

INTRODUCTION

A key to developing effective marketing graduates is to instill the competency to be effective problem-solvers. Business and marketing curriculums utilize case studies, simulations, problem sets, internships, and other pedagogical activities to develop critical problem solving skills. However, our academic curriculums fall short of teaching students to be creative in their problem solving. All too often, students, as individuals or as groups, develop uninspiring alternatives to marketing problems. With a solution so dependent on this set of sub-optimal alternatives, it's apparent we are not preparing our students to be competent problem solvers. Business students need to be creative, as well as critical thinkers as they approach problem solving tasks. This paper reports my experience in developing and teaching a course in creativity and innovation as well as introducing these concepts into other marketing courses.

A review of marketing textbooks suggested that we have ignored the concepts of creativity and innovation. Other than the obligatory sections on new product development, textbooks have ignored this concept. One textbook by Dickson (1997) included an appendix on creative problem solving while another Rao and Steckel (1997) devoted two pages to creativity. However, a library literature search, a cruise through the internet, and a trip to a bookstore provided a substantial knowledge base for creativity and innovation. This information was

supportive of the premise that creativity can be developed and is very important in the business world today. The next step was to design an experimental summer course that not only taught creativity but was delivered in a creative learning environment. In the summer of 1997, "Business Creativity and Innovation" was born. The course utilized a "hands on" experiential format where students learned through "doing" the concepts. In addition, there was a careful effort to create a course culture that maximizes the creative and innovative processes. The course description was as follows: *The business person's secret for creating value in the market place is applying creativity and innovation to solve problems and to make use of opportunities that people face every day. The course focuses on three business issues where creative and innovative skill will be useful.*

- *business problem solving,*
- *product/service development, and*
- *business negotiation.*

In developing the course, the following objectives were set.

- develop skills in generating new and original ideas
- increase ability to move ideas into action and success
- increase knowledge and skill in creative problem solving as applied to business settings

The "rules" of the course to guide learning were Swanson's (1997) five creative habits:

Think contrary - If the consensus is "yes," ask "why not no?" If the trend is to add more product functions, why not fewer?

Challenge the obvious - Next time someone says, "obviously," ask yourself if it really is.

Value ideas - Don't apologize by saying its just an idea."

Be solution-minded - Products are solutions to problems. Therefore, all problems are opportunities for creative product development.

Think laterally - Define the problem accurately. The disease is not the problem, it's the symptom. What

caused the disease is the problem. Now find more than one solution to the problem; that's lateral thinking.

To meet these objectives and to apply the rules, class meetings used exercises designed to "loosen-up" the thinking process. Individual and group warm-up were crucial to the success of this course. Additionally, various creativity techniques were introduced into the course when needed to assist the development of one's creativity. While much of the course content was focused on creativity, the outcome of the course depended on how well the learner could apply this creative energy into some type of innovation. The major requirement of the course was to use creativity to produce an innovation. This innovation project may well include any of the following alternatives.

- Taking a novel approach
- Devising or modifying a process or system
- Inventing a new product or service
- Finding new uses or existing things
- Improving things
- Inventing or redefining a concept

In summary, I am able to report that these adventures were the most gratifying experiences I have had in over 26 years of college teaching. I want to encourage my colleagues to contemplate how creativity can be an important aspect of the marketing curriculum. Particularly, I want to challenge them to offer a course in business creativity and innovation or insert modules into existing courses. I can guarantee that the experience will be rewarding and the outcome will be the development of more effective problem solving skills. Also, both faculty and students can expect to be energized by the experience.

NOW, THE REST OF THE OF THE STORY....

This paper offers a solid starting point for colleagues to develop what they may want to do with the concepts of creativity and innovation. With this knowledge, my creative colleagues can move forward to develop their own learning environments for arming business students with creativity and innovation skills. The following sections review the concepts of creativity and innovation as well as to summarize the creative process. However, I have deliberately stopped short of describing how a

course or teaching modules should be organized. Surely, we are talking about creativity and innovation! The way I went about the initial offering of Business Creativity and Innovation may bear little resemblance to subsequent offerings.

A Primer on the Concepts of Creativity and Innovation

The Chinese word for business is "sheng-yi". The term is from the combination of two characters which literally mean "to give birth to ideas." The job of business is to conceive ideas, nurture them to birth and help them grow. The essence of the term, "sheng-yi", suggests that business is a lively, artistic, creative, vigorous, daring, and imaginative activity (Swanson 1997).

