

THE USE OF THE CASE METHOD IN TEACHING CORPORATE FINANCE: AN EVALUATION

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Abstract

This study examines the use of case studies in the teaching of corporate finance. A review of the literature posits mainly the advantages of using the case method. Harvard and Darden are leading exponents of the use of the Case Method in corporate finance. Our own experience in using the case method in Australia and South African corporate finance courses confirm the very real benefits of using the case method in the teaching of corporate finance. These include a focus on decision-making, solving real world issues, working effectively in teams, enhancing communication skills, managing ambiguities and uncertainties as well as dealing with a range of alternative strategies. Cases enable the integration of strategy, financial analysis, corporate finance and financial modelling as well as the application of finance theory in a real world context.

Yet there are real challenges to the extensive use of case studies. These include ensuring that students obtain the required technical and quantitative knowledge as well as ensuring that they obtain the requisite breadth of knowledge. Further challenges include the management of group dynamics, balancing ambiguities and irrelevant information with the need for urgent decision-making and ensuring the absence of decision-making based on hindsight. Textbooks can offer detailed case studies but teaching notes are often limited and associated financial models are generally poor. The objective of this paper is to examine the real benefits of using the case method, to analyse how the case method is used in a post-graduate course in corporate finance and to analyse the methods used to emphasise the advantages of case studies and the techniques employed to minimise the limitations of the case method.

Introduction

The use of case studies in teaching corporate finance is aligned with the concept and practice of active learning. Learning effectiveness is enhanced when students actively participate in the learning process (Sivan, Wong, Leung, Woon, & Kember, 2000). The use of case studies in teaching finance represents an active learning approach to corporate finance. Bruner, Gup,

Nunnally and Pettit (1999) refer to the use of cases as active learning in contrast to passive teaching.

The teaching of corporate finance has to date relied extensively on the use of lectures and textbooks to convey knowledge about the subject to a class of mostly passive students. Assessment involves ensuring that students master this material by the use of tests and examinations that mainly consist of single concept questions that are limited in ambit and range and simply test mastery of concepts and theory. Students may become bored as the focus is on learning concepts that seem disconnected from the real world. In a sense, the move to the case method reflects a frustration with the current teaching model. Case studies offer complex and rich scenarios involving actual company situations that require clear decision-making where there is ambiguity and a set of alternative solutions. Case studies have been found to be pedagogically valuable and to create an interactive learning experience for students. Case studies expose students to real world situations and students leave with the confidence that this represents learning that is useful and relevant to prepare them for what they can expect to face in practice (Raju & Skanker, 1999). Further, Mustoe and Croft (1999) reported that case studies result in higher levels of motivation and interest in the topics amongst students.

Background

The case method was introduced to Harvard Law School because it was viewed as the most effective way of imparting theory. Donham, the Dean of the Harvard Business School appointed in 1919, recognised that business cases would need to differ from legal cases and that the primary tasks in a business case were making and implementing decisions in the context of significant uncertainties (Garvin, 2003). Donham (1931) states that, “generally business cases admit more than one solution...[they] include both relevant and irrelevant material, in order that the student may obtain practice in selecting the facts that apply” (Garvin, 2003). Bruner et al. (1999) refer to the philosopher Whitehead who promoted an education that should go beyond the absorption of knowledge, towards the attainment of wisdom and the ability to take action. The effective teaching of a case should build empathy with the main decision-makers, focus on key issues and emphasise the dilemmas and consequences of alternative decisions. What are the key attributes of cases? In study that evaluated strategies for constructing case across multiple disciplines, Kim et al. (2006) state the following:

Based on a review of 100 studies, we synthesized 17 strategies around 5 core attributes of cases: relevant (level of learner, goals and objectives, setting of case narrative); realistic (authenticity, distracters, gradual disclosure of content); engaging (rich content, multiple perspectives, branching of content); challenging (difficulty, unusual cases, case structure, multiple cases), and instructional (build upon prior knowledge, assessment, feedback, and teaching aids). (p. 867)

We use the case method on our part-time Masters in Finance programme at the University of Cape Town and students will have undertaken a number of finance courses prior to commencement of the programme. Prior knowledge of finance theory enhances the value of case studies, yet even for students who

have done no finance courses before the first class, we find that cases are highly motivational although challenging as students may be working in the finance sector with prior qualifications in law or engineering. Even in an introductory course in finance, cases can be used to ensure that students experience an application of finance theory and financial analysis (Rose, 2008). However, there are wide ranging definitions of what represents a case study. The case study set out in Rose (2008) represents a long problem rather than a case study. The cases in finance used on the Masters programme often have a length of 10 to 20 pages with 4 to 10 additional pages of numerical and graphical exhibits. These may include extracts from financial statements or even a proposed “solution” which requires further analysis and/or correction.

Cases and Decision-Making

An important objective of cases should be to enable students to make decisions in an environment of uncertainty. In relation to corporate finance, this will often involve the consideration of possible future scenarios as well as possible volatilities in key parameters. Whilst the use of scenario analysis and sensitivity analysis in setting up financial models in Excel and use of methods such as Monte Carlo simulation can be powerful tools to assist decision-making, the assessment of risk should extend beyond financial models. For example, we can reduce risk by making decisions that will maximise future flexibility to change course if required by changed circumstances.

The focus of cases relates to decision-making. However, decisions can have unintended consequences. This often requires students to think beyond the current situation and consider other unintended consequences of any decision undertaken. For example, a decision may relate to a company hedging currency risks but which can actually create exposure, if there is already a natural hedge in place, which may not be obvious to students in evaluating a particular situation. Although decisions may be regarded as final, the reality is that decisions made today should consider future flexibility to change course and such flexibility would reduce underlying risks. The optimisation or maximisation of real options is regarded as positive but this also depends on the direct or indirect costs of such options/flexibility. Cases should include sufficient complexity, should call for alternative readings and perspectives and encourage disagreements and contrary views (Shulman, 1992). Further, Shulman (1992) states the following about cases:

Cases possess at least two features that may render them useful in learning: their status as narratives and their contextualisation in time and place. There are a number of reasons why cases may teach more effectively than traditional expository texts and teaching techniques. From an epistemological perspective, cases may be more congruent with the forms of practical knowledge that undergird the varieties of practice, in teaching and other fields. From a professional perspective, cases may have more immediate credibility and relevance. (p.21)

The Role of Live Cases

The use of live cases is useful in any course in corporate finance as this enables students to use real-time financial information. In our course we use cases only of actual companies – mostly derived from Bruner, Eades, and Schill (2010). However, in the Masters programme at UCT, we convert the textbook cases into live cases to a lesser or greater extent by monitoring the performance of these companies over time and/or adding additional requirements beyond what is required from the information in the textbook. However, it is always important that this will not become decision-making with the benefit of hindsight. This point is always emphasised and groups are penalised if this is apparent from their submissions. This is a challenge that faces all lecturers using the case method. Students will research what happened to the firm subsequently when preparing their case submissions. Further, there are “solutions” that students can access from online sources.

In order to effectively deal with this potential problem, we do ask in-depth questions of any submission that possibly does not originate from the group. Obviously plagiarism is one issue that can be dealt with but what is a far greater risk is that students are not using original thinking to lead to effective decision-making. This means that the lecturer should have many other alternative strategies / solutions than simply what is included in the teaching note. In depth preparation and focusing on alternative strategies / decisions becomes much more critical to ensure that students derive the full benefits of cases. The preparation of alternatives becomes more of a personal issue for the lecturer, as he/she has to frame and facilitate the discussion of the case with this in mind. This is particularly acute when there is increasing pressure on students to achieve high grades. We simply have to be realistic as lecturers that students will access online resources and we need to watch for obvious cases of this and offer much more personal and viable alternatives to each case.

Further to weekly cases, groups consisting of two students in each group are required to undertake a major project (live case) over a period of 6 months. Each group is required to analyse the business strategies of a listed South African company (which they select), undertake financial analysis, evaluate the firm’s capital structure, undertake the determination of the company’s weighted average cost of capital as well as prepare a detailed DCF valuation of the firm including sensitivity analysis, scenario analysis as well as make invest/sell recommendations to an asset management firm. The valuation is required to be supported by a complex financial model in Excel which includes forecast financial statements for 10 years, determination of free cash flows and financing flows as well as set out future financial ratios. Further, the model needs to include tornado graphs, the use of data tables, the use of scenario manager and perhaps apply Monte Carlo simulation. Group self-selection as well as company selection generates a high level of interest and motivation. Of course, the complexity of companies differs but students are awarded marks for undertaking valuations of companies with complex operating and financing structures. The quality of the information and data in financial statements also differ. The focus is on financial statements but students are required to also evaluate other sources of data from Bloomberg and the UCT Financial Risk Service, as well as industry reports. The live case

represents a more realistic situation than a case from the textbook as information is not summarised and presented in a form for an educational setting. There is a greater level of complexity in doing a live case, as relevant company information will unfold over the academic year.

