

Case Study: Implementing Active Self-Feedback in Teaching

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Course information

This course was taught to 124 students in Autumn 2024 by Yusuf Kurt, a Lecturer in International Business and Management at Alliance Manchester Business School. International Business Analysis is a UG third-year course designed to enhance students' critical thinking by exploring topics beyond traditional strategy literature, specifically examining how corporate strategies are influenced by the drive for shareholder value maximisation. The course encourages students to recognize the limitations of classic strategy literature and to understand that managers do not possess complete autonomy in shaping their strategies, especially when faced with the complexities of a profit-focused environment.

The course content is illustrated through case studies of the pharmaceutical industry and major pharmaceutical companies, highlighting the effects of financialization on both the industry and firms. Students are evaluated through an individual assignment where they analyse the strategies of a large pharmaceutical company within the context of industry dynamics, considering the impacts of financialization and shareholder value maximization on the company's strategy and long term success. The primary goal is to comprehend how shareholder value maximization has served as a guiding principle for the company's corporate management and strategies.

The task

To enhance student engagement in the exercise, the self-feedback activity is specifically tailored to connect with the individual assignment. Students will be tasked with writing a mini essay (maximum 500 words) on the question:

“Critically evaluate the impact of shareholder value maximization on corporate management practices. In your essay, analyse how this approach influences decision-making, strategic priorities, and the management of stakeholder relationship”.

The mini essay was evaluated by students in a seminar with the following structure:

Organisation of Seminar Session (50 minutes):

- Preparation: Students will be required to write their mini essays ahead of time and bring them to the seminar, responding to the assigned essay question.
- **5 Minutes: Introduction**
 - Begin with a briefing to introduce the exercise and clarify its objectives.

- Provide students with a sample answer to guide their understanding of expectations.
- **20 Minutes: Self-Feedback Activity**
 - Students will spend this time writing responses to self-feedback questions, comparing their essays to the provided sample answer.
- **15 Minutes: Essay Revision**
 - Students will use the insights gained during the self-feedback activity to redraft their essays.
- **10 Minutes: Debriefing**
 - Concluding the session with debrief, allowing time for students to ask questions and discuss their reflections on the exercise.

Comparators

The comparator used was a sample essay, which can be found below, along with the questionnaire used to facilitate self-feedback.

Reflections by teaching staff

Feedback from staff about this activity was very positive, with a strong indication that this framework of active self-feedback would be implemented in future teaching.

Reflections by students

Students' views on the activity were gathered within the course, producing the following feedback which was generally very positive:

Question: What are your thoughts on the active feedback exercise? Was it helpful and in which way? What additional elements could enhance this activity?

“Yes helpful”

“I think the active feedback exercise was extremely useful, it allowed me to identify where I was going wrong with my own work and what I need to work on for my essay.”

“Was useful to see an example answer and discuss it as a group”

“Quite helpful for the overall writing structure, methodology etc. ”

“Yes, it is helpful to make more clear about how I should write my essay. More clear structure.”

“Yes, very helpful. Maybe make it clear about where to find relevant papers on Blackboard before the session so they can be included before”

“Yes”

“Seminar is very helpful! But could we get more top marked assignment example?”

“Yes, it gave me a clear idea of what markers will be looking for.”

“Yeah, it's quite help for me.”

“Exercise was useful in understanding the weaknesses and areas to improve my essay writing before beginning to draft my GSK report. A way to improve - highlight the key aspects of the example.”

“Active feedback exercise is highly beneficial. It helps clarify misunderstandings promptly, improving communication efficiency. It's also valuable for personal growth, as we can learn from others.”

Appendix 1: Comparators

Sample Essay: Critical Evaluation of the Impact of Shareholder Value Maximization on Corporate Management Practices

Shareholder value maximization (SVM) has become a guiding principle in corporate management, asserting that a company's primary objective should be to enhance shareholder wealth, typically reflected in stock price increases and dividends. This essay critically evaluates the impact of SVM on corporate management practices, particularly its influence on decision-making, strategic priorities, and stakeholder relationships.

One significant impact of SVM is its effect on decision-making processes. Managers often prioritize short-term financial performance to satisfy shareholder expectations, leading to decisions that focus on immediate returns rather than long-term value creation. A study by Graham, Harvey, and Rajgopal (2005) found that 78% of executives would sacrifice long-term value for short-term earnings to meet shareholder demands. For instance, companies may cut costs by reducing research and development (R&D) budgets or laying off employees to enhance quarterly earnings reports (Mackey, 2009). Such actions may boost short-term stock prices but can severely undermine a company's innovation capacity and future growth. The 2008 financial crisis exemplifies this risk, as many firms engaged in high-risk behaviours driven by the desire for quick returns, ultimately leading to widespread economic turmoil (Kay, 2012).