Creativity is the ability to develop new ideas and to discover new ways of looking at problems and opportunities (Zimmerer and Scarborough 1996). Carr and Johansson (1995) note that very simply, we define creativity as the generation of ideas and alternatives, and innovation as the transformation of those ideas and alternatives into useful applications that lead to change and improvement. In today's business environment, one must be able to manage at the speed of change, and that takes creativity and innovation.

The Trap for Neglecting Creativity. In western societies, people seem to assign certain universal human abilities, like creativity, to a subset of the population (i.e. artists musicians, architects) making it more difficult for all members of society to see themselves as creative. This is a myth that needs to be refuted. Everyone is intuitively creative and has a talent to solve problems; however, these skills often are stifled instead of encouraged (Kern 1997). The problem is that in many organizations, people have never been taught - or even expected - to be creative. Restricted by their traditional thinking patterns, most people never tap into their pools of innate creativity (Zimmerer and Scarborough 1996).

Creativity, just like intelligence and height, is normally distributed over the population. Different people have different levels of creativity, much like anything else that is a skill. However, everybody can be creative if they want to be. Similar to a muscle, creativity responds to exercise. The more you use it, the stronger it gets. Most, if not all people, are

creative to various extents. Its just that some people act on their ideas and others ignore them.

Escaping the Trap by Recognizing the Payoff. Harvard's Theodore Levitt says that creativity is thinking new things and innovation is doing new things. Having a great new idea, period, is not enough. Something has to happen (Nelton 1985). Some ideas are totally new, such as the airplane, while other ideas are just putting old things together in new ways. A research team put together the CAT scanner by using x-ray technology, computing and a \$15,000 budget. The Japanese have a much better grasp of creativity. The incremental improvements with miniature radios and compact cars perfected by the Japanese forever altered their industries. American companies could do little more than try to play catch-up (Frederick 1997).

Successful businesses come up with ideas and then find ways to make them work to solve a problem or to fill a need. In a recent survey, 81% of chief executives said innovation and creativity are the keys to the growth of their organizations, but only 4% considered their companies proficient in these areas (Kern 1997). Clearly, it becomes the responsibility of our business schools to be a facilitator of developing these dormant creativity skills.

Colleges need to pay more attention to enhancing the abilities of creativity and innovativeness in our graduates. The integration of creativity into our curriculum can transform the traditional business school problem solving to a more effective creative problem solving model. As de Bono (1992) points out, successful companies soon will not only have to be competitive, but must also create value monopolies. He shows how creativity is necessary to generate those value monopolies. Schools of business and management can unleash this dormant human ability known as creativity. If a core objective of business education is to develop the problem solving process, then it become imperative to introduce creativity and innovation techniques into the process.

The Creative Process. A creative process, described by Ruggiero (1994), is a four step process that optimizes the possibility of producing good ideas. These steps form the cornerstone for

teaching creative marketing problem solving in the classroom.

1. Searching for Challenges. A key point of Ruggiero's discussion is the need to regain our curiosity. As adult problem-solvers, we need to be more like children. Children are naturally inquisitive. They study ordinary things intently - a blade of grass, a spoon, a face - and have a sense of wonder about the things that most of us take for granted. Then they ask and ask and ask. Shouldn't business people be encouraged to ask questions such as:

- Why does our product look the way it does?
- Why is our product packaged the way it is?
- Why don't kitchen faucets have foot pedals?
- Why don't they put gas caps on both sides of your car so that no matter what side of the gasoline pump you park on, you'll never have to pull the hose around to the other side?

Source: (Ruggiero (1994)

2. Expressing the Problem. Since all problems have solutions, it's critical that you define your problems correctly (Foster 1996). A problem is a situation that we regard as unacceptable. Deciding what action will change the situation for the best is often started by the question, "How can I..." This allows the process of examining the challenge, expressing the problem and refining your expression of the problem. The benefits of careful expression helps to move beyond the familiar and habitual, keeps your thinking flexible, and opens many lines of thought.

3. Investigating the Problem. The way many people actually carryout their investigation involves little or no thinking - which is why their investigation is so often unproductive (Ruggeiro 1994). The discipline of carrying out this investigation involves knowing the key sources of information. First, individuals need to recognize the wealth of information that they have accumulated by using insights to link "silos" of information. People around you can also provide quality information. The act of questioning others can stimulate thinking and assist in recalling relevant experiences. Successful questioning depends not only on your ability to ask the right question at the right time but also on your willingness to listen at other times to open yourself to the person's experience.

4. Producing Ideas. Foolish people think of a single solution to a problem and then proceed as if

that solution had to be creative. But creative ideas, like pearls, occur infrequently. So sensible people produce many ideas before expecting to find a creative one (Ruggeiro 1994). Researchers have found a clear relationship between the number of ideas produced and the quality of ideas. Simply stated: "The best way to get a good idea is to get a lot of ideas" ... "At first, ideas seem as hard to find as crumbs on an oriental rug. Then they start coming in bunches. When they do, don't stop to analyze them; if you do, you'll stop the flow, the rhythm, the magic. Write them down and go onto the next one. Analysis is for later." (Foster 1996). The key to creative success is to generate as many solutions, concepts, and ideas or approaches as possible. A number of suitable business problem solving techniques can be used that takes idea generation into the "zone" of truly creative solutions. For example, I used the following exercise in class to illustrate this point.

Problem: *In the shortest possible time, develop a list of new uses for a metal ball bearing (you could easily substitute other objects such as a soda can, a paper clip, or a brick).*

The first 5-10 ideas suggested were quite ordinary. But then, I challenged them to come up with 50 ideas. After an initial struggle, groups were formed and the ideas started to pour out. Some groups didn't want to stop with 50. If students are able to do this with a metal ball bearing, think what they might do in an advertising or product development situation.

SUMMARY

For those who are intrigued by the ideas expressed in this paper, what now? A good starting point might be to log onto the internet, use creativity and innovation as the key words and start the search. In addition to the net, four books that stood as the cornerstone of knowledge for my learning experience are by Foster (1996), Higgins (1994), Ruggiero (1991), and Vance and Deacon (1995). But, be forewarned. It is quite probable that you will be spending an inordinate amount of time as you start to creatively develop your expertise on this fascinating and vital block of knowledge for business education and industry application.

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IMPLICATIONS OF THE COMING TECHNOLOGIES ON MARKETING EDUCATION

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ABSTRACT

Advancing technologies in computers and the Internet could profoundly change business education in the future. While the pedagogical advantages of emerging technologies have been widely discussed, other implications have been largely ignored. This paper looks at some of the practical implications of modern multimedia and Internet systems and how they will change not only the classroom but the very nature of our concept of a university.

INTRODUCTION

At the 1997 AACSB Continuous Improvement Symposium, a large number of presentations dealt with using the Internet and multimedia in business schools. Most of these presentations were practical in nature, detailing the experience and giving the advice of the presenters. Very few discussed the implications of the new technologies beyond the pedagogical benefits. This is an interesting oversight, given modern computer and Internet potentials for creating immense changes in education. This paper will explore some of the problems and opportunities that could potentially change the very nature of what marketing educators do. It is a discussion of the possible futures which may await us.

DISCUSSION

The market for education is no longer what it was. The era of perpetual learning is already here. Over 40% of all U.S. adults report that they are currently in some learning program, nearly 40 million for work related purposes and another 38 million for personal enrichment. About 12 million are in a credential, degree, or certificate program. Much of this education is being conducted by business itself. In 1988, there were 400 "corporate universities;" in 1995 the number had grown to 1,000. These include the AT&T School of Business, the Motorola University, Harley Davidson University, and the Volvo University... just to name a few. Virtual universities are already a reality but are fewer in number. The University of Phoenix, Regents College, California Virtual University, and the World Lecture Hall are examples. Others on the web are looking at education as a business and have high expectations. The Sylvan Learning Systems (<http://www.educate.com>) has a stated mission of being the WORLD'S leading provider of educational services to families, schools, and industry (Mescon 1997).

About 35 U.S. business schools now offer MBA degrees partly through remote instruction. Some of

these schools are the University of Michigan, Harvard, Dartmouth, and Queen's University (Bruce 1997).

These changes will not be reversed. Multimedia and the Internet provide advantages that students and faculty want. Morrissey (1997) listed some of the advantages of these systems even at the present level of technology..

- Enhances collaborative learning, especially in decision making and case studies
- Enables more one-to-one tutorial support
- Supports course management for part time programs, such as executive programs
- Provides platforms for course development and custom publishing
- Presents course publishing opportunities
- Simplifies distribution of course material, handouts, and updates
- Provides for an expanded communication system.

These advantages already exist with emerging technologies. What will happen when the technologies become more mature and more readily accessible? What are some of the implications for the future of marketing education?

DRIVING CONCEPTS

Three concepts become paramount in the thinking that will drive the creation of "online interactive multimedia instructional materials and support systems," a term recently used in *The Journal: Technological Horizons in Education* (1997), and eventually to the ultimate virtual university.