Preparation and setting expectations

Case studies require a high level of engagement and we explain to our students that they need to compare the case method to studying to become a pilot from a manual or studying flying within a flight simulator. The use of case studies in corporate finance is to simulate an actual business situation that they would face in practice. This is enhanced by the use of real companies required to often make actual and critical investment or financing decisions. We warn students about the case method – that they will find it different to other methods of learning and they may be uncomfortable with the method for the first quarter but that prior feedback by the end of the academic year is extremely positive and cases with the live case/project forms the most valuable learning experience for most of our past students. We use mostly Virginia's Darden open-ended cases (Bruner et al., 1999, Bruner et al., 2010). It is important to set out the objectives of the course and to set out the process of preparing for each case. It is important that students understand how the course will work and it is important for lecturers to set expectations about the learning process as well as set out the role of the lecturer. In line with Bruner, Eades and Schill (2010) students are asked to take risks in relation to taking positions and making decisions.

Students work in groups and are required to make a weekly submission for each case. Students are set assignment questions, which are handed out separately to the case. This is in itself an issue for defining the question is of value. We indicate to students that defining the question is often more important than the solution as one can often buy a solution but defining the questions and making the decision are much more relevant in the real world, at least at the higher echelons of management. The simple question of what to do (the decision and implementation plan) has been expanded to include guidance as to the analytical methods and finance theory that should be considered for each case. This ensures a greater degree of consistency, increased focus and greater clarity of direction but this comes at some cost to the value of the case. In a sense, the shift to more detailed questions reflects the expansion of the underlying finance theory, use of financial models and the growth in the different types of financial instruments.

One factor that we have often emphasized with students and which relates to the design of appropriate questions is the understanding that we may be dealing with a symptom rather than the cause. For example, a case may involve a firm undertaking a debt restructuring which requires decisions as to the relevant mix of variable and fixed rate debt, the issue of bonds and notes and setting out an appropriate refinancing structure to avoid concentration in regard to interest rate resets and refinancing dates. Yet we may find that the real reason that the firm requires to undertake a debt restructuring is due to a business model that is no longer sustainable. The debt restructuring is simply

deferring the date when the company will need to make hard decisions regarding consolidation, reducing costs and/or divesting of non-performing divisions.

Solving the problem is an objective but defining and managing the problem is much more important. There is often not a bounded solution but there are alternative strategies and a clear-cut decision is required which may include future flexibility. Students are required to often research the financial theory that may be applicable to each situation. Our own experience with teaching with the case method is an initial reluctance by students due to the complexity and ambiguity of each case followed later in the year by the general recognition that this is a highly effective and relevant learning method, which makes them ready for the workplace. Case studies enable students to merge theory and practice, enable the development of communication skills and promote working in teams and bring topics to life.

Advantages of Cases and the Development of Generic (Soft) Skills

Professional bodies such as the South African Institute of Chartered Accountants (SAICA) and the Institute of Chartered Accountants in Australia (ICAA) have increasingly placed emphasis on the development of soft skills in students. These skills include analytical skills, communication and presentation skills, interpersonal and problem-solving skills as well as apply judgement in making decisions. The focus on soft skills reflects the shift in the role of the financial officer from a technical to a more encompassing role within organisations. Increasingly financial officers and accountants have to be able to co-ordinate activities across divisions and need to be able to communicate clearly as well as motivate personnel. Interactions with suppliers and customers have become more critical and the financial officer plays an increasingly pivotal role regarding project analysis and evaluation.

