

The World's Largest Open Access Agricultural & Applied Economics Digital Library

# This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

# Help ensure our sustainability.

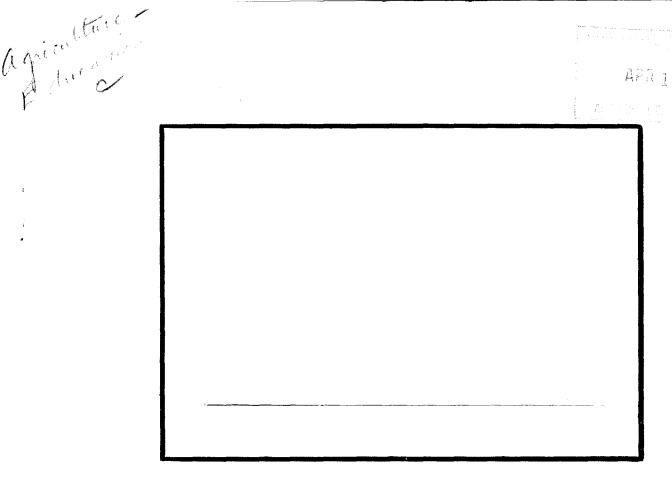
Give to AgEcon Search

AgEcon Search
<a href="http://ageconsearch.umn.edu">http://ageconsearch.umn.edu</a>
<a href="mailto:aesearch@umn.edu">aesearch@umn.edu</a>

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

APR 1 6 1973





GIANNINI FOUNDATION OF AGRICULTURAL ECONOMICS LIBRARY

APR 9 \ 1976

DEPARTMENT OF AGRICULTURAL ECONOMICS

Purdue University Lafayette, Indiana

## A MULTI-MEDIA APPROACH

то

### AGRIBUSINESS MANAGEMENT EDUCATION

K. W. Kepner

Associate Professor

Department of Agricultural Economics

Purdue University

anea

#### A MULTI-MEDIA APPROACH

#### TO AGRIBUSINESS MANAGEMENT EDUCATION\*

The educational process is often viewed as being primarily concerned with creating changes in the skill of the learner and/or in the specific knowledge that the learner has about something. Such a viewpoint in the business management area, however, is grossly inadequate especially in adult education as other interests and concerns are also of considerable importance. For example, there is often the need to create:

- changes in attitudes, feelings, and/or beliefs;
- changes in the awareness of oneself, in the way one views his behavior; and
- changes in one's motivation to perform, one's desire to act differently.

#### Current Business Management Education Approaches:

Because of the complexities of the educational process, educators have long recognized the short-comings of the traditional lecture method as an effective teaching technique for business management. The lecture method, while being useful for specific purposes, as giving facts, does not generally obtain active learner involvement and participation. In business management education, participation and involvement are necessary ingredients for effective education.

In an educational experience learners are most likely to relate their learning experiences to their job when they are excited and interested, that is, when the learners are involved. Under such an environment, they

<sup>\*</sup> Contributed paper presented at the annual meeting of the American Agricultural Economics Association, August 10-13, 1975, Ohio State University, Columbus, Ohio.

are participating in the educational process. The key to learner interest and involvement is one's active, not passive, participation. With active participation learners state their attitudes and actions as well as their reasons for these decisions. It is only in this participative environment that learners can be helped to see their current habits and attitudes and to do something about them. For these reasons business management educators have long searched for, attempted to create, and used dynamic techniques for management education.

This activity over the years has led to the development and use of such business management teaching techniques as the case method, the in-basket exercise, the action maze, and the business management game. In education today, the case method and the business management game seem to have the most universal use. Each of these techniques, however, generally relies almost entirely upon the printed media as the basic information and data source for the participants. In many instances these techniques do not use the audio and visual media to provide management information input. Furthermore, with the exception of the in-basket exercise, the information and data are most often presented in a somewhat unnatural accumulated format.

This creates a situation that is substantially different from the real business environment whereby business managers must often accumulate their own decision information needs from a variety of different data sources. Because of these limitations and others which exist with most currently used business management educational techniques, management educators are continually experimenting with technique adaptations that duplicate as realistically as possible the actual decision environment that

confronts the business manager of today. This paper reports on the development of such a technique. It is an approach which utilizes a variety of media as the basic vehicle sources for data and informational input.

#### A Multi-Media Approach:

After the training objectives of the educational program have been established, the multi-media approach to agribusiness management education focuses upon:

- 1. Identifying the key management decision areas in agribusiness firms that provide an educational opportunity for meaningful transfer to the training participants.
- 2. Identifying the type and source of significant informational input that business managers use in their decisions at the identified key decision areas.
- 3. Duplicating these informational input sources as realistically as possible being sure to utilize the same data source and media type that business managers rely upon for their data input.
- 4. Packaging the training activity into a meaningful involvement-participative educational exercise for the learners.

Key Management Decision Areas: The multi-media approach goes to considerable length to as realistically as possible duplicate the business manager decision environment. This complex process necessarily involves a detailed, in-depth study and analysis of each specific management decision area that is to be used in an educational program. For this reason the approach

seems most adaptable to educational programs where the training objective involves taking a look at specific decision areas within the total business management complex. For example, some key business firm management decision areas where training might be useful, either for college students or for current business managers, would include the new product decision, the packaging decision, the procurement decision, the manufacturing process decision, the physical distribution decision, the pricing decision, the advertising decision, etc. Multi-media educational modules can be made for each of the identified key decision points.

By combining several of the multi-media educational modules together one could, of course, develop an effective training vehicle for a major business management functional area. An example would involve an extensive marketing management educational activity that had training modules in the major marketing decision areas of new products, packaging, branding, pricing, physical distribution, advertising, personal selling, and sales promotion. Situations also exist where the success of a business decision is dependent upon decisions made by other business managers located farther along in the marketing channel. That is, the success of food manufacturer decisions are often greatly influenced by the decisions that are made at the food wholesaler-retailer level. Under such circumstances educational modules of each key decision maker can be developed and integrated into a total educational program.

Identification of Major Decision Inputs: When the management decision area or areas to be used in the training program have been selected, the second step involves an identification of the major decision informational and data sources that business managers use in the actual decision process. This requires the educator to interview and observe business managers in

their job environment. Of importance here is not only the type of data and information utilized in the decision but also the source and accessibility of the data. For example, most business management training relies heavily on the printed media as the basic information source. In reality, however, significant informational input to key decision areas often originates from audio (telephone) and audio-visual (meetings, salesmen's presentations, etc.) sources both with intra and inter-company personnel. This step of the multi-media process, identification of the major decision inputs, is one of the most important keys to the development of a realistic, dynamic, and profitable management training activity. Basically, it is this step that differentiates the multi-media approach from those business management educational techniques that are more universally used.

Duplication of Major Decision Inputs: Duplication of the informational input, by source of its origination, is primarily a technical aspect of the program development. As such, it can also be a rather costly process unless appropriate plans are followed. The realistic duplication of these input materials, by media source, will relatively easily follow the extensive and accurate identification of the major data inputs that are utilized. The use of experienced, innovative audio-visual personnel in this stage of the program can greatly facilitate the development of realistic and meaningful decision input materials.

Packaging the Training Activity: After realistic input materials have been developed, the educational program must still be packaged in an integrated format for effective education. Obviously, the extent to which integration is required is partly dependent upon the number of

management decision modules that are to be used in the overall training activity. Even if only one key management decision area, one module, is to be used, however, considerable program integrative and packaging effort is required.

A procurement decision for example is not made within a vacuum of just the available alternatives but rather with extensive background knowledge of the firm, its markets, its supplier markets, decisions at other stages of the production-marketing sequence, etc. Consequently, relevant background information regarding these factors must be provided. It is appropriate that this background material be supplied primarily, if not solely, by the printed media. The multi-media use is vital for only those informational sources over which the simulated decision manager has control and which provide direct input into the decision being made.

#### The Multi-Media Approach--An Example:

Perhaps the multi-media approach to agribusiness management can be best explained and understood within the context of a management educational program that has been designed and implemented. One important management decision area in the food industry involves the decision by food distribution center-wholesaler buyers to accept or reject new products that are being introduced into the market by food manufacturers-processors. This is obviously a key decision area for both the food manufacturer-processor, and the food wholesaler-retailer as well as possibly the farmer and consumer.

The product manufacturer has already utilized substantial resources to bring the new product onto the market. This is true even if the item is only a slight product modification, a new container type or size, etc.

A return on these resources by the firm can be realized only if a sufficient distribution level is achieved in the marketplace. Furthermore, this distribution level is largely controlled by the food distribution center wholesaler and food retailer.

The food distribution center and retailer at the same time have considerable to gain or lose depending upon the appropriateness of its decision regarding new products. Decisions to accept products that prove to be failures are quite costly in terms of time, space, distribution, etc. while to reject (even for a short period) products that become successes can result in substantial lost sales and profits. Of course, consumers also have a considerable stake in the agribusiness management decision process at this point within the overall food distribution-marketing system.

For these reasons the decision process at the food distribution center (food wholesaler) buying level is a key agribusiness decision area. The management decision at this point has a significant impact and influence upon many firms within the food industry. Therefore, an understanding of how decisions are made at this decision area should provide a meaningful educational process for many agribusiness management personnel including supermarket owners and managers, marketing-brand managers of food processing-manufacturing firms, and salesmen of these firms as well as marketing support staff. In addition, effective training of distribution center buyers should have a high educational payoff as an increase in the number of correct distribution center buying decisions are made.

Identified Major Decision Inputs: The major factors considered in the food distribution center decision to buy or reject new products were determined by interviewing and observing over 100 buyers in some 25 food distribution centers in the United States. The decision inputs were classified into three major categories: printed, audio, or audio-visual, depending upon their prime media source.

Significant printed resources utilized in the distribution center buying decision included manufacturer sales brochures, management memos, letters, stock status reports, and Selling Area-Marketing Inc. (SAMI) reports. Audio input observed to be of importance to the buying decision was in the form of telephone conversations with either intra or intercompany personnel. For example, important intra-company conversations originated from such sources as head buyers, general managers, warehouse superintendents, merchandising managers, and advertising managers. Major inter-firm sources that provided audio decision input included salesmen of food manufacturers-processors and food broker personnel.

The third major media source involved audio-visual communication contacts including meetings, conferences, and personal conversations. The food salesman-warehouse buyer meeting and the use of distribution center buying committees were the prime audio-visual contacts. Also, face to face discussions among buyers and between buyers and other distribution center personnel were important as a source of audio-visual decision input.

Preparation of Multi-Media Inputs: The case method format was the basic educational technique utilized for the preparation of the multi-media decision input materials. Cooperating distribution center firms permitted

the audio-visual taping of a variety of salesmen-buyer presentations, buying committees, and other important meeting situations. Printed material
used in the various new product decisions was obtained and reproduced in
its original state. In addition, the tape recorder was used as the instrument to simulate telephone calls that buyers receive relative to the new
product decision.

The preparation of the multi-media inputs was based upon using the actual information sources that buyers utilized in the actual decision.

This seems to be the preferred method rather than attempting to simulate the decision input materials. Also, it is likely to provide the most realistic decision environment in the classroom and be less time consuming and less costly. The necessary ingredient here, of course, is one or more agribusiness firms that will provide the educator with the necessary opportunity to tape the audio-visual situations and to make available the printed materials that are used in the decision process.

Packaging the Training Program: The developed decision input resources were packaged to resemble as closely as possible the materials that are available to distribution center buyers in the real world. The major input areas utilized included (a) a mailbox containing inputs both relevant (management communications, letters, etc.) and nonrelevant to the decision, (b) a buyer resource file with such basic firm data sources as stock status reports and SAMI reports, (c) salesperson-buyer presentations whereby participants in the educational program could view the actual salesperson presentation and any other audio-visual inputs that might be of significance, and (d) telephone calls that provided additional audio input to the buyer regarding the new product decision. In addition, supplemental background information

was provided in printed form to each program participant prior to the training session. This included data on the firm, its market, the competitive situation, etc.

The program package also involved the organization of teams representing firms in the same market that are competing against one another for market share. Participants in the training activity are required to make both individual and management team decisions. Individual buying decisions are followed by firm decisions whereby all buyers from the same team participate. This firm decision represents a food distribution center buying committee. Team scores are based upon both the decision (to buy, not buy, defer action, etc.) as well as upon the reasoning process used in the decision.

The use in the educational program of actual new products that are being marketed provided the opportunity for an immediate critique of the participant decision process. The decision actually made by the cooperating food distribution centers was known along with their decision reasoning. In addition, when buying committees were used by the distribution center, the participants have an opportunity to actually "sit in", via video tape, on the buying committee as it considered and made decisions relative to the same products that the training participants had considered.

#### Summary:

Agribusiness management education is most likely to be relevant and effective when the learners are involved and actively participate in the educational process. Therefore, much business management education has heavily emphasized techniques like the case method, in-basket exercises, and business management games. However, these techniques generally rely

almost entirely upon the printed media for providing decision input resources and furthermore often remove these resource materials from their normal context.

In the actual business environment, managers utilize, in addition to printed media, audio media (telephone), and audio-visual media (conferences, meetings, presentations, etc.) as input sources for business decisions. The multi-media approach to agribusiness management stresses the realistic duplication of decision input resources for key agribusiness decision areas. Attention is given not only to the type of decision input resources that are available and used but also to the media source via which managers receive these input materials.

As a result of this activity, managers or future managers participating in the educational process obtain a degree of realism that is generally not available in the classroom. The multi-media approach therefore provides the opportunity for improving the dynamics of decision making training in agribusiness management. Educational experiences utilizing the multi-media approach can be most readily and easily transferred to onthe-job decision making situations.

The multi-media approach has been successfully developed and implemented for several identified key agribusiness management decision areas. The decision point described as an example in this paper involved the food distribution center buying process. It has broad application and can be effectively used with several different agribusiness audiences. For example, the described program has been effectively utilized (a) with college students, (b) with various personnel of food manufacturing-processor organizations including brand managers, salesmen, and marketing

support personnel, and (c) with distribution center buyers as well as other distribution center management personnel.

The multi-media approach would seem to have application across a broad variety of key agribusiness management decision points. It brings into the management training environment a degree of realism that has generally not yet been achieved. It would seem that its effective use is only limited by the experimental attitude of the educator.