1. Technology drives process. As an historical example, the size of farms has always been directly related to how much could be farmed with any given technology. The Midwest originally had about four farms per section; today modern farming equipment can easily plant or harvest several sections of land. While the fields now produce more than ever, abandoned farmsteads already dot the Midwestern landscape. As with any other human enterprise, if a technology exists to deliver educational service, it *will* be used.

2. One need not be physically present unless one does physical labor. Any job or learning environment that does not demand that two or more people manipulate the same physical structure in the same temporal-spatial dimension, does not have to have those people in the same place at the same time. This applies to work environments as well as

teaching and learning environments.

Part of the system necessary to fully implement this concept are already a technological reality. Putting the parts into place for its full realization is proceeding at a dizzying pace.

Programs are currently being developed that will allow two or more people to meet in a virtual space of their own choosing. The computer would create a virtual body that would duplicate the actions of a terminal operator. I, for example, could contact two colleagues anywhere in the world and agree to meet in the Taj Mahal at noon Greenwich time. At the appointed hour, my virtual body and the virtual bodies of my two colleagues would arrive at a computer-generated Taj Mahal and we could shake hands, sit down, and discuss our business, all without ever leaving our office or home. Some rather interesting classes could be conducted in the same manner. Imagine teaching marketing strategy to a class of 20 MBA students in AT&T's boardroom while at your computer in your cabin in British Columbia.

Even the above restrictions on physical work will be short-lived. It will be possible in the future to do physical work, virtually. A robotic worker could be manipulated by someone physically far away. The worker would see, hear, and feel what the robotic would, and all the motions of the worker would be fed back to the robotic worker.

3. Education.. any form, any place, any time. The demand for just-in-time education will increase in the future. Not only will this be available for on-the-job education, but also for other people who will discover that they can get not only information, but also education from resources that they already have available to them. The goal is to provide education seamlessly from cradle to grave.

POSSIBLE IMPLICATIONS FOR THE FUTURE

There is a possibility, with these emerging systems, to completely change what we now know as higher education. A continuum could be created that would reflect the degree of change from the current traditional teaching methods to a total virtual university that would have no centralized physical identity.

The following ideas are organized along this continuum. The list is only suggestive and far from being exhaustive.

1. No change from traditional system

Implications:

A. Marginal societies: This highly unlikely scenario would demand an almost complete rejection of modern technologies and the benefits that they generate. It is possible to imagine monastery-like

groups that would retain traditional education processes for philosophical or religious reasons, but these groups would be marginal at best.

2. Moderate change, but still mostly traditional

Implications:

A. Present reality: This position along the continuum is already a reality for many schools and instructors. This writer is presently teaching a class that is entirely computerized on the business school's server. All the class notes, overheads, cases, sample questions, and most videos are available to the student outside the classroom, including links to the web. Class time is spent in interactive conversations, questions, special topics, and discussion. There are no traditional lectures. Currently, one of our certificate programs is going on the ICN and will be available to students at various sites around the state. Other advantages were listed earlier in the paper.

3. Profound change, but some traditional methods retained

Implications:

A. The human element: The number of offerings and students will decrease on campus. It is, however, unlikely that in this mixed condition, the physical campus would disappear altogether. The college experience consists of more than classes and research. As an example, even with current technology, it is possible for a shopper to never leave home. A grocery store could be called up on its web site and the shopper could simply pick what she wanted, pay for it on a debit card, and have it delivered to her front door. But shopping areas have always been social areas as well. At markets, people hear the news, gossip, see what is new, and interact with others. It is possible to hear the news, gossip, and see what is new on-line, but the human social interaction is missing and consequently the social aspects of shopping and markets will probably never disappear. When discussing this paper with a colleague, he said, "I don't want my daughter to go to a virtual university. Most of the things I learned in college didn't come from the textbooks and lectures." As an alternative hypothesis, increased capability and capacity could increase the potential number of people that would have access to higher education, and thereby actually increase the enrollment of universities without decreasing the number of students on-campus.

B. Not all institutions impacted evenly. Different educational institutions exist to meet the needs of different clienteles. If another spectrum was drawn between purely vocational schools, to elite schools that exist primarily to further networking, it seems logical that they would not all be impacted equally by on-line educational services. Somewhat analogous

to the idea that one need not be physically present unless one does physical work, the degree to which a student would need to be on a campus would vary by the utility of that immediate social contact to their educational goals. Vocational schools that teach physical skills would still exist, but vocational schools that specialize in areas like business would simply disappear as a physical entity. State universities that cater to working class youth could disappear. Most likely to retain their physical campus would be private colleges, elite schools, and large universities with quality graduate programs.