Boyce, Williams, Kelly, and Yee (2001) focus on the role of case studies in developing soft skills and explain in detail how the use of case studies can enable deep and elaborative learning. This includes the use of real world scenarios, the use of unstructured problems, application of judgement, permitting a multiplicity of acceptable solutions, application of analytical reasoning, a questioning of conventional practice and consideration of multiple dimensions including financial, ethical, environmental, social and environmental factors. Cases promote discussion, debate, group work, presentation and defence of positions as well as consideration of other groups' views (Boyce, Williams, Kelly, & Yee, 2001). Technical knowledge is only one of the required attributes of future accounting and finance professionals

Case studies enable a lecturer to require class discussion, written submissions, examinations, group projects and formal presentations. Further, group meetings outside the class in preparation of each case enables each group member to present their views on the problem as well as suggested alternatives to deal with the issue. It is important that the use of cases involves all these interactions and includes varying points of assessment in order to develop and enhance the generic skills of students. We have indicated some of the advantages of cases in relation to developing decision-making and

developing analytical, communication and other generic skills but cases also include additional advantages. What are some additional advantages of using cases?

- Students acquire an increased understanding of the role of strategy. Corporate strategy is always part of each case study and we encourage students to employ, for example, Porter's Five Forces model to analyse the company's situation and to frame the direction of a decision.
- Cases enable students to experience a multitude of business situations that would take them many years of working to obtain the same exposure.
- Students enhance their financial modelling skills, as most cases require students to build financial models to support their conclusions and decisions.
- Students acquire in-depth knowledge about different industry sectors and acquire knowledge about the value drivers of each sector.
- Each case study requires students to work effectively in teams. For some cases, we try and promote role playing with groups representing different interested parties to a transaction being for example, bankers, the management team and the private equity firm or investment banker putting the transaction together for an LBO case.
- Cases promote the independent study of theory. Students are required to study key finance concepts to enable a more informed approach to a case study. They will do this on their own or with the assistance of members in their group.
- Cases promote independent research and the investigation of information from sources such as academic and financial journals, and industry data from financial data services.
- Cases enable students to stay within tight deadlines and enhance their time management skills. Each case has a deadline for submission and reports are around 15 pages with a supporting financial model. Sources of information may go beyond what is in the case. An environment of too much information accentuates the time pressures on students and time management is an important skill that students acquire from doing cases each week.

Assessment and Presentation

The assessment of case studies is a challenge. Each group is required to make a group submission with a rotating chairperson to co-ordinate each week's submission. A rotating chairperson promotes leadership and assists with reducing the impact of dominant personalities on each group. Each submission is about 15 pages in length and a case study will often require students to also submit a spreadsheet model. Assessment is broken down into how each group tackles each issue arising from a case. Often a case will involve 4 to 5 major issues that each group will be required to evaluate. Assessment includes three examinations, which test financial theory as well as including questions relating to the case studies. The assessment is broadly structured as one third relating to case study submissions, one third relating to

an over-arching extensive finance project on a listed JSE company which is a project undertaken by groups of 2 students, whilst the case studies require weekly submissions.

In our programme, a critical analysis of case study submissions and student presentations is necessary although this may make students uncomfortable with the case method, at least initially. It is important to give detailed feedback and each case submission is graded. The cases, with the major project, count about 50% of the total grade for the first year of the programme. We try and explain that it is much more important that students make errors in the classroom than in practice. We try and explain that whilst there are multiple possible solutions and decisions, there will also be analysis by groups that will clearly represent erroneous thinking. We state that the future is subject to sufficient uncertainties without compounding this further with errors. This may be due a misunderstanding of finance theory, illogical outcomes, simple calculation errors or financial modelling errors. We may be forgiven for getting the future wrong but we will not be forgiven for making errors in financial models that may lead to incorrect decisions.

In class, we do not promote flexibility – we do allow groups rather than individuals to admit errors but assessment requires us to manage the classroom effectively and groups need to consider the issues prior to the seminar. Students argue within a group but are then required to hold the group view unless the whole group changes tack. Cases involve students working in groups and teamwork is valued as cases may require a delegation of tasks and coming together to make decisions. This enables students to build their powers to frame a persuasive argument and defend a view as well as research and write effectively and clearly. The case method should enable students to think differently. Often, our students at the end of the year indicate that their way of thinking has changed as a result of the cases. Thinking like a professional emphasises the role of judgement, which is not constrained by the boundaries of knowledge. We also indicate to students that although decision-making involves risks, non-action is also a decision, which may result in future financial consequences. Cases simulate business situations but they also create interest in the finance theory relevant to reach a decision. Context reduces the simplification and dependence on simplistic finance theory. Case studies reduce the dependence on facile theories and rules of thumb.

In the Harvard and Darden tradition, the instructor forms the central character drawing out the arguments and setting the direction of the discussion. Whilst, we may sometimes follow this approach, we mostly require one group to make a presentation and then require the other groups to challenge the views of the presenting group by putting forward alternative views and decisions. This will take normally about 40 minutes. This is where the lecturer then steps in and may go over ground before and then present alternative strategies as well as evaluate what has gone before in a positive light. I may present the view expressed in the teaching note and why I agree or disagree with the views and decisions set out in the teaching note. This is important because they will obtain the Harvard or Darden view and then I will present my view. Often, these will differ and this may create discomfort as it forces students to accept a

plurality of views and decisions. I may also indicate the problems (in my view) with the decisions set out in the teaching note. I am specific to indicate that there is a teaching note for each case and why its conclusions may not be valid.

Challenges and disadvantages of using cases

Lecturers that have been used to teaching content only may find it difficult to make the transition to using the case method. The role of a facilitator is quite different to the role of a lecturer. Further, students on our programme are working in the area and will bring their knowledge of the topic, the company or the industry sector to the seminar. Although this will enrich each case study seminar, lecturers are required to be up to date in relation to the company, the industry and the application of finance theory and this places further pressures on lecturers trying to balance the demands of teaching and research activities.

The preparation of case studies is time intensive particularly for the first time, but even when repeating a case, bringing the case up to date can be demanding as industry sectors and companies face new challenges over time. It is however absolutely critical that we do not make decisions based on hindsight and this point is made clear to students and repeated for each case. What are other disadvantages of using cases?

- Case studies are highly inefficient in relation to the transfer of knowledge as only a small section of knowledge may be covered within one case. Contextualisation requires the presentation of a narrative and detailed description of the situation and the central characters as well as industry and company data and financial statements. Whilst valuable, the corporate finance theory covered is limited to the situation. For example, a case may only examine a single aspect of capital structure or cost of capital theory. It is difficult to ensure that students have covered all the aspects of corporate finance required in practice.
- Cases may encourage a focus on the narrative and company situation rather than on the application of finance theory. It is difficult to organise the course to reflect a logical flow of cases and finance concepts due often to integration of topics within a single case.
- The transfer of knowledge is based on what a student needs to know to address the problem that the company is facing. This may limit the extent of student learning.
- Cases may lead to generalisations and oversimplification of an issue. What is right for one company at a particular time may not be the right strategy or decision to follow for another company operating in a different sector or different time.
- The topics only come together towards the end of a course using an extensive number of case studies.
- Cases require substantial resources to create and test and preparation by lecturers is often intensive which also means that lecturers are less willing to update cases over time due to the investment required for each case.

Cases may become out of date over a few years requiring continuous updating and use of later cases.

- The use of case book texts is often problematic as teaching notes are limited in relation to analysis and associated financial models do not often adhere to the principles of good practice.
- Decision-making with hindsight can be an issue as students can use online resources and financial statements subsequent to the time of the case study to perhaps determine what companies decided or probably decided at the time of the case.

The use of case studies needs to occur in conjunction with undertaking other courses in corporate finance. It is important to understand that case studies are based on real situations that may not enable students to cover most areas of corporate finance. Another limitation is that case studies derived from textbooks may not be complete and tend to be focused sometimes too narrowly on a particular issue and there may be other more important and relevant issues. For example, The Body Shop International plc case study in Bruner et al (2010) is focused on developing skills required to forecast financial statements and funding requirements. Yet, if we extend the scope by requiring students to examine the annual financial statements of The Body Shop at the time of the case study, we will understand that the franchise model is critical for determining forecasts and yet the reliance on franchising and the opening of franchised stores is not mentioned in the case study. Textbook case studies enable us to focus on some key concepts and skills but may also mean that we lose key information needed to make decisions.

It is important that cases involve ambiguities at least in some major aspect and cases should offer alternative decisions or solutions. Increasingly, however, cases are becoming detailed and lengthy problems with a single well-defined solution. Bruner et al (2010) *Case Studies in Finance* is generally an excellent case study textbook. Yet, the teaching notes mostly indicate analysis and decision-making that follows a singular approach to solving a problem. The situation is compounded by hindsight – at this stage we know what the company did and whether such a strategy was successful. An important aspect of our learning approach is to ensure that students do not act with the benefit of hindsight. This requires that as lecturers we need to also admit mistakes when viewed through the lens of hindsight. We emphasise our own mistakes so that students understand that we may make incorrect decisions, and this lends credibility in to the process. As an analogy, we explain that a loan officer at a bank that has never made a bad loan should be fired as it indicates an overly risk averse lending strategy with probably high opportunity costs.

