

## **Client-Financed Projects: A Study of the Perceptions of Marketing Faculty at AACSB Accredited Schools**

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*An experiential-learning activity will develop students' soft skills (e.g., problem solving, analytical-, creative-, and critical-thinking skills, decision making, teambuilding, and communication skills). We examined the opinions of marketing faculty regarding the value of a client-financed project. Marketing faculty most strongly agreed with the following: (1) Business majors should do a CFP,  $\bar{x} = 4.54$  and (2) A CFP makes students active learners,  $\bar{x} = 4.49$ .*

### **INTRODUCTION**

The Association to Advance Collegiate Schools of Business (AACSB) has urged business faculty to actively involve students in the learning process and encourage collaboration and participation among participants (July 1, 2009). Experiential-learning activities (ELAs) improve students' soft skills (e.g., critical-thinking, problem-solving, reflective-thinking, creativity, decision-making, planning, analytical-thinking, communication, and teamwork skills). Dewey (1938) proposed that experiential learning facilitates long-term learning and can provide students with knowledge and the ability to apply that knowledge in several situations.

Instructors need to adopt pedagogy more engaging than lectures because the business world demands that students possess certain soft skills (Kennedy, Lawton, & Walker, 2001). Practitioners criticize business schools because students are not prepared for the real-business world (Kelley & Gaedeke, 1990) and important skills are not being taught in the standard business school curriculum (Kelley & Parker, 1995).

Experiential exercises help students develop the skills necessary to use marketing theory to solve marketing problems (Bobbitt et al. 2000). Marketing educators need to change their teaching style because "we have new workplace needs, we have increasingly diverse students, and we have old pedagogical strategies that do not address the learning styles and backgrounds of our students" (Kennedy, Lawton & Walker, 2001, p. 151).

Given the importance of experiential learning to the learning paradigm, it is appropriate to measure marketing educators' perceptions regarding students working with real businesses to solve real problems.

The contribution this article makes is to provide the first look at the opinions of marketing faculty regarding the value of a specific type of experiential-learning—the **Client-Financed Project (CFP)**. We present our methodology and research results and discuss the study’s limitations, implications for marketing education, and suggestions for future research.

For the purposes of our study, we define a *client-financed project* as a project that involves a real organization that wants help solving real problems, covers expenses incurred by the class, meets with the students, and shares company information. Finally, the client signs a formal contract with the instructor who supervises the CFP.

In some aspects, this study is similar to the Vincent and de los Santos (1988-1989) study. However, the Vincent study surveyed department heads, whereas our study investigated marketing instructors’ opinions about client-financed projects.

## Research Questions

Based on our review of the experiential-learning literature, the following research questions emerged to focus our study on the value and perceptions of the client-financed project:

1. What are the demographic characteristics of faculty who have recently supervised a client-financed project (CFP)?
2. How does marketing faculty conduct their CFP?
3. What are the perceptions of marketing faculty regarding the value of a CFP?

## METHODOLOGY

Our population of interest consisted of all 460 United States business schools accredited by the **AACSB** listed on the AACSB website (**Revised January 31, 2008**). We randomly selected 230 business schools, and then randomly selected four marketing professors from each school for a sample of 920 professors. Following the approach used by Hult, Neese, & Bashaw (1997), we surveyed only Assistant, Associate, or Full Professors.

Our cover letter stated: **“A Client-Financed Project is defined as a project where the client provides funds to cover expenses incurred by the student-consulting teams.”**

Using a similar method used by Koojaroenprasit et al. 1998, our questionnaire was designed specifically for this study because no previous studies were found that measured marketing professors’ attitudes toward client-financed projects.

Section 1 of our survey dealt with demographic characteristics collected in other surveys of marketing faculty (Polonsky, Juric, & Mankelow, 2003; Simpson & Siguaw, 2000). Section 2 determined how the respondent conducted a client-financed class project. Section 3 had faculty respond to an attitudinal scale ranging from (1) “Very Strongly Disagree” to (6) “Very Strongly Agree” (Pelton Strutton, & Rawwas 1994). We used a 6-point Likert scale to increase response variability (Trocchia & Andrus, 2003) and to get a precise measure of agreement (Hannaford, Erffmeyer, & Tomkovick, 2005).

