

Teaching “Managing Disruption” Classroom Exercises

Laura Powell
Xavier University

Daniel J Herron
Western Carolina University

Teaching should be dynamic and growing. We should strive to instill in our students those qualities that will enable them to excel in all environments. This paper is a working example, complete with tested exercises to illustrate and assist in the growing challenge to arm our students with the tools necessary to be successful, not only in the classroom, but beyond. Flexibility and adaptability are important development strategies. Disruption need not be a precursor to paralysis, but instead may ignite creativity and invention. With the appropriate skill sets our students will be equipped to challenge traditional dogma and view issues from multiple perspectives and lenses. This may be accomplished by teaching new approaches and practicing them as well. One example would be to study trends, expanding our capacity to teach from multiple views, not fearing disruptions, but looking at them in a new light, thinking outside the box, going against the norm, coining them as nurturing brilliant ideas that are disrupting the rules of the game.

Keywords: managing disruptions, creative thinking, problem solving, teaching exercises, analytical decision making

INTRODUCTION

Teaching “Managing Disruption” Classroom Exercises

Proposed Teaching Session

This proposal is a series of classroom exercises designed to be modularly dropped into any given class. E.g., the Glinda Witch contract exercise is designed as a three-four-week exercise; the Kidney Dialysis Machine and the BP Oil exercises 20 minutes exercises in business ethics; the fine arts examples are designed to expand the tools for creative thinking in problem-solving. Each exercise will need to be tailored to the classroom and subject matter format.

Methods of Evaluation

These debriefings may be faculty or student-led.

BACKGROUND, OR RATIONALE, FOR THE EXERCISES

"[S]ome human activity, which serves to break up orientations, to weaken and frustrate the tyrannous drive to order, to prepare the individual to observe what the orientation tells him is irrelevant, but what may very well be relevant."

Part I: "Disruptive Threats"

"Disruption" has been present for as long as the human race has been a cognitive species. However, it has never been more significant and explosive than it has been in the first quarter of the 21st century. Humans anticipate certain courses of actions, processes and results both individually and within the various institutions which they populate: social, work, education, religion, political, local, global. It is clear that humans need to make order of things, to make sense of the world. Yet, the vagaries and uncertainties of human life and the evolutionary arc of institutions throw obstacles and barriers. Uncertainty, and even panic, can be created along with a sense of paralysis of "what do to now?" when disruption occurs.

Disruption can occur on an individual, on a micro-level or on a global macro-level. Brexit, Donald Trump, climate change, trade issues, war, and, of course, the biggest of all, COVID-19 are all examples of global or macro "disruption." A company's loss of a major client, an employee strike, a significant cut in a university's funding, the head football coach being accused of sexual harassment are all examples of "disruption" on a micro level. Even on a personal level, "disruption" surprises and confounds us--an unexpected medical diagnosis, an unexpected pregnancy, an audit call from the IRS, loss of job, anything so unexpected--- that the result is deep uncertainty, a degree of chaos, and even decision-making paralysis.

In business, such disruption, while certainly expected at various points in the life of a business, can never be fully anticipated and prepared for. Nonetheless, skills can be honed to fully respond to and manage such disruption. What are these skills? How does one obtain them? Who does or can teach them?

Dean Caryn Beck-Dudley, ALSB Past President, and Past Chair of AACSB has opined, *"A recent panel of employers who hire our students at Santa Clara University indicated that, in order to be prepared for jobs of the future, students must be adaptable, curious, and better prepared to work in interdisciplinary teams of scientists, engineers, artists and businesspeople will need to have a growth mindset; they' need to be willing to take risks; and they'll need to be excellent at interpreting and incorporating constructive feedback.*

What skills can we discern here which can be used to teach: 1) problem-solving agility; 2) creativity, i.e. thinking extensively outside the box; 3) drawing correlates or analogies between or among disparate situations; 4) contextual perspective; 5) clear articulation and foresight in communication; 6) collaboration and teamwork.

Two lynchpins of teaching managing disruption are critical and creative thinking. The ability to move and think outside the box seems to be the font from which the other needed skills emerge. In fact, "teaching creativity" taps the crucial aspects of managing disruption pedagogy. Jeff DeGraff, author of MAKING STONE SOUP: HOW TO JUMPSTART INNOVATION TEAMS writes that these four developments are necessary for creating a pedagogical platform for teaching creativity:

1. The move from corporate to entrepreneurial
2. The move from functional to cross-functional
3. The move from theoretical to experimental
4. The move from singular to perpetual

DeGraff's four points enable Schools of Business to structurally create a framework in which to teach creativity. Some of these creative traits or skills may be innate or acquired at a very early age with some people, such as articulation; but these skills can and are taught.

It has been said, perhaps apocryphally, that a good percentage of the jobs fourth graders will hold when they become adults have not even been created yet. No one can teach "to" those jobs; but we can teach to the skills that those jobs will require. We need to teach not only critical thinking and comprehension skills, but we need to focus on teaching "managing disruption" skills. Business legal studies professors are in a unique educational and experiential position to do so.

Legal education is built on two fundamental pillars, pillars essential to managing disruption: contextual learning (cases and hypothetical constructs) and analogical reasoning. These two pillars require law students to understand contexts vis a vis abstract principles and to view all issues from a variety of perspectives, from every angle.

By structuring legal education on these two fundamental pillars, the legal discipline has assured that those Juris Doctor holders are well-versed in the ability to assess, comprehend, and respond to an unforeseen situation. This can be as simple and straightforward as responding to a judge who sustains an objection or to a witness who changes testimony or to legislative change in a law or to a Supreme Court decision which alters the legal landscape. We see such skills at play when legal counsel to a university or a corporation needs to advise the university administration or upper corporate management on an immediate response to a crisis.

In these types of decision-making situations, we are apt to follow trends and conventional wisdom. However, we must be wary of the pitfall of believing we possess control and predictability. We must be able to think way outside the conventional and expected box.

Part II: “Disruptive Threats as a Catalyst for Innovative “Disruptive’ Change”

Crisis management is the first part of managing disruption. The initial threat must be managed but then that event then serves as a catalyst for strategic change and evolution. The mold must be broken and replaced with something that “disrupts” the status quo.

Some examples of these “disruptive” solutions: (good-ending and bad-ending examples) which are easily googled for more information and details:

- 1) Electronic trading “disrupts” traditional share trading => Charles Schwab responds with a new trading model which “disrupts the traditions of the established market.”
- 2) Star Trek’s Captain Kirk’s reprogramming of the no-win war game known as the Kobayashi Maru
- 3) The Butabi brothers in the movie comedy “Night at the Roxbury” envision the outside waiting line to get into a chic club as a club setting itself, completely flipping the concept of waiting to get into the club
- 4) Trump’s i) constant lying, and ii) utilization of making fun, bullying, and name-calling of political opponents and anyone who disagrees with him to distract.
- 5) Igor Stravinsky’ use of “modern” dissonant chords in orchestral pieces

Flexibility and adaptability are the key to business superiority.

The current situation before us is another disruptive threat to our way of teaching business to our students. One thing we have learned is that we must teach students to challenge the existing dogma and teach students to view issues from multiple perspectives and lenses; historical, political, scientific, cultural and geographical. We should teach critical thinking, we should encourage ethically actions as an individual and within organizations, and foster the idea that you should contribute to the community and society at large. One important key to this developmental strategy is teaching students how to be flexible and adaptable.

