Commentary on: "The Pedagogy of Executive Education in Business Markets," by Narakessari Narayandas, V. Kasturi Rangan, and Gerald Zaltman

Elizabeth J. Wilson

In their review of the state of executive education in business markets, the authors address two basic issues: first, the evolution of topics and paradigms used in business marketing education and second, the need for new and innovative pedagogical methods to educate managers so that they are able to effect change in their organizations. The authors contend that universities have traditionally done a good job at executive education in business markets insofar as imparting conceptual and contextual knowledge but fall down when it comes to teaching managers how to *effect change*. In other words, the university courses and programs provide good foundational knowledge but don't go far enough in terms of providing specific prescriptions for actions that lead to goal attainment (e.g., become more profitable, gain more market share, achieve higher sales volume, lower costs, reduce inventory, etc.). The method of "action learning" is introduced as a way to integrate the change component into executive education programs offered by institutions of higher learning.

Elizabeth J. Wilson is Associate Professor of Marketing and Marjory B. Ourso Distinguished Teaching Professor, E. J. Ourso College of Business Administration, Louisiana State University, Baton Rouge, LA 70803. She received her PhD in Business Administration from Pennsylvania State University in 1989. Her research on business marketing topics has appeared in *Journal of Business-to-Business Marketing, Journal of Marketing Research, Marketing Letters, Journal of Business Research,* and elsewhere.

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TOPICAL TRENDS IN BUSINESS MARKETING EXECUTIVE EDUCATION

To begin with the first section on the evolution of the topics and paradigms studied in business marketing executive education, one additional paradigm should be added to Table 1. The recognition of the importance of the "relationship" between all parties involved in business markets is significant (Webster 1992) and affects all of the items listed in the "1990s" column. For example, to remain competitive in most markets, suppliers must provide superior customer value, i.e., maintain a productive and profitable relationship with the customer. In essence, marketing *is* successful management of the supplier-customer relationship no matter where in the supply chain a firm happens to be (manufacturer, distributor, customer).

Sometimes relationships must be *reinvented* for firms to maintain a competitive advantage. A good example is the development of JIT II by Bose Corporation (Dixon and Porter 1994). Using a system of evergreen contracts with a few proven suppliers, Bose has shifted much of the routine purchasing and materials management chores over to the "in-plant supplier representatives." These individuals maintain a presence in the Bose corporate office to oversee orders, shipments, payments, and other routine responsibilities. This relationship allows Bose to use its purchasing employees in more value-creation tasks and also lower production costs. The JIT II suppliers can offer Bose higher quantity discounts than normal because they are assured of a sufficient volume of production. Bose "wins" by getting quality products at lower prices; the supplier "wins" by having steady orders from a large customer. Furthermore, by using a few approved suppliers, Bose achieves supplier base reductions which provide further cost reductions. This concept has also been used at Bose in development of new audio products, and managing inventory and shipping.

In short, for all the topics in the 1990s column of Table 1, the importance of the supplier-customer relationship is a key concern for managers. To rephrase the quote of Regis McKenna that is cited in the paper, it might read as follows:

> In the 1990s, the critical dimensions of the company–including all of the attributes that together define how the company does business–are ultimately the functions of *the supplier-customer relationship*. That is why management of the supplier-customer

relationship is everyone's job, why the supplier-customer relationship is everything, and everything is relationship management.

DELIVERY OF BUSINESS MARKETING EXECUTIVE EDUCATION

In their introduction, the authors identify a need in business marketing education programs for "a happy combination" of conceptual knowledge and actionable solutions that firms may use to effect change. University business schools are called on to make changes in the design, delivery, and management of executive education programs to achieve this goal. The dilemma is in the way executive education programs are typically delivered–a faculty member cannot offer a custom-tailored solution to each participant's specific problem; this would be consulting rather than education. Indeed, the role of the university in society is traditionally to teach students how to think rather than having the faculty member to do the thinking for them. (While many university business professors do outside consulting, this is on their own time and outside their normal university teaching duties.)

The authors introduce, in Table 3, three program formats that may help to resolve the dilemma. While most university business marketing executive education programs provide general education and some custom education when requested by corporations, action learning is a relatively novel pedagogical format. It would certainly be feasible to implement given a partnership between a host university and corporate client assuming that the problems could be addressed with resources in terms of faculty experts. For example, strategy formulation issues facing the client corporation could be studied and solutions proposed with input/direction of faculty experts in marketing, management, finance, and other functional areas, as needed.

Getting these types of action oriented programs in-place will probably require a grass-roots effort on the part of the business school. Such programs might be an incentive for a corporation to become a sponsor/contributor to the business school. The formation of such programs will probably have to begin in discussions between senior administrators of the school (the Dean) and senior management of the corporation (the CEO). When corporations approach the business school regarding customized programs, the action learning approach should be suggested to insure that the corporate client sees some tangible benefit resulting from the program.

The preceding discussion is in the context of a customized program between one organization and a business school. In most cases, though, executive education programs have participants from many organizations with the program leader presenting information on a variety of standard business marketing topics. In this more common situation, how can we approximate action learning so that participants can effect change in their home organization? One solution from my experience teaching executive MBA (EMBA) students is offered next.

APPROXIMATING ACTION LEARNING IN THE EMBA CLASSROOM

In their description of "Executive Education in the Nineties," the authors note that managers want conceptual knowledge *as well as* information on how to apply new concepts in their own environment. This is certainly the case with the EMBA students I have taught. To address this situation, I require students to learn the basics of conjoint analysis and complete a project based on some problem in their home organization. Since the students are from different functional areas, not all projects are about marketing related problems; some address HR issues, finance issues, management issues, etc.

Briefly, conjoint analysis (or "tradeoff analysis") is a technique for understanding customer preference and choice (see Green and Srinivasan 1990; Green and Wind 1975; Hair, Anderson, Tatham, and Black 1995). In teaching conjoint analysis, I make the point that understanding customers (internal or external) is crucial. During class time, there are several lectures with problem solving demonstrations on the basics of conjoint analysis. Students are then required to design a research proposal that incorporates conjoint analysis to solve a problem in their home organization. Past marketing related projects have been on issues such as product packaging for Novartis, customer service for Motorola, and new product development for Lucent Technologies, to name a few. Some non-marketing projects include configuring an employee health insurance program for a large commercial construction firm and designing a supplier rating system for evaluating bids for use by engineers in a large chemical plant.

Student reactions to the project have been favorable. Many have commented that the Business Marketing course was one of the few where they used class material to directly address a situation at work. While not all students achieve a direct benefit from this exercise, many do. And it forces them to apply what they are learning toward their own situation, much in the way that action learning does (based on the authors' description).

In conclusion, based on my experience in teaching a two-day purchasing management program and a 40-hour EMBA course in Business Marketing, the authors' call for imparting problem solving skills as well as contextual knowledge is timely. Using myself as a sample of 1, this call is being heeded by university business school faculty. I devote half of any program or class to experiential learning exercises to develop skills that can be "taken home" (i.e., exercises in marketing strategy, negotiation, corporate responsibility, etc.). More evidence of this trend can be seen from the articles in a forthcoming issue of the *Journal of Marketing Education*; Krishnan and Porter (1998) describe a process approach for skill development in a consumer behavior course. Moon, Menter, Reizenstein, and Woodruff (1998) recognize the importance of customer value in offering MBA marketing education services.

As described by the authors, action learning will be best executed when students are all from one corporate client. However, some "change effecting" content can, and should, be successfully integrated into courses with a diverse student audience through projects and other problem solving, experiential learning exercises.

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