A mail the questionnaire was sent to 460 marketing professors and *SurveyMonkey.com* was used to email the same questionnaire to the other 460 marketing professors. Professors were randomly selected to determine if they received the questionnaire by mail or via *SurveyMonkey*. The cover letter and questionnaire sent via *SurveyMonkey.com* was identical to the material sent by mail. The *SurveyMonkey* cover letter contained a hyperlink to the questionnaire.

## RESULTS

Marketing professors from 41 states returned a usable questionnaire. Of the 886 questionnaires successfully delivered to the sample, 201 completed questionnaires were returned, a response rate of 22.7%.

### **Characteristics of the Respondents**

Approximately 72% of the 201 respondents were males and approximately 37% were 56 years or older. Full professors made up 37% of the sample, 30% were Associate professors and Assistant professors accounted for 33% of the respondents.

Nearly 40% of our sample have taught for less than 11 years and 36% have taught for 21 years or more. Nearly 96% of the respondents possessed a doctorate. Only 14% of the respondents had taught a doctoral course over the past three years, 68% had taught a Masters level course and 94% had taught an undergraduate class. From August 2006 through May 2009, 64 of the 201 respondents had conducted at least one client-financed class project and 24 had conducted 2 or more client-financed projects during this time period.

### **How the Respondents Conducted Their CFPs**

Twenty-eight professors indicated the entire class consulted with only one client and 23 professors indicated their students consulted with different organizations. Twenty-eight respondents noted that they “required” the client to come to class two times during the semester and/or quarter. Approximately 62% of respondents indicated that the student teams contained 4 to 5 members. Finally, 50 respondents used peer evaluations and 6 professors indicated that peer evaluations comprised 40-50% of a student’s total course grade.

### **Perceptions about the Value of a Client-Financed Project**

Table 1 provides an overview of what marketing professors think about the value of conducting a client-financed project. The marketing professors were most in agreement about the following benefits of CFPs: 1) a client-financed project makes students active learners ( $\bar{x} = 4.5$ ), and 2) every business major should work on at least one client-financed project during their business program ( $\bar{x} = 4.5$ ), 3) CFPs help link educational experiences to business practices ( $\bar{x} = 4.2$ ), and 4) a CFP improves a student’s decision-making and critical-thinking skills ( $\bar{x} = 3.9$ ).

Only 24 of the respondents agreed their students would not want to do a CFP. However, 53% of the marketing professors agreed that conducting a CFP was too much work for the teacher.

**TABLE 1**  
**MARKETING PROFESSORS' ATTITUDES TOWARD CLIENT-FINANCED PROJECTS (CFP)**

	Topic	$\bar{x}$	Total Who Agreed <sup>1</sup>		"No Opinion" #	Total #
			#	%		
1	All business majors should do at least one CFP	4.54	139	80%	18	192
2	A CFP makes students active learners	4.49	148	82%	10	191
3	A CFP links business practices to education	4.22	147	80%	10	193
4	A CFP improves a student's decision-making skills	3.94	126	71%	13	191
5	A CFP improves a student's critical-thinking skills	3.87	124	70%	13	191
6	Dean wants marketing faculty to do CFP	3.84	81	68%	72	192
7	A CFP improves a student's reflective-thinking skills	3.77	114	64%	15	192
8	A CFP teaches students to acknowledge their responsibilities to fellow students	3.68	107	61%	16	192
9	A CFP is too much work for the teacher	3.53	93	53%	13	190
10	A CFP improves a student's writing skills	3.31	72	42%	17	190
11	A CFP helps faculty keep abreast of business practices	3.20	66	36%	15	191
12	Students do not want to do a CFP	2.41	24	14%	18	191

<sup>1</sup>6 = Very Strongly Agree; 1 = Very Strongly Disagree

## DISCUSSION AND RECOMMENDATIONS

Only 64 respondents indicated they conducted at least one CFP from Fall 2006 through May 2009. Additionally, 23% of the respondents had conducted only 1 or 2 CFPs over the three academic years. Another 11 respondents had conducted only 3 CFPs over the three-year time period. Only 4 out of 173 professors "Strongly or Very Strongly Agreed" with the statement "My students would not like doing a

Client-Financed Project.” Our research results support the view that experiential-learning projects bring realism to marketing education and provide numerous benefits to students, however, we agree with Razzouk, Seitz, & Rizallah (2003) who note that real-world projects are not frequently utilized by educators. Others have suggested that marketing educators have wholeheartedly embraced experiential learning because it has become the focus in stimulating learning (Frontczak and Kelley, 2000; Elam and Spotts, 2004).