Leadership should be honed from civic, moral and intellectual capabilities. Leadership should take a more holistic approach, looking at the whole rather than focusing too narrowly on a single facet such as interacting in a competitive business environment. We are preparing not just financial engineers or accomplished management technicians, but good global citizens. We must teach new approaches and practice them as well.

One approach is the above-mentioned observance of trends to help predict current economic pitfalls. We have the opportunity to learn and enhance our educational process in light of the current economic crisis. For example, teaching students to hone certain skills such as following, compiling, observing and analyzing certain trends. Those trends to be highlighted, in light of the current global situation are volatility, uncertainty, complexity, and ambiguity.

Let’s illustrate this with the present covid-19 crisis, in both the business and the academic realm. We have a chance to learn and change our educational process in light of current events.

Under the trend of volatility, we observe that most Americans live paycheck to paycheck with no nest egg to ride out the storm. And academic institutions were not prepared to move to total remote teaching or face the reality of students not returning if we stay remote.

As we look at the trend of uncertainty we find many unanswered questions and doubts such as “when will we be able to resume our normal activities, like working in an office, dining in a restaurant, or attending a classroom lecture.

The trend of complexity arises out of the decisions whether to stay home and shelter in place to physically protect ourselves and others or to resume our normal activities and protect our economy and our jobs. Do we go back to our classrooms in the fall or remotely teach?

And we end with ambiguity which drives home the notion of expanding our current capacity to teach from one view to the insistence that we approach issues from multiple points of view. There is conflicting information about the virus, the vaccine, the future and if it will come back. And the backdrop of political confusion as to who should lead us to safety.

The obvious trend – problem solve, go back to normal, open the states and business versus the not so obvious-think outside the box, create a new workplace and learning environment.

How vulnerable are we to disruption? Do we fear what disruption may do to us or our businesses? Disruptions can be brilliant ideas that disrupt the existing rules of the game. Innovation, creativity can challenge and change the dynamics of their industries. Look what Uber did to the transportation industry and Netflix to the entertainment field by adding streaming services.

What do all of these far-flung examples have in common? Thinking outside the box. Going against the norm or expected.

Part III: Five Classroom Exercises Related to Analytical Decision and Problem-Solving Decision-Making

The following exercises bring into focus Clay Christenson’s view that the preliminary stage of disruption problem-solving strategy begins with an articulation of and then an application of:

1. Resources
2. Values
3. Process

The “process” is the operative word here as processes are often the result of or constrained by or defined by resources and values. What do our resources allow us to consider; do we have processes in place to facilitate such considerations---if not, let’s review this; what are the values which ground and direct our behavior and decision-making. The key here, though, is flexibility. These three aspects cannot be locked in but must be subject to continuous review and modification.

Let’s apply these attributes to the following seven classroom/homework exercises:

#1-Deep Water Horizon

BP’s oil platform in the Gulf of Mexico explodes. A tragic but illustrative case of disruption. The BP CEO, on vacation in Scotland, was paralyzed with indecision and failed to react publicly, a lapse of judgement which would lead to his removal and to enormous damage to BP’s brand. A good class room exercise: WRITE THE CEO’S PRESS RELEASE OR OPENING REMARKS AT THE NEWS CONFERENCE?

What should he have done---it really isn’t hard to figure out if you have the skills to manage disruption. 1) call an immediate news conference; 2) indicate the BP’s two highest concerns are the lives and safety of the employees on the platform and the well-being of their families on the mainland AND the environmental impact of the oil leak; 3) announce that as soon as this news conference is over, the BP jet is waiting to take the CEO immediately to New Orleans so that the CEO can personally oversee the responses that BP has already begun.

Legal matters such as “is BP legally liable?” “how do we measure damages?” et al will come later. The most significant matter is that BP top management has the skills to manage disruption. They did not. We can teach that.

#2-Glinda Witch Hypothetical

In Appendix A is an exercise in teaching contract law but from a multi-lens perspective. Teaching contract law can, to be perfectly blunt, a boring affair. However, learning in context is vital in responding to disruption and in crafting solutions. This exercise is structured to be contextual and collaborative, satisfying several pedagogical platforms in managing disruption.

The hypothetical is a robust tale based on the Wizard of Oz. The instructions require students (or a group of students) to identify the factual issue, the issue in law, a statement of legal principles, and then an argument supporting each side of the issue. The key here is to require the students to see all sides of the factual and legal issues and defend each perspective.

#3-The Case of the Kidney Dialysis Machine

A synopsis of the problem follows but the full problem is found in Appendix B.

1. resources: there are sufficient resources to identify two and only two patients for dialysis; this seems to be a constant that is not subject to any change internal to the problem. The only solution is to obtain outside funds which are beyond the boundaries of the problem.
2. values: all life has worth; can life “worthiness” be quantified; are some lives more valuable or “worth more” than others; is egalitarianism an overarching value?
3. If some lives are more valuable than others, then how do we construct a matrix for determination as to who get the life-saving treatment; or, if all life is of equal value, do we choose a random process of selection?

The kidney dialysis machine fact pattern is below:

Five viable candidates need kidney dialysis; your hospital can only accommodate two; your committee must choose the two, you must be unanimous and you must understand that the three not-chosen will die. A short personal biography is given and a short medical history is given. The age range for the five are 19 to 67 years. They are no outliers that would negate the medical treatment proposed. Please develop a protocol to select the two.

Most if not all classes will design a detailed matrix for the selection process with numerous variables. The disruption approach might be (that goes against all “conventional wisdom”), a lottery! All life is valuable and of equal worth; everyone deserves an equal chance. In my 20 years of administering this problem no one, not one, has proposed this solution.

#4-Gender Discrimination

You are an HR director of a large research and development company where the majority of employees are lab scientists. You just done a detailed survey and find that equally qualified women are being paid considerably less than the men despite almost identical qualifications, time in position, and job requirement and performance. The reason, you discover, is that stereotypically, men negotiate a higher starting salary than women.

This study is confidential. You are having lunch a few days later with a good friend---kids go to school together, both of your families go to the same church, etc. She brings up a rumor that the women lab scientists are talking about, i.e. pay inequity. She asks you point blank if you know anything about such a rumor.

Conventional wisdom, and especially on the advice of the general counsel with whom you shared the reports, requires that you play dumb and say nothing. The disruption approach is complete truthfulness and transparency.

#5-Mission and Values Statements

Assume that your company has 300 employees in three locations, all of which are in [your state]. [Substitute local references in the hypotheticals below]

Divide class into groups of either 3 or 4; create a company of your choosing; create a mission statement and a values statement.

Discuss the following; make a decision, guided ONLY by your

- a) mission statement &
- b) value statement (go online to corporate websites and review corporate mission and value statements)

If our mission and/or values statements are insufficient in helping you resolve the issues below, how can you modify them?