C. No need for physical proximity: There is no need to be physically present unless one does physical labor. If students need not be physically present, there is no corresponding necessity for professors to be present. A professor that teaches at the University of Chicago could live in Albuquerque, or for that matter, in Tahiti.

D. A reduced need for faculty: Two professors at Harvard could theoretically teach every principles of marketing course in the United States, leading to an ultimate Harvard degree.

This seems to be a topic that everyone is aware of, but that few wish to discuss. I suspect that a declining need for professors (if it happens) and an elimination of tenure will occur hand-in-hand. What will the surplus professors do? While this question cannot be answered directly, it can be addressed in another context. If there are fewer faculty positions, there will be fewer graduate students. Even if graduate training at a physical location were deemed necessary for a graduate degree, the programs will shrink considerably in size.

E. Faculty reward: The system could reward faculty that are the most technologically competent. It would also reward the faculty that could keep abreast of technological change. The customer demands of our students may not be the same as our own perceptions and may drive constant change and adaption. This was made clear to me by my students when I asked them for suggestions on how to spend some additional moneys that we unexpectedly received, that had to be spent on student computer resources. The students said they would like us to get rid of our outdated software. "Why don't all the lab computers have Windows 98?" asked one student. "Well," I replied, "we do have Windows 95 in most of the labs." "Yes," the student replied, "but that was there when I first came here. When are you ever going to change?" To students raised in an environment of ever more rapidly changing technologies, and given the time perception of twenty year olds, three years is an eternity for a student consumer.

4. Complete change to a virtual university

Implications:

A. Academic campus not necessary: University and college campuses could become as archaic as train stations.

B. Change in talents needed to teach: The system would reward faculty that have "star" status and/or faculty that were expert at entertainment. It would be easy to imagine very well paid regional or national faculty "celebrities." This would also apply, but not as strongly, to number 3 above.

C. Cost. If classes were offered to mass audiences on-line, it would certainly affect the cost of education. Although the initial startup costs may be high, maintaining a virtual university would be much cheaper and theoretically more lucrative than a current conventional university. Suppose, for example, that one professor taught a course that was accessed by 10,000 students from the tens of millions of potential students around the world. Suppose further that the fee for the course was a very conservative \$100. This course would bring in a million dollars. The immediate costs would be the salary of one professor for a semester or term, the stipends for twenty student assistants (or salaried workers), and the share of that course's expense of the on-line services. Actually, the course could probably be taught with fewer than twenty assistants. Assignments would be sent, corrected, recorded, and returned to the student by computer. The advantages for what many people see as the business-driven and politicalized university of the future are obvious.

Many programs can now be downloaded free; other programs can be pirated. It doesn't take much imagination to see how courses could become practically free from a virtual university. Perhaps the only control the university would have would be a fee for the actual degree itself.

D. The value of a degree. It has been observed for years that higher education has different purposes for different people. For example, there are social class differences. The lower classes see education primarily as vocational. The middle classes see education as an opportunity to widen horizons, and the upper classes look upon education as a way of networking. If educational opportunities become widely available to all people in all places and times, then employers who now require degrees as a criterion for employment may begin to demand specific course work to meet their standards. Others may find that there is value in learning just for the sake of learning. Still others could find ways of networking that would surpass anything offered by current elite schools. It is possible that in the virtual university, the value of education might increase with a corresponding decrease in the value of degrees.

E. Customer orientation: The students would, more than ever before, assume the role of customers of educational services. In 1995, the Western Governors Association introduced a plan to create a virtual university which would be called the Western Governors University (WGU). As reported by Patricia Limerick (1997), the list of WGU attributes included phrases such as: "market oriented," "high quality," "cost effective," and "non-teaching." A virtual university would be created mostly by non-teaching technological experts and business people.

The implications of students of educational services being customers in the business sense has been a hotly debated issue for a number of years, with many marketing educators agreeing that educational quality will probably decline if students are seen as customers in the marketing sense of the term (Clayson 1994; Hunt 1992; Pedersen 1992)

CONCLUSION

While the above list is far from comprehensive, it is hoped that it will create discussion and awareness.

Mescon (1997) asked the pertinent question, "Will we control our own destiny?" In an era of desk-top machines that are interconnected throughout the entire world, this question needs to be addressed. At a time when what counts outside academe is what one knows and can do, and with a corresponding decrease in the value of a degree; what is the future of business education? When universities are perceived by many (including legislators) as a home for indifferent, pampered teachers who are out of touch with the population, and who conduct irrelevant research while tuition goes through the roof, who will make the decisions that govern the coming changes? If we are not prepared, the changes will take place without us.