In the literature, the most frequently mentioned reason for not conducting a real-world project was because such projects require too much time and effort from the instructor (Lopez & Lee, 2005; Higgs, 2006; Lizzio & Wilson, 2004; LeBlanc & Kesten, 2007). Some instructors may avoid doing real-world projects because they consider such projects to be too big to manage and not worth the trouble (Goodell & Kraft, 1992). Other instructors may not integrate real-world projects into their courses because grading such projects requires considerable feedback and a heavy time commitment from the teacher (Razzouk, Seitz, & Rizallah, 2003). Additionally, instructors may not implement a real-world project because the pedagogy is not hereditary, but a classic departure from the traditional lecture-based approach.

The following statements support the idea that some instructors think real-world projects are too much work: (1) “Too labor intensive to be doable given other teaching, research and service requirements,” (2) “A lot of work for the faculty . . . absolutely no incentives or rewards,” and (3) “too time consuming for an untenured faculty.”

Our advice is to start with a small real-world project that is not too complex and that can easily be completed in one semester. One place to start would be to ask an operational area within your university that may want research conducted or you might conduct a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis for their operation.

There is evidence in the literature that suggests that students recognize the value of participating in a real-world project (Siegel, 2000). Several scholars have written about experiential-learning activities and included positive quotes from participating students.

- 1) “The biggest benefit of this class is that we learn by actually doing, rather than reading about information or being lectured to.” (Ruyter & Crask, 1994, p. 77)
- 2) “A great project, the best assignment I ever had. It was great practice and very useful.” (Bell et al., 1997, p. 619)
- 3) “The project ties the entire semester together in a cohesive manner with a hands-on approach. I retain more of what I am taught when I can physically apply it. I found the experience to be rewarding and still, two years later, can recall certain aspects that are pertinent in my life.” (Munoz & Huser, 2008, p. 220)

## **Implications for Marketing Education**

Nearly 81% of our respondents agreed that all business majors should do at least one CFP in their business program. Therefore, our study is helpful for marketing educators who are interested in expanding curricular offerings that benefit their students. We recommend that all marketing majors participate in at least one CFP.

Working with a real client will improve the students’ communication skills and teach them how to behave in a professional manner. Possessing soft skills will give your marketing graduates an edge in today’s tight labor market. During a job interview, discussing how specific problems were handled in their CFP will make that student a memorable candidate and may improve the likelihood of a job offer.

## **FUTURE RESEARCH**

Some comments from the respondents suggest that future research should focus on the perceptions of marketing faculty regarding *client-based* projects and not use the term “*client-financed*.” One respondent stated, “I would have answered differently (more strongly) had the question been ‘client-based projects.’”

Finally, one professor suggested “The same questions should be asked about client projects, not just those financially supported.”

For our Likert statements, we used the phrase “Client-financed projects are *the best way* to...”, and a number of respondents indicated their responses were influenced by the use of “the best way.” Future research should not use the term “best” when surveying marketing faculty regarding their perceptions of client-based, real-world projects.

Finally, Business Deans should be surveyed regarding their perceptions of the value of client-based projects. Business schools that are currently accredited or attempting to achieve AACSB International accreditation should be promoting active experiential-learning approaches by their faculty (Elam & Spotts, 2004). For example, when asked to agree or disagree with the statement, “My Dean wants our marketing faculty to do client-financed projects,” nearly 40% of 192 checked “No Opinion.” These results may imply that many Deans are not encouraging their marketing faculty to use client-financed projects or these Deans may not think a client-financed project should be an essential part of the marketing curriculum.

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