1. William is a long-time employee who is undergoing some rough times. His wife has left him and his children have moved away to college. He is, though, your most productive employee. However, co-workers are complaining of problems in working with William and customers/clients are complaining as well. William's supervisor says that she can have someone replace William and up and running within a three-week period. Do you fire William and replace him? The company can afford a rehab program for him, but it will be costly and time-consuming (4-8 months); the company cannot afford to keep William on and hire a new employee. If you send him to rehab, other members of his sales team will have to take up the slack created by his absence.
2. One of your primary vendors is an American company that produces top-notch goods. This vendor is in Oregon and your company is in Ohio. Your account with this vendor was created in 1997 and is in excess of 27 million dollars per year. A French competitor asks to submit a bid; the bid is 12% lower; the goods are not quite as good, but they are more than satisfactory for your needs. The French company's local subsidiary, which will be supplying you, is from Youngstown, Ohio, a city hit with financial and employment problems. The French subsidiary will be able to hire nearly 70 additional employees in economically-ravaged Youngstown if you give them the contract. What do you do?
3. Your largest client/customer is the Cincinnati Bengals and represents 21% of your total annual business. Mike Brown, the CEO and owner of that business calls and asks if you will hire his son-in-law who is moving into your area. You agree to interview the son-in-law and discover that he actually qualifies for the job you have open, assistant director for human resources and benefits. However, he is not as qualified as an internal candidate. Brown has strongly intimated that this "favor" will be beneficial in keeping your business relationship. What do you do?

#6-Business Strategy Game

Strategy board games are a great way to engage a class, they are fun, break up the monotony, bring a class back to the lesson in the wake of a disruption of the daily class routine and students actually forget they are learning important skills. This board game is designed to keep all players engaged until the game ends.

See Appendix C.

#7-Case Based Scenarios

Case based exercises are an effective way to challenge students through written communication to varied audiences in a simulated business scenario.

*"These **exercises** not only offer **students** the opportunity to practice the kinds of writing that professionals use every day but also show **students** how to translate their disciplinary learning into meaningful action that requires sophisticated analysis of context, audience, purpose, and knowledge. In other words, CIBEs **help students** manage the contexts in which their developing disciplinary knowledge will be needed."*

See Appendix D.

Part IV. Joining Creativity to Critical Thinking: Suggested Exercises in the Humanities and Arts---Music, Art, Composition, Poetry

Classical Music

A musical strain---Debussy's *The Engulfed Cathedral*, what is it symbolizing? Play it for class and ask them to construct a story around it... then tell them the actual story of a mythical cathedral appearing out of the depth of the ocean and then receding back <https://www.youtube.com/watch?v=mEFuhWLenTA>

Rock music---take Elton John's "Take Me to the Pilot" a great song with lyrics that lyricist Bernie Taupin and Elton themselves have no clue as to what they mean---chaos. Show the video to students and make them come up with a coherent interpretation of the lyrics https://www.youtube.com/watch?v=YojcH9ITot8&list=RDYojcH9ITot8&start_radio=1

Art

A piece of an impressionistic work from close up—then farther and farther back... focus very closely on the pink balloons but do not identify the balloons yet, the pink dabs of paint at center right in the painting are hard to identify but are most likely balloons.

FIGURE 1
BOULEVARD DES CAPUCINES BY CLAUDE MONET



Composition

"Pass the Story" exercise---Writing instruction should help students learn to organize ideas logically, use appropriate language, and to understand and persuade audiences/readers. This exercise is amazingly fun. One person starts a story with the perimeters being one paragraph, no more than 250 words. The story gets passed on to the next person. The exercise works best if it is limited to 5-7 people with the last person required to create an "ending." It is also helpful to instruct that no one in the story may be killed off. In a class, you can give each person up to five minutes to get the assignment done.

This activity achieves the following:

- Builds fluency (as does all impromptu, fast-writes)
- Fosters practice in syntax, coherence (relationship of sentences to one another in a paragraph), and unity (overall structure of story/how paragraphs relate one to the next into a unified whole).
- Builds understanding of the temporal logic necessary in all writing, even while inviting creative disruption of readers' expectations.

Poetry

Epigram to T.S. Eliot's *The Waste Land*---what does it mean; what tone is evoked? The Sibyl (prophetess) of Cumae was a beautiful, young woman beloved of Apollo. In a moment of Apollo's weakness during their lovemaking, she cunningly extracts from Apollo one wish. He advises her against using it but she prevails and wishes for eternal life. She neglects to ask for eternal youth. As she ages and becomes a wizened-up prune of an old, old woman, a carnival huckster captures her, puts her in a cage, and charges admission for all to see her. A group of boys pays the admission fee and go in to view her. Then the following exchange occurred.

I have seen with my own eyes the Sibyl hanging in a jar, and when the boys asked her 'What do you want?' She answered, 'I want to die.'

CONCLUSION

Much like teaching writing, music, ---actually any academic subject or learned skill---repetition is the key to success. Doing one or two exercises focusing on managing disruption is simply a waste of time. A course, or at the very least a module, must be infused with multiple exercises. That is why Appendix A provides a four to five-week module of teaching contract and agency law within contextual learning. Consider the first essay you might have written in the fifth grade. Surely, after one attempt, you can't claim to "know" how to write an essay.

"To achieve true mastery in any area requires you to first imitate and then innovate." These exercises provide easily modified examples of what can be used in class, both face-to-face and online as well as with an individual student and with small groups.

Bruner writes,

A decade ago a friend and colleague said, "Repetition is the first principle of all teaching." I thought he was kidding, for it seemed to me then, as now, that there were many other better First Principles: mastery of the material, passion for the subject, empathy for the learning process, energy, and love of student interaction. But he was actually, quite serious. He challenged me to think of all the ways in which I had learned because someone had restated or revisited a concept that I thought I had learned, but which yielded a deeper meaning in the new context. Then it struck me that repetition was primarily important to learning, rather than teaching. If one adopts a student-centered teaching approach, repetition will be a very important tactic for enhancing learning.

Over the intervening decade, my friend's words have returned to me in discussions about teaching and course design. Like the protagonist in the movie, "Groundhog Day," I seemed fated to relive a conversation relentlessly. This has taught me that repetition is tough to practice. Teachers and program designers are caught between growth in content, and the fixed or declining program time available. Virtually all business programs are striving to cover more content in less time. Managers and students are impatient to get trained quickly. In short, repetition seems in retreat.

The case to be made for building repetition into your teaching is that it supports a number of highly important educational goods: self-paced discovery, ability to reflect, consistency and clarity of thought--these promote deep learning. Of course, too much repetition has a dark side: boredom, student passivity, rote learning, and a high opportunity cost--one could be extending the reach of students into new areas instead of revisiting the old. The teacher needs to find the Goldilocks outcome, neither too much nor too little repetition.

To expand on Bruner's riff on repetition I'd argue that it is not the rote memorization repetition that he is emphasizing, such as multiplication tables (though that may be a bad example as rote memorization is exactly what is needed there). But, the repetition of the processes of critical and creative thinking. Shifting contexts, unanticipated prompts, and unexpected twists require the constant modifications of our analytical processes, much like rotating frequencies to avoid detection.

Critical thinking is like other skills in that it gets better with practice, but it has to be the right kind of practice. Pure repetition won't help, but careful analysis will. That's why we need to evaluate the claims we hear in everyday life, examine critiques of arguments to see if they have represented their subject fairly and construct our own persuasive arguments - holding ourselves to the same standards we apply to others.