SVM also shapes corporate strategic priorities. Companies motivated by shareholder value often favour strategies that promise immediate financial rewards, such as stock buybacks and dividend pay-outs, over investments in long-term growth initiatives (Jensen, 2001). According to a report by the McKinsey Global Institute (2016), U.S. companies spent \$1 trillion on stock buybacks from 2010 to 2015, diverting funds that could have been used for innovation or workforce development. For example, many technology firms have prioritized share repurchase programs, reallocating funds that could have been used for innovation or workforce development. While these practices may temporarily elevate stock prices, they can hinder a company's competitiveness and its ability to adapt to market changes. This short-termism can create a culture where executives are incentivized to prioritize quick gains over sustainable growth, ultimately putting the company's long-term success at risk (Porter & Kramer, 2011).

Moreover, the emphasis on maximizing shareholder value complicates the management of stakeholder relationships. Stakeholders, including employees, customers, suppliers, and communities, are essential for a company's success. However, SVM often leads to a narrow focus that prioritizes shareholder interests at the expense of other stakeholders. For example, companies may cut employee benefits or wages to improve profit margins, negatively impacting employee morale and loyalty (Freeman, 1984). Such decisions can undermine productivity and hinder talent acquisition and retention, which are crucial for long-term success.

Additionally, SVM can diminish corporate commitment to social responsibility. As firms concentrate on maximizing shareholder returns, they may neglect ethical obligations to society and the environment. This can result in harmful practices, such as environmental degradation or exploitation of labour, ultimately damaging a company's reputation and eroding consumer trust (Margolis & Walsh, 2003). In an era where stakeholders increasingly value corporate social responsibility, a failure to address these concerns can lead to backlash and long-term consequences for business sustainability.

In conclusion, while shareholder value maximization can drive short-term financial performance, its impact on corporate management practices is multifaceted and often detrimental to long-term sustainability. SVM influences decision-making toward short-term gains, shapes strategic priorities that may undermine innovation, and complicates stakeholder relationships by neglecting broader interests. For corporations to thrive in today's complex business landscape, a more balanced approach that considers the needs of all stakeholders is essential. By moving beyond a singular focus on shareholder value, companies can foster sustainable growth and build resilient organizations capable of navigating future challenges.

References

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Questionnaire for reflection and self-feedback

Critical thinking dimension	Active feedback question	Student response*
Identifies the key problem, issue or argument	What are the key problems (weaknesses) identified in your own work? Are these aspects more clearly identified in your work or the comparator? Explain what issues you missed in your own work.	<p>1 2 3 4 5 6 7 8 9 10</p> <p>Verbal response:</p>
Engagement with the Topic (depth of analysis)	<p>Reflect on how thoroughly each essay engages with the topic. Do you find that the comparator offers a more nuanced understanding?</p> <p>What insights or perspectives does the comparator provide that you did not consider in your essay?</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>Verbal response:</p>
Uses logical reasoning and evidence to come to a conclusion	Does your work or the comparator show the use of reasoning and evidence more effectively? Explain why?	<p>1 2 3 4 5 6 7 8 9 10</p> <p>Verbal response:</p>
Clarity and Conciseness	Compare the clarity of your writing to that of the sample answer. Are there areas where the comparator communicates its ideas more clearly?	<p>1 2 3 4 5 6 7 8 9 10</p> <p>Verbal response:</p>
Reflection 1	After comparing your essay with the sample answer, what do you consider your essay's greatest strengths (and weaknesses)?	<p>1 2 3 4 5 6 7 8 9 10</p> <p>Verbal response:</p>

Reflection 2	What specific improvements will you make to your essay based on your comparison with the comparator? What lessons can you apply to future essays?	<p style="text-align: center;">1 2 3 4 5 6 7 8 9 10</p> Verbal response:
<p>*Evaluate your work on a scale of 1 to 10, where 1 represents significantly less effective than the sample essay and 10 indicates it is equally or more effective than the sample.</p> <p>Also, provide your verbal feedback in relation to the active feedback questions for each row.</p> <p>Please contact Yusuf Kurt Yusuf.kurt@manchester.ac.uk</p> <p>If you have any questions and would like to discuss.</p>		Total score: