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Clarity and Depth: A [Mini] Case for the Iceberg Theory

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Abstract. Business students who are capable with various analytical tools often have difficulty with integration and interpretation of information and data to derive overall meaning. Educators want their students to be fluent with supporting details, and students must provide such depth in order to avoid a cursory exploration. Synthesis, however, is also a vital component of strategic thinking, such that the clear and succinct communication of main points demonstrates an individual's subject and analytical process mastery. With attention to research regarding case format, context, and timeliness, I suggest the usefulness of scope by applying the Iceberg Theory, also known as the Theory of Omission, to strategy case analysis in helping students hone these and other skills of strategic thinking, and I include the details of a mini-case assignment designed for this purpose.

Keywords: strategic thinking, pedagogy, case analysis, active learning**.**

1. Introduction

A course in strategic management is often the capstone or a core course for an undergraduate business degree or a Master of Business Administration (MBA). The rationale for such curriculum involves the need for business students to develop and enhance their strategic thinking skills and to be able to apply these skills to ensure an organization's longevity, innovation, competitiveness, business development and growth, and other corelates of success in contributing value to numerous stakeholders (Tompson & Dass, 2000). The strategic management course is inherently integrative, providing the opportunity for students to pull together their learning in various business disciplines including, but not limited to, accounting, finance, marketing, information systems, supply chain, and management. This integration is attempted for the purpose of understanding top management thinking and promoting effective decision-making and, ultimately, excellent organizational leadership.

An enduring mainstay of the strategic management course is the use of case analysis (Kimball, 1995; Greenhalgh, 2007). Benefits of cases include enhanced tolerance for ambiguity, improved ability to apply general concepts to specific situations, heightened potential for active and engaged learning, opportunity to

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develop skills in sensemaking in the context of complexity, and, to a limited extent, enhanced student self-efficacy (Banning, 2003; Barnes, Christensen, & Hansen, 1994; Kimball, 1995; Tompson & Dass, 2000). In nearly two decades of teaching strategic management courses (an approximate 3,000 students) and adjudicating multiple case competitions, however, I have noted a pervasive, significant deficiency in student case presentations: lack of synthesis. That is, even highly intelligent students who are capable with various analytical tools have difficulty with critical strategic thinking skills including integration and interpretation of information and data to derive overall meaning. For example, my feedback on student case presentations invariably includes admonitions: to use the external and internal environment analyses to contextualize their assertions of the central problem or issue; to ensure they are drawing conclusions from their various analyses that inform their recommendations; and, quite simply, to make and support overall assertions of providing a report about company background and operations. Educators want their students to be fluent with the supporting details, and students must provide such depth in order to avoid a cursory exploration. However, a clear grasp of the "big picture" is also a vital component of strategic thinking. Such synthesis, accompanied by clear communication of main points demonstrates an individual's subject and analytical process mastery, as indicated in the Margaret Mead (Lewis, 2020) quote, "If one cannot state a matter clearly enough so that even an intelligent twelve-year-old can understand it, one should remain within the cloistered walls of the university and laboratory until one gets a better grasp of one's subject matter." In other words, one must comprehend fully the analytical details in order to communicate them succinctly; conversely, one's succinct synthesis reveals understanding. The issue with many students is that they can conduct various analyses quite capably yet be at a loss to connect and derive overall meaning from the sum of the parts. This leads them to provide impressive detail upon detail, finding upon finding, and then look to the audience or the professor to make sense of it all.

Several researchers have addressed such issues and their potential contributing conditions including case format, context, timeliness, and acculturation. Implying that not all case assignments are created equal. Menna (2010) asserts that the format of the business case is an important component in student success with case competitions. This finding may reasonably be extended to include student success in strategic thinking, whether or not the case work is part of a competition, and we may infer the benefits of a common format to both competition judges and classwork graders. Relatedly, Watson and Sutton (2012) examine the context in which case work is administered. They apply Chickering and Gamson's (1987) Seven Principles of Good Practice in Undergraduate Education to their investigation of the impact of technology on case outcomes in online courses. Their findings include student indicators that they learned more from asynchronous case work than synchronous experiences. Additionally, Mello (2017) contends that case content is important as he explores the use of "live" and

"real-time" cases. He and others (McMillan & Madden, 2018) find learning and engagement benefits related to the timeliness of the material.

Greenhalgh (2007) complements the ideas of format, context, and timeliness with her suggestion that effective case analysis processes involve both science and art if students are to use objective facts while also framing and resolving business issues with relevance to business values. Following the work of these scholars, I suggest the usefulness of applying the Iceberg Theory, also known as the Theory of Omission, to strategy case analysis in helping students hone their synthesis and other skills of strategic thinking, and I include the details of a mini-case assignment designed for this purpose.

2. The Iceberg Theory and the Point of the Mini-Case

The Iceberg Theory, or the Theory of Omission, has a literary origin in the work of Ernest Hemingway. In his *Death in the Afternoon* (1932), the author expresses it with, "If a writer of prose knows enough about what he is writing about he may omit things that he knows and the reader, if the writer is writing truly enough, will have a feeling of those things as strongly as though the writer had stated them. The dignity of movement of an iceberg is due to only one-eighth of it being above water" (pp. 153-154). As applied to the business case, this theory supports the notion that the omission of related yet known or less pressing details fosters a focused presentation.

In a subsequent interview, Hemingway expounds further with, "If it is any use to know it, I always try to write on the principle of the iceberg. There is seven-eighths of it underwater for every part that shows. Anything you know you can eliminate and it only strengthens your iceberg" (Plimpton, 1958). The implication for the case is that well-known facts may be omitted. Such facts include the tempting litany of company name, headquarters location, founding history, board of directors, product or service line(s), and the like, that may be viewed as filler material. Assumptions must still be explicated, and important evidence and information must be highlighted, but the need to sift through the data to select judiciously the most pertinent analytical findings and supporting detail encourages students to exercise their integrative and strategic thinking muscles. The mini-case assignment essentially forces such a process.

The design of the mini-case assignment is consistent with Hemingway's theory, in that the vast proportion of the analysis must exist under the surface of the synthesized material presented. The assignment encourages brevity and clarity, supported by depth. As informed by extant research (e.g., Menna, 2010; Watson & Sutton, 2012; Mello, 2017; Greenhalgh, 2007), considerations include issues with format, context, and timeliness. The format of the mini-case is structured to include thorough analytical components (e.g., SWOT analysis, financial analysis, etc.) in an order that requires students to connect, and build on,

this foundation. As suggested by Watson & Sutton's (2012) findings, the mini case is to be analyzed and presented asynchronously in written form. Further, and following Mello (2017), the mini-case assignment requires students to select a real company to analyze in its current internal and external situation to promote their learning and engagement.

Relying on the Iceberg Theory, I also assert the need to consider case scope. By this, I note that case teaching methods often include prepared cases. These materials may represent high quality, timely, and helpful resources for instructors. One drawback of their use, however, is that they frequently "lead" the student to the main issue and then prescribe defined financial (or other) analyses to answer specific questions. Students can easily revert to presenting the details without synthesizing them to derive clear meaning. The mini-case assignment requires students to use appropriate analyses, derive conclusions from them, and connect them to develop meaning and the main point, or tip of the iceberg.

3. Assignment Description and Considerations

Leading up to the assignment, I work with students to conduct various analyses and interpret them during class discussions. I ask pointed questions in virtual chats and in discussion forums that require their contextualized responses. I talk with them and provide materials and examples of Iceberg-inspired presentations to help prepare them for this exercise in strategic thinking. For the case itself, I have them select actual companies, encouraging them to consider the availability of information and financial data with publicly traded entities, as well as the relative simplicity of single-business firms or ones that practice only related diversification.

In the mini-case instructions (Appendix A), I provide straightforward language regarding scope and objective: to determine the company's main problem or issue and to make and defend appropriate recommendations. I am careful to note that their overall conclusions must be contextualized by external analyses and consistent with the findings from internal analyses; and that, even though much of their analytical work will exist under the surface, these analyses must still be thorough, detailed, and inclusive of pertinent data in order to inform optimal decisions. I also define the audience for the analysis as the board of directors for the company under review; this frame of reference reduces students' tendency to belabor relatively common information, such as company history, description of product/service lines, etc., that would be well known to the board members.

Our college of business uses the acronym DECIDE to represent critical elements of a case and for the purposes of assessing critical thinking skills for continuous improvement initiatives. The elements are:

(D)efine the Problem
(E)stablish Criteria for Making the Decision
(C)ollect and Analyze Data
(I)dentify and Evaluate Possible Solutions
(D)efend and Implement the Chosen Option
(E)valuate, Review, and Revise as Needed

Applying the Iceberg Theory approach, I include the DECIDE components but prescribe their order as: establish decision criteria, collect and analyze data, evaluate performance, define the problem/issue, identify and evaluation solutions, and defend proposed solutions. I do this in an attempt to prevent students from "backing in" to the problem, that is to say deciding intuitively what the company should do and then creating support for this assertion. Thus, it is vital for students to think from the outside, distal and proximal environment to the company's internal situation for findings to be appropriately contextualized.

The elements of "establish decision criteria" include documentation of the company's vision, mission, values, generic competitive strategy, major constraints, and strategic and financial goals to provide a frame or checkpoint for students' deliberations. For example, they can use this information later in the case analysis to ask themselves whether their proposed solutions are consistent with what I call the organization's DNA. This documentation is fairly straightforward and helps ease the students into the case; it leads them to the "collect and analyze data" section, which is essentially a strengths, weaknesses, opportunities, and threats (SWOT) analysis to be performed from the outside, in. As such, it first has students identify the most important external factors (opportunities and threats) and then relate them to internal factors (strengths and weaknesses) in a way that allows contextually appropriate prioritization of the issues under the company's control. I explain that a company cannot control the external environment (e.g., natural disasters, rivals' actions, etc.), but it does have [at least some] control over its internal environment. Accordingly, the "evaluate performance" section has students compare the company's goals with its accomplishments. Here, students are encouraged to consider performance issues, or instances in which the company has fallen short of its goal attainment, as symptoms. For example, a decline in sales is an indicator of an underlying problem that could be related to various internal causes (e.g., decline in product quality, supply chain issue, poor reward system, etc.). I tell my students that as long as they can ask "why?," they still have work to do to determine the source of a problem or issue. Since I prescribe that this problem or issue must be internal, it should involve addressing an element that is under the company's control.

The assignment is offered in the form of a template structured to include prompts addressing each of the DECIDE elements, which are also given relative value in the scoring rubric (Appendix B), even as it insists on iceberg-like clarity and depth. This scoring rubric is specific to my course but can be adapted as

needed by other professors. I chose to place slightly more importance on the problem definition (which I emphasize is the crux of the case) and solution defense components (which provides opportunity for students to demonstrate analytical cohesion), thus weighting them one point higher than the other elements. The total score of 16 points is based on the assignment's weight in the course, 16%; again, this can be adjusted to meet the needs of other professors. In fact, this Iceberg Approach can be applied to other kinds of assignments, such as responses to discussion board prompts.

4. Evidence of Assignment Effectiveness

In semesters prior to implementing the mini-case assignment, we used a textbook case in my MBA capstone sections. Students struggled with synthesis and meaning and offered complaints about the assignment. For example:

The cases in the back of the text are of below–average quality; since the [individual case] is based on one of these cases, it suffers from the same lack of quality.

I did not like the way the [assignment] was set up. The instructor used… a case from the book but I did not feel that this type of [assignment] really caught what the true objectives of the material.

I would rather have an [assignment] that was geared toward the main objectives in the material.

I am attaching a list of a few questions that I missed on the [individual case]. These are questions that I don't agree I missed and respectfully request further clarification of how my thought process was erroneous.

I started preparing for this…three weeks ahead of time; therefore, I did not cram…. However, it was one of the most difficult in my grad school career.

I am highly shocked to have received a 79.54 raw score. I felt very confident in my answers and my understanding and analysis of the case.

A few students noted frustration with errors in the text case calculations, such as:

Part 3.d: at the time of his retirement in 2011, Exhibit 1 shows that sales per store was $147.1M. Why should the answer be "Yes?"

Part 5.1e.b: I have to believe that this answer was marked incorrect because the answer assumes that members' switching costs aren't low. Why is this the case? Does the question consider switching costs only among warehouse clubs, neglecting substitutes?

Part 6.k: I have no idea how to get a CAGR of 6.31%. I get 8.17%.

Part 6.i.: Ditto. I get 9.41% CAGR.

Part 8.b: The question asks about net sales but gives values for total revenues (a different line item in Exhibit 1). Seems like a sloppy question to me.

After implementation of the mini case, such expression of dissatisfaction, anonymous or otherwise, has all but ceased. Instead, representative comments imply that this assignment fits better and much more seamlessly in the overall curriculum and contributes to student learning in general:

[This class] has given me so much information that I have already applied to my career. I feel more effective as a manager and leader for my department. I am truly thankful for having the opportunity to attend your class. I have benefitted from the more than any other. Thank you again for all your help and guidance.

This is the first class that applied to real life and memorable techniques to my career path as a manager.

My biggest takeaway from this course is simply the understanding of how to analyze companies and their competition, from the mini case.

Personally, the biggest takeaway from this course is learning how to successfully identify and resolve problems by exploring opportunities through SWOT analysis. In addition, being able to implement strategic decisions through internal and external analysis of organizations.

I think one of my biggest takeaways from this course is realizing how in-depth decision making truly is and how impactful even the small details can be... I feel as though my critical thinking and effective reasoning skills have increased. I am now better able to see more of the "big picture" view of a process, company, or problem, which in turn makes me feel more confident about making decisions.

This course has tied a bow on the program and increased my confidence in my decision making along with my analytical skillset.

My biggest takeaway from this course was to expand your basis of thought. So often we are in an accounting course, marketing course, or financial course and our train of thought is pointing in that one direction (Accounting, marketing, or finance). This course taught me to broaden my scope and realize the impact that all of these departments have on one another.

I also strongly believe this course has prepared me for a future career as an executive by enhancing my critical thinking and problem-solving skills specifically with complex business issues and strategy.

In addition to this anecdotal evidence, other student feedback reflects improvement in course content satisfaction after the mini-case was incorporated as the only major curricular change from a prior semester. Here, strong agreement that course assignments provide learning benefits increased from 50 percent to 71 percent among responding online students.

Although we cannot reasonably attribute this increase in course assignment satisfaction to the introduction of the mini-case directly, the collective improvement in student feedback certainly provides support for the mini-case assignment's continued use and evaluation, if not compelling preliminary evidence of its effectiveness.

5. Lessons Learned from Implementation of the Mini-Case

The mini-case assignment is informed by extant research regarding case format, context, and timeliness. Further, applying the Iceberg Theory, it attends to scope with the intention of creating an assignment that results in a student deliverable that is clearly focused and succinct and is supported by great depth. The exacting structure of the case based on the DECIDE model has proven effective in encouraging student synthesis. Its brevity and scope of focus also make grading a bit simpler and, sometimes, faster. However, comments suggest online students have appreciated the mini case more than have face-to-face students. Consistent with Watson and Sutton's (2012) assertions, the students choosing face-to-face class, especially in the pandemic environment of fall 2020, may prefer discussion and live interaction, as opposed to the asynchronous and somewhat less interactive mini-case activities as currently designed. Perhaps, an oral and more interactive presentation requirement should be part of synchronous courses to support respective learning styles and preferences, and this component could be incorporated in the mini case assignment. Using real companies in real time (at least including the most recent full year of data) appears to enhance student engagement with the material. This level of immersion might also be enriched with more overt reference to history that could be included in the assignment details. Encouraging students to ask questions about lessons learned from the past (e.g., "What did the company do in the Global Financial Crisis?"; "What did the company do when it moved into an international market?"; etc.) could inform their decision-making. Additionally, it would be prudent to alter the instructions according to current events (i.e., "COVID" may not be a relevant reference a few years from now).

The most common questions I have received are "What analyses should I use?" and "Where do I find good information?" I am now intentionally offering more low-stakes practice with analytical tools, as well as clear instruction and dialogue regarding available resources. Since initial implementation of the mini-case, I have begun introducing students to a business librarian in a chat session that allows the students to see the various search tools and databases that will assist their selection, curation, and use of appropriate documents and data. Students are responding favorably to this support. Finally, the title, "Mini Case" could benefit from a more marketable moniker. I chose it to alleviate any feelings of intimidation the developing strategic analysts might have, but I readily acknowledge that it is not particularly exciting, and I will brainstorm better ideas.

6. Conclusion

Adapting Margaret Mead's sentiment to the strategic management course, I affirm that strategic management students "…must be taught how to think, not

what to think" (Prather, 2019). Traditional cases, though still valuable, can lead students to desired "solutions," rather than providing a mechanism that mirrors more authentic strategic decision-making experiences and challenges. The idea that the competent business school graduate should be able to apply general principles to a vast array of specific and uncertain situations implies the need for an analytical process that is straightforward and adaptable. At the same time, the process must allow balanced amounts of structure and flexibility to encourage development of critical thinking skills. Extending research regarding format, context, and timeliness, I offer the mini case to supplant the natural tendency to "write more" in the hope that the judge or grader will find and connect the nuggets of import. Instead, in this guided process, they learn to write more meaningfully, demonstrating both clarity and depth. Student feedback suggests appreciation for the learning and engagement opportunities provided by the assignment's scope, inspired by the metaphor of the iceberg. The design has the potential to produce a synthesized and succinct analysis as well as a capable analyst who can make and support the main point.

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Appendix A: Mini Case Assignment

Overview

You will gather and analyze pertinent current information to determine a company's major issue/problem; and make, support, and defend action recommendation(s). You will conduct your own research and analyses.

You will include your recommendation(s) and supporting analyses in the template provided (below). You should assume the 'audience' consists of corporate directors who will judge the merits and quality of your findings and recommendations. Be prepared to share with the class.

Citation: Use APA Style Guide and/or sonofcitationmachine.com, etc.; include both in-text citations and a References section. 'Fair Use' violations will be considered plagiarism; the vast majority of content should be your own original creation. (That is, large sections of copied material – even if cited appropriately – violate 'fair use.')

Scope and Focus of the Mini Case

What should be on the 'worry list,' and what, exactly, should your company do about it? We will use the Iceberg Theory approach (i.e., presenting the main points – above the water line – and being prepared to support them with the bulk of the iceberg - under the water line).

Project Detail

The DECIDE acronym maps to the business school's "Think" dimension to provide a consistent decision-making model across common body courses.

(D)efine the Problem
(E)stablish Criteria for Making the Decision
(C)ollect and Analyze Data
(I)dentify and Evaluate Possible Solutions
(D)efend and Implement the Chosen Option
(E)valuate, Review, and Revise as Needed

Consistent with the DECIDE model, your written document should contain six main sections, one for each of the elements in the process. Even though you will present your findings in the following DECIDE template, in using the Iceberg Theory approach, you will need to conduct your analyses in a different order. That is:

Establish decision criteria
Collect and analyze data
Evaluate performance
Define the problem/issue
Identify and evaluation solutions
Defend proposed solutions

Mini Case Template

Establish decision criteria:

a. My company's [stated or implied] vision is:

_____

b. My company's mission is:

_____

c. My company's values are:

_____

d. My company's generic competitive strategy is:

_____

e. The main constraints (geographic, resource, etc.) on my company are:

_____

_____

_____

f. My company's top strategic goals are:

_____

_____

_____

g. My company's top financial goals are:

_____

_____

_____

Collect and analyze data:

a.The most attractive opportunity in my INDUSTRY is:

_____

b.The most pressing threat in my INDUSTRY is:

_____

c.As related to pursuit of the most attractive industry opportunity and defense against the most pressing industry threat, my company's biggest strength is:

_____

d.As related to pursuit of the most attractive industry opportunity and defense against the most pressing industry threat, my company's biggest weakness is:

_____

Evaluate performance:

In the context of industry averages and close competitor data, how is the company performing:

a. financially?

_____

_____

_____

_____
_____
b. strategically?
_____
_____
_____
_____
_____

Define the problem (see your biggest internal weakness, above, before completing this section):
Complete the chart of symptoms (e.g., decline in sales, slipping profit margins, etc.); trace each symptom to its root cause that is under the control of the company (not external, like "COVID," etc.); evaluate problem significance in light of most promising industry opportunity(ies) in #2, below). Any given problem may have one or more symptoms, and vice versa, so duplications are likely.

Symptoms (Underlying Internal Problem(s))
My company's most pressing [internal] problem or issue is:
_____
_____
_____
_____

Identify and evaluate solutions:
a. Three feasible solutions to my company's biggest problem are:
1._____
2._____
3._____
b. In light of our decision criteria (#1, above), the most effective and efficient of these solutions is:
_____

Defend proposed solution:
This solution will have the following effects on:
a. strategic performance:
_____
_____
_____
b.financial performance:
_____
_____

Appendix B: Scoring Rubric for the Mini Case

Mini-Case Scoring Rubric	Score	Out of:
Decision Criteria		2
Data Analysis		2
Performance Evaluation		2
Problem/Issue Definition		3
Evaluation of Alternatives & Solution		2
Solution Defense		3
APA Citation/Writing/References		2
Total		**16**