To illustrate the results of this process, consider this true story of critical-thinking success. On his first day at his new publishing job, an editor got bad news: samples from a new print job had come in, and they had a huge flaw that made all the books unusable. He was asked if he wanted to trash the entire print run. He would not have been blamed if he had, but instead he asked if they were sure that all of the books had that flaw. As it turned out, they didn't. It was only some of them, and so he saved thousands of books from going to the landfill for no good reason.

For this to happen, he needed to be aware that he needed to apply his critical-thinking skills, he needed a structure to analyze the situation, he needed to recognize a familiar pattern of reasoning (in this case, representative samples) and he needed to apply what he knew from the publishing context. In this case, he knew that print samples sometimes come from only one round of printing and may not represent the entire print job. It was an insightful decision, but it wasn't magic. Decisions like this are the natural product of sophisticated learning processes reinforced with experience.

The excerpt above examines not just critical thinking but also the creative thinking needed to deal with the unexpected disruption presented in the print run. As Paris further notes in his piece, about how exactly to teach these skills:

...but critical-thinking skills are not fixed at birth. We know that some people have strong skills, and they had to get them from somewhere. People still debate the extent to which critical thinking is a general skill that can be transferred whole into any context as opposed to being a context-dependent skill. The truth could be somewhat in between. There are certain structures, patterns and techniques that can be learned in general and applied elsewhere.

That is what I did while creating preparation courses for exams such as the LSAT and GMAT. We never knew exactly what the subject matter of the questions would be, but that didn't matter as long as the patterns of reasoning were the same. That being said, context still matters, and applying one's general skills is not equally easy everywhere.

The most effective learning, where student reach their full academic potentials and learning outcomes arrives in an environment free from distraction or in an environment where the learning is relevant. The Netflix release of the *Outer Banks* acts as a distraction during the pandemic, but teaches relevant lessons, such as perseverance and the importance of family in the midst of mounting adversity.

Hopefully, the exercises presented in this paper provide the variety and complexity to force students to deal with managing corruption in critical and creative strategies. In this way, the processes needed to manage disruption will be at the student's disposal when the need arises, and the need will always arise.

ACKNOWLEDGEMENT

Thanks to Dr. Mary J. Fuller, emeritus Director of the Ohio Writing Project, Miami University, Oxford OH.

REFERENCES

- Ask the Experts: The future of Business Schools*. (2009). FT.com. Retrieved from <https://advance-lexis-com.nocdbproxy.xavier.edu/api/document?collection=news&id=urn:contentItem:7VWW-1YG0-Y9YJ-2528-00000-00&context=1516831>
- Beck-Dudley, C. (2019). *Flexible Business Education Models Allow for Disruption*. AACSB. Retrieved from <https://www.aacsb.edu/blog/2019/may/flexible-business-education-models-allow-for-disruption>
- Bruner, R. (2001). *Repetition is the First Principle of All Learning*. University of Virginia. Retrieved from https://www.researchgate.net/publication/228318502_Repetition_is_the_First_Principle_of_All_Learning
- Christenson, C.M. (1997). *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail*.
- DeGraff, J. (2015). *The Secret of Teaching Creativity at Business School*. Inc.com. Ethicsgame © role-playing exercise; used with permission.
- George Manning & Kent Curtis. (1988). *Ethics at Work: Fire in a Dark World* (pp. 219-223). ©Southwestern Publishing.
- Hedberg, J. (2006). E-learning futures? Speculations for a time yet to come. *Studies in Continuing Education*, 28(2), 173–85.
- Jenkins, R. (2020). Why We Must Get Back to Basics in Teaching Composition. *Chronicle of Higher Education*.
- Paris, B. (2016). *Failing to Improve Critical Thinking*. Inside Higher Ed. Retrieved from <https://www.insidehighered.com/views/2016/11/29/roadblocks-better-critical-thinking-skills-are-embedded-college-experience-essay>
- Peckham, M. (1965). *Man's Rage for Chaos*.
- Stansbery, A. (2020). *Opinion: Netflix show Outer Banks teaches relevant lessons during coronavirus pandemic*. The Daily Iowan: University of Iowa. Retrieved from <https://advance-lexis-com.nocdbproxy.xavier.edu/api/document?collection=news&id=urn:contentItem:5YT4-0FD1-DY7P-T3B6-00000-00&context=1516831>
- States News Service. (2020). *How to Future-Proof Business for Disruption; Dr. Oliver Schake Shares Ideas for Repositioning Operations and Chabing Future Awareness Thresholds*. Retrieved from <https://advance-lexis-com.nocdbproxy.xavier.edu/api/document?collection=news&id=urn:contentItem:600N-S4N1-DYTH-G3YP-00000-00&context=1516831>
- Stearns, J.M., Ronald, K., Greenlee, T.B., & Crespy, C.T. (2003). Contexts for communication: teaching expertise through case-based in-basket exercises. *Journal of Education for Business*. Retrieved from <https://advance-lexis-com.nocdbproxy.xavier.edu/api/document?collection=news&id=urn:contentItem:4F2H-YPK0-01CT-R428-00000-00&context=1516831>.
- van Hove, M. (2018). *How Vulnerable Are You to Being Disrupted?* Business 2 Community.com. Retrieved from <https://advance-lexis-com.nocdbproxy.xavier.edu/api/document?collection=news&id=urn:contentItem:5TVG-9HF1-F03R-N3G2-00000-00&context=1516831>

APPENDIX A

Instructions

Read the fact pattern below. Issues in each paragraph are highlighted in yellow but may not include all the issues present. Take each paragraph and for each issue listed, construct an argument that follows this rubric:

- 1) Identify the legal issue
- 2) Explain the specific fact pattern for that issue from that paragraph
- 3) Explain the legal principles pertaining to that legal issue
- 4) Explain who should prevail and why OR explain how both sides could prevail (this is the preferred approach)

So, I will do the first one for you.

- 1) In paragraph 2, an issue is PAROL EVIDENCE.
- 2) In the fact pattern, Witch tells Peepin that satisfactory performance does not mean the win-loss record before he signs the contract. Peepin claims that he is really being fired because of his win-loss record.
- 3) The parol evidence rule states that an oral statement is inadmissible to change the terms of a written contract, regardless of how clear the oral statement is. Only a written statement can change the terms of a written contract. The exceptions are if the oral statement is being used to clarify an ambiguity or completing an omission in the written contract.
- 4) A) In this case, Peepin can use Witch's oral statement to fight his being fired since "satisfactory performance" is ambiguous and Witch's oral statement helps to clarify this written statement of "satisfactory performance. B) Witch can win by claiming "unsatisfactory performance" is not ambiguous but a clear statement since a win/loss record in big-time college football is always the most important facet of any coaching job. Since "unsatisfactory performance" is clear, then the oral statement of Witch's is not admissible to explain it.

There are a total of 42 topics below highlighted in yellow. You (or your group) will need to do any 15 of the 42: five will be due the first week; then five will be due the second week; the last five will be due the third week. PLEASE MAKE SURE YOU DO AT LEAST ONE ISSUE FROM EACH PARAGRAPH. Now, to make your studying even more worthwhile, you may do more than 15.