Further, in our classes we will expand on the case study and offer alternative strategies. This may involve going back to the original financial statements to derive some important piece of information that may change the analysis and possibly the decision. The problem with solutions set out in teaching notes is that they have become too narrow. Often, there is a single solution rather than equally valid alternatives. Another limitation relates to the use of financial models. Most case studies require that students use financial models mainly in

Excel. Students are often able to obtain access to the “student” versions of such models directly from Bruner’s McGraw-Hill website and are required to work with these models to perform further analysis. However, often such models do not comply with good practice in relation to design, layout, and the use of references, formulaic structures or levels of accuracy. In our class, we do spend time setting out the fundamentals of good model design to ensure that our students minimise modelling risks in practice. Janvrin (2008) refers to studies, which state that 20-80% of all operational spreadsheet models contain errors. The dependence on spreadsheet models for decision-making in practice means that over time this has become an important focus for our course.

A further limitation relates to decision-making and the focus on action. Cases require groups to make decisions in situations of uncertainty. Cases should simulate real world situations whereby managers are required to make complex investment and financing decisions often under time pressure and with limited information. Cases reward decision-making – yet in real-life managers should at times pursue a more nuanced approach. In case studies, one major advantage relates to the ability to make decisions – to build up the confidence of students to make decisions in environments of uncertainty. Students should acquire boldness to act and make decisions. This is a major benefit of cases particularly when we consider the focus of education to that point on the transfer of knowledge rather than the ability to make decisions. However the bias towards action may also be viewed as negative in certain cases. Prevailing wisdom may call for firms to defer decisions until more information becomes available. Often this is viewed as a real option in practice – the option to defer an investment. Action may not be wise until further information reduces the uncertainty. Flexibility is valuable in practice.

In order, to address some of the disadvantages of the use of cases, we include a few lectures on key topics with shorter questions, which test levels and breadth of knowledge of the finance theory. We try and tackle the free-rider problem of group work mainly in three ways – requiring a rotating chairperson to manage case study submissions, testing students on case studies in the examinations as well as allowing self-selection of sub-groups to undertake the major finance project which is really a live case study. Groups consist of 4 students and after 2 months, each group is divided into two sub-groups to undertake the large company project. Committed, capable and hard-working students will be attracted to each other as they maximise the potential to achieve a high grade for this project. This acts as an incentive to work hard during the normal cycles.

Moore (1999) tests the effectiveness of cases and finds that there is little difference in cognitive outcome associated with the case method. Yet if students in addition to knowledge of the subject also obtain soft skills, such as improved communication, writing and presentation skills then we could argue that cases result in an enhanced level of skills at little cost. In relation to meeting the challenge of lecturer preparation, it is an advantage that in addition to extensive preparation, the involvement by lecturers in high level consulting can be helpful. The use of guest lecturers who are experts in a

specific area can also mean a higher level of interaction with the class. For example, to teach EVA we use Joel Stern the founder of EVA and to undertake an LBO case we employ an ex-Blackstone partner who has undertaken LBO transactions particularly of healthcare companies. This adds additional context to particular cases.

Conclusion

The use of the case method in the teaching of corporate finance offers significant advantages to students. This is due to the emphasis on decision-making in an environment of uncertainty, solving real-world issues, working in groups, improving communication and analytical skills, as well improving the application and integration of corporate strategy, finance theory and financial modelling skills. Yet case studies do also result in challenges for lecturers /facilitators and there are disadvantages to students. Whilst many studies set out the advantages of the case method, it is useful to also to note the challenges and disadvantages of using cases in teaching corporate finance. For example, it is difficult to ensure that students obtain the requisite breadth of knowledge due to the nature and focus on contextualisation. Further challenges include the management of group dynamics, balancing ambiguities and irrelevant information and ensuring the absence of decision-making based on hindsight. Textbooks can offer detailed case studies but teaching notes are often limited and associated financial models are generally poor. We have set out how we try to address some of the limitations of the case method in our programme. On balance, the use of cases offers real benefits. Students acquire the courage to make decisions and cases ensure that they go beyond the boundaries of knowledge.

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