

Team Decision Making Event

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The day began early at 6:45 AM in the Meydenbauer Convention Center for the Washington DECA Competitive Events. DECA is a co-curricular organization in 50 states, the U.S. Territories, and Canada bringing together students for productive careers in marketing, management, and merchandising. I was to judge Washington high school students in a business role play in competitions between teams. To give some scope to this full day event, there were 39 events going on, and during the day, upwards to 3000 students would be in morning and afternoon competitions.

The basic requirements were that judges were to be passive observers during the course of the 10 minute presentation by a team of two students. The judges could nod, shrug, or give facial clues that were to indicate appropriate interest and attention, but they were restricted from showing enthusiasm or disappointment.

On the students' side of this, they were to put their team efforts into demonstrating communications skills by presenting their analysis of a problem and offering a productive plan. This plan had to exhibit their business systems and procedures knowledge by showing how they determined priorities and managed their resources. The analysis and plan had to answer for the legal and ethical issues presented by the problem they were presented with.

I worked variously with a fellow judge or alone and through the day we heard sixteen teams make their presentation of their analysis and resolution for their problem that they had only 30 minutes to consider and plan for. Our mission was to score their presentation with 100 points available apportioned across twelve considerations. A second evaluation available to the students debriefed the same considerations as excellent, very good, or needing improvement. This second evaluation was for their feedback and would prove to be useful for those whose score merited their continued competition at the national level. To give some perspective as to the implication of any score, a 70 average with a written exam would merit them with DECA's Certificate of Excellence at the international conference.

The morning session was focused on an issue of both law and ethics at the executive level. Here, the students had 30 minutes to prepare a presentation to be made from the scenario handed to them cold. That scenario consisted of them role-playing as vice presidents of finance and operations. The problem they faced was an anonymous tip that the company's chief accountant, through inside knowledge of an upcoming acquisition of a manufacturing firm, had made stock purchases of that firm and gained a considerable profit. The students were to present themselves to the president of the company (the judge or judges for this event) to offer a resolution to the problem of the legal and ethical issues of insider trading.

The eight morning presentations offered a varying range of ethical and legal understanding. Except for one notable pair, many confused the issue of the chief accountant's gain being reverseable without any legal penalty. That is, they offered: "If this anonymous tip is true, we suggest the chief accountant should return the money and be monitored for repeat offenses in the future." Other responses bordered on the company's image should be maintained above disclosing the violation. However, given their broader presentation, these postures were more a product of the short time for preparation as their whole context clearly distinguished the problem as being both legal and ethical. Further, their resolutions were nearly always hedged with the necessity to maintain secrecy only for a short while in the event of false accusations being made that

would damage the reputation of the chief accountant. With the limited exposure to the problem and their limited preparation, the overall performance lead me to believe that they would have drawn a clearer distinction and chosen their resolutions with more care if they had more time to ponder the problem and talked among their peers. Given this is a competition, however, scoring had to follow these shortfalls. In that regard, one evaluation criteria explicitly goes to the heart of the matter: "Showed evidence of mature judgment." Where some lost points here, they did not necessarily lose points in the evaluation's question of "Did the participants distinguish between ethics and law?"

The impression from the full set of eight presentations was that all the students were keenly aware of the implications of insider trading and focused their efforts to exploring all the legal and ethical issues related to it. Their scores averaged at a 74; and they spent an average of slightly under six minutes in presentation. The best score, a 96, was only slightly longer at seven minutes; and the poorest scoring presentation barely offered two minutes of discussion.

In the afternoon, the students were tested against a new problem of ethics alone. The problem was more subtle as well. They were to play the role of front-end supervisors at a large discount retailer where their responsibility was in training and supervising cashiers. They faced an ethical dilemma in that they could perceive that the store was becoming too aggressive in extending credit to customers who would clearly get into trouble. One such example was a new account holder who makes \$20,000 a year being given a \$14,000 credit line at the store. The supervisors want to institute a new guideline policy, but it goes counter to their manager's strong sales record based on this easy credit, and the current policy of rewarding cashiers with bonuses tied to each new credit account they sign up for the store. As before, the students had 30 minutes to prepare for their presentation.

This problem presented a tough sell for the students as supervisors. They were aware that there is no law against freely extending credit, and that the problem was one of ethics alone. As such, they had to balance the current financial rewards against their proposal, and many projected that revenues would decline. However, many of the students argued that in the long term sales would return and rise on the good reputation of the company. They balanced this loss in sales with the prospects of certain losses of credit-strained defaulters that would eventually depress the company's future prospects causing layoffs or closure if their guidelines were not instituted.

In the role of manager, my questions following their presentation often fell into playing for greed and advantage. Against my asking "Why should I be concerned about this when no one is complaining and my numbers are great?" the students were nearly uniform in portraying this perception as a short-lived boon that would haunt the store in the future. I would then corner them with guilt by protesting that "Aren't we providing a service to our customers by giving them credit so they can purchase the things they need?" Most students could respond that this was an illusion. To press them further into projected guilt, I would ask "What's in it for the employees?" This, of course, was in reference to their proposed guidelines eliminating a revenue source for the cashiers. This was harder to answer. Fewer teams could summon up an argument that those same cashiers would enjoy longer employment than they could expect with the high loan risks the company was currently courting.

Compared to the earlier morning competition, the scores didn't range as wide, but the average was a couple of points higher, above 76. They took longer to present their suggested guidelines at an average of more than 6 minutes of the 10 available to them. Spending longer to press their case did not necessarily correspond to a better score. The best presentation was made in 6 minutes even, whereas others easily spent more

time. The worst score came when the team barely managed to make a 3 minute presentation. To their credit, this same team's responses to judges' questions (weighing in at 6 minutes) kept them from slipping into a further disastrous score.

The day ended shortly after 6:00 PM. The competitions were like a marathon with its even pacing, hand-offs of the baton, and familiar turns in the track. Still and all, each team seemed to bring its own new energy that kept the moment alive and interesting.