Paragraph#1

Glinda C. Witch was in a pickle. As chancellor of Yellow Brick State University, she was used to dealing with difficult situations. However, she had never faced one as difficult as this. This problem went right to the heart of the whole educational system, to the very core of YBSU's academic focus ... the football team was in trouble! Not just simple trouble; but rather a genuine catastrophe. The team, YBSU's "Fighting Munchkins", had just lost to their arch-rivals, the Emerald City "Wizards" by the humiliating score of 42-3. This loss completed the first losing season in YBSU illustrious 98-year football history. YBSU, a member of the OZ Valley Athletic Conference (OVAC), had, prior to this year, the winningest tradition in the conference. Students were in an uproar; faculty were ready to quit; and worst of all, alumni were threatening to boycott the upcoming fund-raising drive. INTRODUCTION

Paragraph#2

Witch knew that drastic measures must be taken to restore the faith and trust in the system. Consequently, she summoned the head football coach into her office and summarily fired him. Oscar J. Peepin had only been at YBSU for two years. Recruited by Dr. Witch from a highly successful (although academically-questionable) Big Ten school in Columbus, Ohio, Peepin had been given a five-year coaching contract. While the contract stated that the contract could be rescinded after two years for less than satisfactory performance, Witch had verbally assured him that "unsatisfactory performance" did not mean

the won-loss record. When Peepin demanded the reason for his firing, Witch responded, "I've just found out that you lied on your resume. Your resume states that you had a superb record at your first coaching job back in 1997 at Cleveland St. Ignatius School. Well, I just found out that you went 6-4 in 1997 including a 63-2 loss to your arch-rival St. Edward's High School. That's hardly a superb record." Peepin walked out in a huff and immediately retained an attorney to fight his firing.

Paragraph#3

Witch, satisfied that she had Peepin "over a barrel", called her good friend Esther K. Dorothy, offensive line coach at Kansas State. "Well, Dorothy," Witch said, "the head spot is open here at YBSU. If you're interested it's yours. I've just got to clear it with the Alumni Athletic Board. But that's no problem!" Dorothy responded, "Sounds good. I'll let you know tomorrow."

Paragraph#4

What Witch had forgotten was that six weeks earlier, when YBSU had a dismal 2-4 mid-season record, Elmer S. Crow, president of the Alumni Athletic Board, chief alumni contributor, and owner of Crow's Helicopter Transport Service, had promised Homer that he would be YBSU's next head coach, in exchange for Homer's marrying Crow's daughter Ima and for Homer's outstanding shares of AT&T stock. Homer naturally complied, married Ima (whom he had been seriously, though uncommittedly, dating for three years anyway), and signed over his shares to his father-in-law. He then began the vigil for Witch to call with the head coaching job offer. The call never came. When Homer found out that Witch had offered the job to Dorothy, he called his father-in-law and demanded his stock back. Crow refused, stating that the issue wasn't resolved yet and Homer would still get the job. Homer, ever distrustful of Crow, retained counsel and sued Crow for breach of contract.

PAROLE EVIDENCE; STATUTE OF FRAUDS; FRAUD; INNOCENT MISREPRESENTATION; HARMLESS MISREPRESENTATION; PUFFING; PROMISSORY ESTOPPEL; OFFER AND ACCEPTANCE; MATERIALITY AND SPECIFICITY; CONDITIONAL OFFER;

Paragraph#5

Meanwhile, Crow stormed into Witch's office and demanded an explanation. Witch profusely apologized for the whole misunderstanding and promised to offer the job to Homer so long as Crow didn't fulfill his threat of withdrawing the \$5 million gift for the new food services building (to be named "Crow's Cookery" in honor of the benefactor). Crow agreed.

CONSIDERATION; GIFT; PROMISSORY ESTOPPEL

Paragraph#6

However, just as this conversation was taking place, Dorothy from Kansas State was on the phone with Witch's secretary accepting the offer to be YBSU's next head football coach. She had decided just hours after talking with Witch and decided to phone her acceptance in as soon as possible instead of waiting until the next day. Moreover, Dorothy was flying in that afternoon to chat with Witch and look over the facilities. However, Witch's secretary forgot to give Witch the message. While Dorothy was flying in from Kansas, Witch called her and left a message on her answering machine that the offer had to be withdrawn, at least temporarily, until matters got straightened out at YBSU. When Witch finally got the message from her secretary, she raced out to the airport to meet her friend.

MAILBOX RULE; AGENCY

Paragraph#7

Before leaving Kansas via Crow's Helicopter Service for YBSU, Dorothy informed the KSU athletic director of her intentions to resign and to take along two other assistant coaches from KSU to YBSU. These two other assistants had already agreed to resign and go along with Dorothy to YBSU. KSU, unhappy about the prospect of losing three top-notch assistants, filed a lawsuit against Dorothy since she had another year

left on her contract. She promised KSU that she would stay a minimum of eight years and that she would not go to a competing school for at least two years after leaving KSU. Well, not only had she stayed at KSU for only seven years, but KSU and the Big Twelve Conference always send their bowl representative to play the Oz Valley Athletic Conference (OVAC) champion in the Poppy Bowl every New Year's Day. However, teams from the

Paragraph#8

Delayed by a tornado, Dorothy did arrive on YBSU's campus in the early evening. Witch was at the heliport to meet her. After an enthusiastic embrace, Witch broke the bad news to Dorothy. YBSU had revoked the offer to Dorothy by virtue of the message earlier in the day. Dorothy, nearly hysterical, could only scream, "But I've already quit at KSU and so have the two assistants that I'm bringing with me." Witch, sympathetic to her friend's predicament, escorted her back to her office and administered a sedative. Dorothy then napped while Witch began plotting.

REVOCATION VERSUS ACCEPTANCE; AGENCY AND APPARENT AUTHORITY; STATUTE OF FRAUDS; BREACH; PUBLIC POLICY; SUBSTANTIAL PERFORMANCE VERSUS PARTIAL PERFORMANCE; COVENANT NOT TO COMPETE

Paragraph#9

The two KSU assistants, hearing of the events in Munchkinland, went to the KSU athletic director and told her that they had no intention of resigning their contracts (of course they were lying). She responded that Dorothy had resigned for them and they were no longer welcome back at KSU. But, if they did come back, KSU would not sue them and would give them back their jobs at a 30% reduction in pay. The assistants contemplated filing a lawsuit against Dorothy as well as KSU.

PREEXISTING DUTY; ECONOMIC DURESS; AGENCY AUTHORITY

Paragraph#10

Rumors of this eventful day's activities began sweeping campus. The football team, holding its post-season wake, decided collectively that it did not want an old toady like Homer to be its next head coach; moreover, it also didn't want Dorothy, a WOMAN, either. In fact, despite the rancid season, the team wanted to keep Peepin. Consequently, the team decided to get into the act and they retained a lawyer to fight for their cause. Many team members claimed that the primary reason they came to YBSU to play ball was due to Peepin and his reputation.