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Technology Meets the Case Method: The Use of a Virtual Case in Principles of Marketing

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ABSTRACT

Virtual cases are an approach which has the potential to provide a more involving, timely, and richer student learning experience. By involving the student in developing much of the information needed for the case, information can be more up-to-date than traditional cases. In addition, the virtual case process forces students to grapple with many "real world" problems of finding, sorting and evaluating different information sources to determine what will be most useful and worthwhile for the problem at hand.

The authors describe their first experience with a virtual case in the introductory undergraduate marketing course--problems and benefits experienced from the method from the perspectives of instructors, students, and relative to the traditional case method.

BACKGROUND

Case studies have been used for years in marketing courses to provide students an opportunity for application of principles and tools in a problem solving situation. Cases have ranged from short one to two page cases for in-class discussion to more elaborate "Harvard-like" case studies that include a great amount of detail and information. Video cases are now used in many marketing courses to provide more interest and excitement.

In the introductory marketing course, there has been an interest in bringing the benefits of case analysis to students that are just learning about marketing concepts. One approach has been the use of a single case as the theme for an entire principles of marketing text (see Bernhardt, Kinnear, and Krentler; 1995).

Although cases are intended to develop critical thinking skills among students, there are several impediments to the effective use of cases in the classroom. Student involvement is often a problem - students may not prepare the case effectively (Dröge and Spreng 1996). Although some alternatives to increase broad-based student in-

volvement in cases have been proposed (Dröge and Spreng 1996), students may prepare cases, not because they find the case analysis inherently interesting, but because the instructor has designed procedures that force the student to prepare the case.

Another problem with cases is that the case material can become obsolete in a very short period of time. Marketing is a dynamic field and a textbook case on a company with a successful strategy for selling snowboards to Japan can be bankrupt by the time the textbook is in print. The obsolescence issue is a particular problem when teaching undergraduates who often struggle with the idea of looking at an event in the past and analyzing the situation as it existed at that time. While there are many classic cases and timeless cases that are less susceptible to the obsolescence problem, there is an ongoing need for new, current cases that feature recent developments in marketing.

Textbook publishers are moving forward with Internet based learning, putting texts and cases on-line for students and instructors to select and use as needed. For example, many publishers have dynamic web sites that relate current events to their marketing textbooks (e.g., Prentice Hall's PHLIP at <http://www.phlip.marist.edu/>). Some books come with interactive cases that on CD-ROM and some may even allow for downloading of case updates (see for instance <http://www.hbs.edu/units/marketing/nmedia/intel.html>). Additional progress in the expansion of these resources may greatly reduce the problem of outdated cases.

Faculty are also currently using virtual cases that allow immediate updates (see for example <http://garnet.acns.fsu.edu/~chofack/im/assign/halfsed.html>). Innovations such as web conferencing software to create class discussion groups classes are also helping make case analysis a deeper and more interactive experience (e.g., the internet course at the University of Louisville <http://dossantos.cbpa.louisville.edu/courses/ecom/>). Instructors now have innumerable options for "conferencing" with students and faculty in their

classes and in other parts of the world (e.g., <http://www.ventana.com/html/vc.html>; http://screenporch.com/product_description.htm; and the University of British Columbia's Web CT <http://homebrew1.cs.ubc.ca/papers/webct/> which provides tools for the development of online courses).

Traditional cases have been criticized as being used primarily for illustration rather than the development of critical thinking. Further, in many instances, students are discouraged from seeking information beyond that in the case (Harris and Stinson 1992). Students, particularly those just recently introduced to cases, often rely solely on the information provided in the case. Providing students with an incentive to conduct some additional research or thinking beyond the information given, is often a challenge for educators making use of teaching cases. The virtual case approach can stimulate more in-depth analysis. Pontes and Heim (1998) describe these benefits as follows:

"Virtual cases, by design, simulate the business environment more closely than do traditional cases. Marketing managers are not usually given all the relevant information they need to make decisions." "Virtual cases require that students perform their own information searches, which expose them to the vast amount of business information available from the Web and other sources. Students must quickly learn that they must make decisions about information acquisition and that they may often encounter conflicting information. Thus, virtual cases simulate the business environment in so far as marketing managers must not only acquire information, but also must think through conflicting information and opinions before they make decisions."