THIRD PARTY BENEFICIARIES; PUBLIC POLICY/UNCONSCIONABILITY

Paragraph#11

Rumors also began circulating throughout town of an "athletic coup" over at the "U". In fact, the president of Munchkinland National Bank and Trust Co., Moses T. Woodman, contacted his good friend Oscar Peepin to find out the truth of the rumors. Peepin tearfully filled him in. Moses was distraught, not because of Peepin's termination, but because the bank held both mortgages on Peepin's mansion. Moses, always one to deal with an issue head on, told the tearful Peepin that if he were indeed fired, then the bank would have to foreclose on the home. Peepin cried a little and then offered to assign 30% of his book royalties (Peepin was the author of the highly successful book: "How to Coach College Football with Only a Tenth Grade Education.") Woodman agreed, Peepin executed a new agreement with the bank, and Woodman promised not to foreclose. However, what Woodman didn't know was that Peepin's ex-wife and children had also been assigned 80% of Peepin's royalties as part of the divorce settlement.

CONSIDERATION; MULTIPLE ASSIGNMENTS; UNDUE INFLUENCE

Paragraph#12

As night closed in on Munchkinland, Dorothy began recovering from her much needed rest. However, the sedative, manufactured by Crow's Drugs and Stimulants, a subsidiary of Crow's Helicopter Transport

Service, had been from a bad batch and Dorothy, much to Witch's alarm, began experiencing severe stomach pains. Witch called an ambulance and had Dorothy rushed to the Emerald City Medical Center for emergency surgery; apparently the sedative had caused Dorothy's intestines to rupture. However, prior to her being rushed to Emerald City Medical Center, Dorothy called Witch over to her and promised not to sue YBSU for breach of contract if Witch promised to hire the two KSU assistants anyway. Witch agreed and Dorothy, thinking that her end was near, passed out from the pain. However, Dorothy did not die, but survived the surgery beautifully in order to exclaim when she regained consciousness "I'm going to sue the hell out of everyone that I can!"

BENEFICIARY

Paragraph#13

Meanwhile, Witch decided that enough was enough. She was going to let the courts decide it all. She had had it. She was going away for a much-needed rest. However, prior to her vacation, she called the Drug House, the drug store chain in which she had a 30% investment (and was managing partner) and had them cancel the contracts it had with Crow due to the medication problems Dorothy had experienced and for which she had to be rushed to the Emerald City Medical Center. She figured that if one batch of drugs was bad then they could all be bad. Crow's Drugs and Stimulants objected stating that the pharmacist who had been filling orders was a fraud and had been fired and all of mistakes had been corrected. Crow's Drugs and Stimulants then filed suit against the Drug House for breach of contract for terminating the agreements.

STRICT LIABILITY; TORTS

Paragraph#14

Besides selling shoddy merchandise, like the sedatives, Crow also owned the buildings in which Witch had her drug stores. Crow never repaired the buildings even when he was notified. In fact, the plumbing had broken nearly a month ago and it wasn't fixed yet. Nearly \$10,000 in merchandise was lost due to flooding. However, Witch's manager had taken over two days to notify Crow of the plumbing problem. Regardless, Witch had had it. She instructed her attorneys to sue Crow for whatever, and she took off for Cancun.

DUTY TO MITIGATE

Paragraph#15

However, as she drove to the airport in the Drug House company car, bought, as is, from C. Lion's New Car Emporium, the car died, leaving her stranded in the middle of the interstate. As she was exiting it to get some help, the radiator exploded, scalding her. She subsequently was rushed to a hospital along with Jay Morgenstern, a passerby who had stopped to help her. Lo and behold, Witch ended up sharing a room with Dorothy where they renewed their almost lost friendship. Now all the lawsuits from this tragic day are in court, and everybody is suing everybody. Please proceed and do justice.

STRICT LIABILITY; THIRD PARTY VICTIMS; PRODUCT LIABILITY; STRICT LIABILITY; THIRD PARTY; LEGAL CAPACITY; VOIDABLE CONTRACTS

APPENDIX B

The Kidney Machine

The following exercise forces you to make moral decisions with life-and-death consequences. Your level of morality and personal and social values will influence you as you deal with difficult ethical questions.

Directions

In a group of three to seven people, read the following problem and attempt to solve it. Respond to the questions for discussion only after the group has completed the discussion and reached an agreement (approximately 30 minutes)

Located at a Swedish hospital in Seattle, Washington, is the famous Kidney Machine. It is a marvel of technological ingenuity, and it is the only hope of life for people with rare kidney diseases. In actuality, the machine functions as a kidney for people who have lost the use of their own. By connecting themselves to the machine for 24 hours each week their lives can be preserved.

There are several problems associated with using the kidney machine, because there are many more people who need it than there is time available on the machine. Doctors examine all potential patients and determine those who could profit most from connection to the machine. They screen out those with other diseases for whom the machine would be only a temporary expedient and they turn their list of recommended patients over to the hospital administration.

At present, the doctors have submitted the names of five persons for two places on the machine. Read the biographical data and psychological reports on each of the candidates presented below. You and your colleagues constitute the committee that has been assembled to make the decision which two of these candidates may have access to the machine. It is assumed that each person has an equal chance of remaining alive if allowed to use the machine.

Remember, there are only two vacancies, and they must be filled with two of these five people. Further, you must agree unanimously on the individuals who are to be permitted to remain alive, although you may decide your own criteria for making this choice. The only medical information you have is that people over 40 tend to do poorer on the machine than those under 40 (although they do not necessarily find it useless). The decision is up to you.

Background Information

Biographical data for each patient as follows:

Alfred

White male, American, age 62. Married for 31 years. Two children (boy 28, girl 25), both married. Research physicist at University medical school, working on cancer immunization project. Current publications indicate that he is on the verge of a significant medical discovery.

On the health service staff of local university, member of the medical society, member of Rotary International, and Boy Scout Leader for 20 years.

Bill

Black, male, American, age 27. Married for five years. One child (girl, 3). Wife six months pregnant. Currently employed as an auto mechanic in local car dealership.

Attending night school and taking courses in transmission repair and rebuilding. No community service activities listed. Plans to open auto-transmission repair shop upon completion of trade school course.

Cora

White, female, American, age 30. Married for eleven years. Five children (boy 10, boy 8, girl 7, girl 5 and girl 7 months). Husband self-employed (owns and operates tavern and short-order restaurant). High school graduate. Never employed.

Couple has recently purchased home in local suburbs, and Cora is planning the interior to determine whether she has the talent to return to school for courses in interior decoration. Member of several religious organizations.

David

White, male, American, age 19. Single, but recently announced his engagement, and plans to marry this summer. Presently a sophomore at large eastern university, majoring in philosophy and literature. Eventually hopes to earn Ph.D. and become a college professor.

Member of several campus political organizations, an outspoken critic of the college "administration", was once briefly suspended briefly for "agitation." Has had poetry published in various literary magazines around the New York area. Father is self-employed (owns men's haberdashery store), mother is deceased. Has two younger sisters (15, 11).

Edna

White, female, American, age 34. Single, presently employed as an executive secretary in a large manufacturing company, where she has worked since graduation from business college. Member of local choral society; was also soloist in Christmas production of Handel's Messiah. Has been very active in several church and charitable groups.

Psychological Reports on Each Patient are as Follows:

Alfred

He is presently distraught about his physical condition and reports that it interferes with his work. He seems committed to his work, but it was hard for the staff to get him to talk about his work in terms that they could understand.

Family relations seem strained and have been for some time. The staff feels that he is a first-rate scientist and scholar who has contributed much and could contribute more to medical research. But they also believe him to be a mentally disturbed individual who, in time, will probably need psychiatric help.

Bill

He is a well-balanced person. He is strongly devoted to his family and appears to be an excellent father and husband.

Bill's capacity for growth in his chosen occupation seems limited. His high school record was poor, although he was always regarded by his teachers as a student who tried hard. He will probably not succeed with his business plans and will remain employed at his present level permanently.

His wife is trained as a legal secretary. Her prognosis for employment is good, although Bill has discouraged her from seeking work because of the mutual agreement to have her be a full-time mother. Bill seems unaware of the serious implications of his illness.

Cora

One of the staff members evaluating Cora described her as very involved with her religious background. She is president of the local Jewish organization and seems able to talk about nothing but her religion and her children. Although her recently-found interest in interior decorating may be a sign of change, it was not clear to the staff whether this interest was real or only generated artificially when she heard of the interview requirement.

She seems resigned to her illness and likely death. Her husband works long hours, is in good health, and enjoys the respect and love of his children. Cora's mother, who also lives with the family, handles most of the child care.

David

Typical of young student activists, David is a bright, almost straight "A" student, who enjoys the respect of most of his teachers and friends. But he appears confused about his future and demonstrates a penchant for jeopardizing it by involving himself in various student "causes." Indeed, his college's Dean of Student Affairs regards him as an individual who will "demonstrate for anything."

He is bitter, almost paranoid, about his illness. His father has invested a good deal of money, time, and emotion in him and has always hoped that David would become an attorney. His relations with his father

are presently strained, however, and he seems only mildly concerned about his two sisters, although they think highly of him. His future father-in-law, who is a highly successful businessman, expects him to enter the family enterprise upon college graduation.

Edna

She is a self-reliant, inner-directed person and a model of the “career woman.” It was clear to the staff that her natural aggressiveness and combative tendencies militated against any sort of marital attachment.

Her employers regard her as indispensable. Her work record is super, and her activities in church and charitable groups have been very effective. She is well regarded by all who know her, although she seems to have few, if any, close friends. She has indicated that she would prefer to have someone other than herself go on the machine. Her offer did not seem insecure.

Questions for Discussion

1. From which ethical tradition did you address this problem—religious or secular? How did this influence your decision?
2. Who played a leadership role in solving this ethical problem? What concept of good did the leader reflect—greatest good for greatest number, will of God, allegiance to duty, love of fellowman, etc.?
3. At what level and state of morality did you approach this problem? For example, were you primarily influenced by your own sense of right and wrong?
4. How was your ethical behavior in this problem-solving exercise influenced by your personal values—theoretical, economic, aesthetic, social, political, and religious—and by your social values—self-interest versus interest in others?
5. Which 2 individuals did your group select? Why? Why not the others?

APPENDIX C

Narrative

Title of the Project: Catan Board Game-

Below is a narrative of the importance and distinctiveness of the proposed project in relation to the game’s application to the classroom.

This is an individual project for continued use in the classroom each semester. Strategy board games are a great way to engage a class, they are fun, break up the monotony of the daily class routine and students actually forget they are learning important skills, purposeful learning. This board game is designed to keep all players engaged until the game ends. The game with the extension pack allows for up to 6 players and can be completed in 60-120 minutes. A lesson plan can be created around the set-up, playing of the game and the takeaway as you and the class wrap up the adventure. The game is somewhat of a combination of risk and monopoly. It is consistent with the mission of seeking to prepare business students to improve organizations through service and leadership. This is achieved through the development of critical and strategic thinking skills as well as guidance and competency in leadership. The uniqueness of the continuing exercise will serve as a springboard of conversation and discipline applications during the course of the semester.

The board game has simple mechanics, but because the layout of the board is random, each game is unique and requires its own strategies. Like many games based on the power of compounding investments, settlements and cities gain you resources, and resources allow you to construct more settlements and cities. This power of compounding is the fundamental lesson behind many games. The one who invests and gains the fastest is most often the winner. What makes Catan particularly interesting is that just producing the most resources is not sufficient to win the game. You must have a different combination of resources.

Property Based Legal System

Some of those skills that are taught are critical and strategic thinking and negotiation skills. In addition, the game sharpens your business decision making skills. Catan employs a few mechanisms that each test different skills. Some examples are probability and risk management through resource distribution, where you place your settlements will dictate how many resources you will receive.

Critical thinking abilities are among the most sought-after skills in almost every industry and workplace. You can demonstrate critical thinking by using related keywords in your resume and cover letter, and during your interview.

Critical thinking is about carefully analyzing, processing and making sense of information. Critical thinking skills can be helpfully applied to any problem, subject area, question or concept. In Business Law, we use critical thinking as a toolset, a methodology, and a process that you use during activities such as problem solving, decision making, innovation, leading, negotiating, influencing, and more. In addition, critical thinking will be used by the students in application assignments and a research paper on the legal and ethical impacts about a topic of the student's choosing on a business industry.

Alternative Dispute Resolution

The disruption approach: thinking outside of the box and crisis management. Strategic Thinking is thinking beyond the specific issue or task at hand. You look at consequences, implications, interdependencies, and indirect affects, all in both the short and longer term. It's an activity where you look beyond the immediate goal or issue and with the context of the world around you, not just the content of the moment. In Business Law the world context is a continual backdrop of the legal and ethical implications on business. The current coronavirus situation has been an important strategic discussion point woven into our weekly lesson plans this semester.

In addition, the game provides leadership lessons as well. Such as you do not have to depend on the failure of others to succeed. In leadership situations, we are too often more concerned with thwarting the competition than pursuing our own goals. In Catan, like in many leadership situations, you can pursue success without using others as your footstool on the way. You are aware of relational dynamics in the game, a lesson we can apply to alternative dispute resolution, arbitration and negotiation techniques. In Catan, players can trade resources (wheat, ore, wood, and brick) in order to collect the resources they need to build their structures. One of the ways Catan can get feisty and competitive is if one player is close to 10 victory points and the other players enact an informal trade embargo. When you're playing Catan, you need to learn how to navigate the relational dynamics that are present among the players.

This game shows you that you cannot ignore how the needs of others can impact your own needs. If you are trying to get to 10 victory points by upgrading all of your settlements to cities, but you are not gathering ore on your turns, you need to be sure you are trading for ore with other players. But, you cannot be so focused on your own needs that you forget what other people need. You are more likely to get what you need in a trade if you have been paying attention to what other people need. This is true in life beyond Catan. When we make compromises with people, we have to be as aware of the needs of others as we are of our own.

Business Organizations, Contracts, Consideration, Gift, Promissory Estoppel

The disruption approach: clear articulation and innovation. In addition, you have to manage your resources well in order to succeed. The more resources you collect, regardless of what they are, the more likely you are to win in the game of Catan. Because Catan allows you to trade resources with other players or the "bank," as long as you have a bunch of resources at your disposal, you can eventually find the specific resources you need. Success in Catan ultimately boils down to resource management. In life and leadership, if you are unable to manage your resources well and figure out what resources are most valuable to you, you will not succeed.