THE VIRTUAL CASE IDEA

Frustrated by written cases that are often obsolete in a very short period of time and which may not be as involving for the student due to the more passive nature of traditional cases, the instructors decided to develop a virtual case that would be constructed in essence by the students themselves from secondary information, with a heavy emphasis on the use of the Internet and electronic resources to develop the necessary information. The instructors decided to pilot the concept during summer school in the introductory undergraduate marketing course. Students were fed information on an on-going basis to direct them to look for

certain types of information. The virtual case was a variation on the "living cases" described by Stinson (1990) in which students are confronted with ill-structured problem-situations, without the benefit of prior preparation, and challenged to define the problem and decide on what actions are to be taken.

The objective of the virtual case project was to have students write a marketing plan. Collaboration on research was not discouraged, as the richness of any one student's analysis was dependent on not only what type of information they uncovered but also their interpretation and analysis.

Students were introduced to case analysis with traditional cases that were discussed in class. The instructors developed a "Case of the Week" theme that expanded upon text cases or created new cases that allowed for extension and application for that week's topics. A case was selected for an entire week and all the topics discussed that week were tied directly to this case. This allowed for more in-depth discussion on a particular company or organization as well as illustrating multiple marketing issues within a single case.

The use of the Internet was integrated into several aspects of the course. For example, students were asked to visit certain web sites, participate in the course discussion group, as part of several short Internet and web related assignments. Many students embraced this concept by submitting assignments by e-mail, by sending drafts of assignments or the final virtual case to the instructors for view and critique prior to due dates. A class alias was established for the communication among the entire class. The use of the Internet for data gathering from "real" sites set this method apart from the typical "electronic case" where data relevant to a particular problem situation is duplicated by the instructor and made available to the students electronically, which, in essence, provides a more focused domain for the students' research (Harris and Stinson 1992).

IMPLEMENTATION OF THE IDEA

The premise of the virtual case was that the instructors had been bequeathed ownership of 30 outlets of a major pizza chain in a major metropolitan area. As consultants to the instructors, students were to individually develop a marketing plan for the fortunate instructors to assess what type of marketing opportunity exists and how to

best exploit this opportunity. At the outset (early in the session), this was about all that the students were told. This forced students to consider strategic issues and needed research early.

The actual amount of information given to the students was limited. For example, a copy of the Yellow Page ad for the instructor "owned" restaurants was given to the students but not a list of competitors. Additional information and feedback on the case was provided frequently by e-mail in addition to answering any questions face-to-face in or out of class time.

Throughout the session, students were selectively fed additional information on the case. The case was "dynamic" in the sense that the type and amount of information that was fed to the students depended on the content of the regular assignments that the students turned into the instructors. At regular intervals, students were required to turn in assignments that composed parts of the marketing plan. For example, students had to turn in an analysis of competitors and an estimation of demand. Later, they also turned in summaries of their marketing mix strategies. Along with the "assignments" (which were structured as memos to the "consultants"), students were fed suggestions for sources of information. That is, they were directed to resources such as the Simmons Study of Media and Markets, the Pizza Hut Web site, etc. Occasionally, a student would find an outstanding resource on the web or in the library. Students were given several opportunities to share such information—either they could use e-mail, the class web discussion group, or the instructors sometime mentioned the resource in passing when sending the next "memo" out to the consultants.

The class e-mail alias and web discussion group was utilized frequently to encourage communication among students. For example, after completing the demand estimate assignment that would become one portion of the finished marketing plan, students were encouraged to post the method by which they had estimated demand so that all could learn and benefit from exposure to a number of different ideas.

RESULTS

Instructors. We felt that the students tended to become more involved in the virtual case than they might with a traditional case or marketing plan project. A number of students took

advantage of the opportunity to e-mail portions of assignments or the marketing plan to the instructors for feedback and comments prior to the actual due date. Although students were each asked to write their own marketing plan, there was plenty of opportunity for collaboration that actually seemed to provide little incentive for cheating on the project. Since the focus of the marketing plan was not reiterating facts but a critical analysis of the information to draw conclusions, if resources such as web-sites were shared, it didn't translate into the same interpretation or marketing mix recommendations. There were also some benefits to having everyone working on the same project in a short time period as our resources and assistance was focused on one type of project and it was easier to compare progress and output across the students in the class.

One of the biggest problems for the instructors was that one or two nontraditional students appeared to have not completed lower division prerequisites that introduced them to the use of the internet and e-mail or had fulfilled the course requirement at a time before these subjects were covered in-depth. One of these students insisted on trying to have the instructor solve home computer problems in spite of the fact that campus computers for accessing e-mail and the Internet were available right outside the classroom door.

Students. The students had a tremendous incentive to use e-mail and the Internet in order to communicate with the instructors about the pizza opportunity. Surprisingly however, almost half (42%) of the students completing an end of quarter survey reported that they did not use e-mail for any Principles of Marketing related work during the term. This is rather amazing given that students would have been unable to complete several assignments without accessing e-mail. One interpretation of this finding is that students interpreted the question differently. Some interpreted use of e-mail as accessing e-mail messages from the instructors, others as two way communication, and some saw the questions as asking whether they actually used e-mail to communicate with anyone else in the class.

While most of the class (75%) somewhat to strongly agreed that the use of the WWW in the class was interesting and (83%) somewhat to strongly agreed that faculty use of the WWW in their classes is useful to students, those that did not agree tended to not use e-mail.

Written comments were either extremely enthusiastic or very negative. For example, one student wrote: "I liked the fact that we were forced to use it (the WWW). Everyone in college should be able to use these basic functions." "I like keeping up-to-date on things in the class". However, complaints about the marketing plan centered on choice (wanting to select their own topic) and desire to work in teams rather than on the use of technology or the virtual case concept itself. Self-selecting projects was rejected as an option by the instructors initially because we were concerned that this might mean that some students would not have as much opportunity to use the Internet or would try to avoid using the Internet. Team projects was also rejected as an option due to small class size and the fact that a significant number of students were nontraditional compounding problems for groups to meet outside of class.

Benefits over traditional cases. Our virtual case trial did result in a current, timely project for the students. The method necessitated greater student involvement in the project by its very nature--much of the case information had to be developed by the student. The process made it imperative for the students to conduct outside research. In fact, exchange of research sources and discussion about how to resolve discrepancies in different information that was collected was encouraged.

CONCLUSION

The virtual case method has merit. Most students seemed to enjoy the project and benefit from the interactive and on-going case method, conducting research, and completing sections of the final marketing plan as assignments. Since students were given limited information and were given ample opportunities to share information among themselves, it quickly became apparent to the students that we were interested in the critical analysis and interpretation of information rather than just a regurgitation of a series of facts. One reason this worked was that we consistently reminded the students that they were welcome to submit drafts of their marketing plan to us for feedback before they were due. Thus, although there was initially considerable uncertainty on the part of the students as to what was expected, students were allowed to run their ideas by us to "see if they were on the right track." We were thus able to guide students individually based on their perceived weaknesses. This is quite different from

the traditional case method where students are usually guided by the professor to the one "right answer." The virtual dynamic case allows students to develop their own thinking skills instead of being told what to think.

Future research might focus on a number of areas including comparing the classroom performance of students using a virtual case approach with those using traditional case methods, whether certain learning styles benefit more from the use of the virtual case approach, experimenting with virtual teams working on virtual cases. With a longer time period it might be possible for students to work with others at their own and or at other universities on virtual case projects that have international or regional dimensions creating a sort of virtual team for a virtual case.

There is still resistance among a few students to the use of technology, e-mail, and the Internet. It may be quite overwhelming for some students to absorb introductory marketing concepts as well as e-mail and Internet if they have not had much exposure of use of these tools in the past. An assumption we made was that entering students were comfortable with the use of e-mail and the WWW. This proved to be a problem with a few of the students.

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ARE WE LOSING FUTURE MARKET
SHARE IN HIGHER EDUCATION?

or

Unserved Markets: The Impact of Competing
Agendas, Organizational Leadership and Resource
Allocations in Business Schools in the Year 2000.

Panel Chair: Debra A. Haley, Ph.D.
Fort Hays State University

Panel Participants:
Craig Kelley, Ph.D.
Sacramento State University

Micol Maughan, Ph.D.
Fort Hays State University

Dennis Vredenburg, Ph.D.
Southern Utah University

Corporate universities are continuing to proliferate as do weekend seminars, intensive short term workshops, consulting practices flourish and distance learning networks are no longer bound by geographic or conventional considerations. Has mainstream academe lost its mission by remaining tradition bound in an age that demands flexibility and quick response time? Or have competing agendas, conflicts in organizational leadership and inappropriate resource allocations contributed, in a destructive pattern, to higher education's acquiescing perhaps some of the most profitable target markets to corporate America?

In the near future, universities can expect to hear even more cries of "accountability" from our legislative bodies. Standards of the past will no longer be accepted while competing agendas from faculty, administrators, and students vie for public favor and monetary resources.

What proactive strategies might be developed or implemented before our profession's future is compromised beyond repair? What steps can faculty take to insure a preeminent education for future generations?