Regulating Competition

The Disruption Approach: Problem Solving

The game teaches you that success can be achieved in a number of ways. In Catan, the goal is always to acquire 10 victory points. While the goal is always the same, the ways to achieve the goal are numerous and diverse. You can play the building game and focus primarily on building structures. You can play the development card game and hope to acquire the majority of your victory points that way. How you pursue success in Catan largely depends upon how the board is set up at the beginning of the game and what resources are at your disposal—it is different every time, which is what makes it so fun. Leadership in the home, workplace, or church is the same way. As you charge forward toward whatever “success” looks like in your particular context, you can achieve your goal in a number of ways. Your objective, as a leader, is to consider the resources you have at your disposal and figure out the best way to get there. Catan is more than just a fun strategic board game. It can teach us how to lead well, too.

APPENDIX D

Circle K Corporation

Case based exercises are an effective way to challenge students through written communication to varied audiences in a simulated business scenario, below we have a business situation that needs addressing. The student must draft a letter to respond to a concern of store managers. Below is background for the communication to be drafted by the student

Background

Circle K was in bankruptcy when it hired John Antioch from Southland Corp. as President and CEO in 2005. With the company bloated from a rapid and expensive expansion binge, Mr. Antioch was faced with eliminating 2,000 stores and finding a way to rejuvenate a slumbering Circle K. After streamlining operations, Mr. Antioch managed to raise \$400 million from the Europe-based Investcorp SA. With this infusion of fresh capital, Circle K experienced a dramatic turnaround in the late 2000's. Sales starting in fiscal 2010 rose to \$3.9 billion, from \$3.6 billion in 2009. Net income also was in the black in 2009, it was \$24.6 million, and in 2010, \$27.5 million. Gross margins are roughly 20%, whereas net return on sales is slightly less than 1%. The final data are not in yet for 2011, but analysts speculate that results should be slightly better than those for 2010.

You were with Mr. Antioch at Southland as Director of Marketing. One of the first things Mr. Antioch did was lure you to Circle K to be the National Vice President of Marketing. He has great confidence in your ability to read situations and clearly identify marketing problems and opportunities. This confidence is largely based on your expertise in data evaluation, data interpretation, and marketing research. Mr. Antioch relies almost completely on you in these matters, as most of his time is spent dealing with financial problems, public relations, and looking for acquisition opportunities.

One of the first changes that you introduced after coming over from Southland was the remodeling of the stores away from the full, drab convenience store look. In the past 2 years, all Circle K stores have been spruced up with new paneling and miniature departments. Stores are now divided in to areas labeled “Snack World,” “Grocery Express,” “Dairy Land,” and other catchy phrases. At this much-visited coffee area, metal dispensers have given way to glass pots, a move that has helped increase monthly coffee sales from \$500 per store 4 years ago to an estimated \$1,600 last year. Also, per-store customer counts estimated to 800 a day, up from 450 a few years ago.

Major Incentives

Circle K is looking at three major changes in the immediate future: (a) the introduction of Unocal 76 brand gasoline in 400 of its stores, (b) the opening of several free-standing Emily's Meals & More stores, considered to be a high-risk proposal, and (c) the restricting of hours in urban markets.

Emily's Meals & More is a take-out restaurant that includes hot entrees and desserts. The Emily's idea has been championed by Katherine Alles, the Director of Store Merchandising.

The notion of restricting hours in urban markets is a response to high levels of crime in these stores between midnight and 6:00 a.m. Circle K has had hundreds of robberies in urban stores, and, tragically, two store clerks were murdered during those hours in the past 12 months. There are 814 stores located in urban markets the remaining stores are classified as being either suburban or rural. Store managers believe that closing certain stores from midnight to 6 a.m. would reduce the probabilities of robberies and physical harm to employees. Historically, Circle Ks have remained open 24 hours a day, 364 days a year (closing only on Christmas Day).

Store Information

Typical stores cover 2,400 square feet and 85% of them sell gasoline, which represents half of total corporate sales but only one quarter of operating profit. An experiment that has not proven to be successful was the introduction of a store brand name for gasoline. In the last 3 years, Circle K has tried “Z-2010” and “Performazene” without much success. Currently, Bob Farrell handles all aspects of gasoline logistics. This had become such a challenging task that Bob’s position has been elevated to that of corporate vice president. Bob works independently of much of the staff. He keeps close ties with major gasoline wholesalers and is working jointly with you on the Unocal project.

Unfortunately, more of your time in the last 2 weeks has been spent advising Mr. Antioco in a failed attempt to acquire United Convenience Stores of Grand Rapids, Michigan. Mr. Antioco wants to have a marketing department staff meeting before Passover—preferably Tuesday, April 8—so you need to respond to the memos and establish an agenda for the meeting to secure his final approval on any action. Mr. Antioco was quite upset and has seemed a little testy since the acquisition failed, so you are concerned that his time not be wasted in the meeting.

Store Managers Letter Requiring a Response From the Student Decision Maker

Circle K Stores
6454 Convenience Way
Phoenix, Arizona 84206
April 1, 2012

To: You
From: Dale Duville, Director of Store Managers

Re: Urban Store Operating Hours

I really need some help with the store managers concerning the operating hours of our urban stores. Many of the managers are convinced that the “home office” (you and Mr. Antioco) are concerned only about sales per square foot, turnover, margins, and the company bottom line. I am not sure whether their fears are justified, but their feelings seem genuine. They want themselves and their employees’ safe, and I can really argue with that. This issue has the potential to undermine everything I am trying to do.

Historically, 32% of our urban stores have been robbed at least once a year. As you know, we randomly selected 38 urban stores last year and closed them between midnight and 6 a.m. to see if robberies would decline. We have now run this test for a year and the proportion of stores that were robbed was only 24%. Because this was only a sample, could this finding be a fluke? Can you help me with the interpretation of these findings? If we have good evidence that there are fewer robberies, we may want to initiate his policy (closing sores between midnight and 6 a.m.) in all of our urban stores. We only do about 7% of daily sales between midnight and 6 a.m., so the financial impact really would not be that great.

Sample Memo From Student Decision Maker

Memo

To: Dale Duville, Director of Store Managers

From: Student Decision Maker

Re: Urban Store Operating Hours

Thank you for reporting the results of our test investigating the percentage of stores that were robbed. Mr. Antioco and I are very concerned about the safety of our store clerks and managers. We would never place revenues or profit above their safety and security. I trust you will communicate that to them.

The results provided by your sample could be a “fluke,” but it is not likely, given the sample size (38 stores) and the sample percentage of stores robbed (24%), the likelihood is relatively small that the percentage of stores whose hours have been reduced and that are being robbed will still be 32% (.14% prob. Value). Thus, the percentage of stores being robbed would probably be less than 32% when the stores are closed between midnight and 6 a.m. We have some evidence that our strategy of closing stores during those hours is working.

What I do not agree with is that “the financial impact is really not that great.” If each of our urban stores does 7% of its sales between midnight and 6:00 a.m., that means that those sales are slightly more than \$300 per night. That generates approximately \$88.8 million in sales per year and approximately \$17.7 million in margin. Thus, this decision carries a very large financial impact. We are assuming that the urban stores do “average” sales during those hours. Those stores may in fact do more given the nature of those markets.

We would never compromise the safety of our employees, but we would need to consider such a drastic decision carefully. We need to try to find a way to stay open and make all of our employees safe and secure. Perhaps you could investigate better security for the urban stores. That way, we could solve the problem with capital investment rather than with lost sales. If we can't do that, we should probably close the stores in those markets. Let's talk more at the staff meeting.