

SYLLABUS

ENT 4934 - SMALL AND FAMILY BUSINESS MANAGEMENT - SECTION 2F19

University of Florida

Semester: Fall 2016

Course Title:

ENT4934–Small and Family Business Management

Class Meets:

Meeting Room: Tuesday and Thursday, Period 7 and 8 (1:55pm to 3:50pm)

Website: <http://warrington.ufl.edu/centers/cei/>

Instructor: Susana Santos

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I. Course Overview:

The Small and Family Business Management is a course focused on the unique challenge of managing and growing small and family businesses. This course is based on the small business and family businesses models, being organized around the three main stages of the process: growth, maturity and harvest. The course is organized in two parts: the first five weeks are dedicated to small business and the last two weeks are dedicated to family business.

This course will start by identifying the particularities of small business management. Next, we will analyze the small business management process and the business life cycle. We will focus deeply on growth, defining its particular stages, strategies, barriers, and the elements of the operating system, taking an emphasis on total quality management. The maturity stage of small business management will describe the management competencies needed, including sales force structure and the processes for recruiting, managing and retaining human resources. Lastly, we will focus also on the harvest stage of small business, describing the different options for exit and how to manage the process.

We will then turn to family business, which represent close to 90% of all businesses. Here we will explore the definition of this particular type of business, taking into account its idiosyncrasies, and the complex roles and relationships involved. Managing small business and family business has many similarities but also great differences which will be analyzed in detail.

II. Course Objectives for Students:

Upon completion of this course, students should be able to:

- Describe the characteristics and the process of small and family business;
- Discuss the evolution of strategy and structure in a growing business;
- Identify strategies targeting growth in small business;
- Understand why most small business start small and stay small – they fail to grow;

- Describe the elements of the operating system in small business and the role of quality in operations management;
- Identify development and management strategies for HR in small business;
- Explain the options for harvesting or closing the small business and the related importance and outcomes;
- Define the complex roles and relationships involved in a family business;
- Understand the differences between family and non-family firms regarding family members in the business, governance, management decisions, control, structure, and business succession strategies.

III. Textbooks and Materials:

Double Digit Growth, Michael Tracy (2003)

Entrepreneurial Small Business, Jerome Katz and Richard Green (2011)

Cases and other readings posted on Course Website.

IV. Student Evaluation (see also note below regarding extra credit):

The student evaluation will be composed by:

Class participation / contribution	15%
Case presentation *	20%
Adopt a Small or Family Business – report**	30%
Adopt a Small or Family Business – presentation***	10%
Final Exam****	25%

* Each student will be assigned in a team to make a case presentation. There will be five cases for assignment purposes. Case presentations dates are described in the calendar and the presentation format and rules are available from the instructor.

** Each student will be integrated in a group to develop a Adopt a Small or Family Business experience. The main goal of this work is to apply the course contents to an actual existing company. Through their own entrepreneurial resources and network, each group is expected to familiarize themselves by adopting an actual existing company. The group has to prepare a report with maximum 15 pages describing the company, proposing and justifying a growth strategy for the company. To get information, the students will have to visit the company, interview the owners, visiting the site, and obtain as much information as possible about the company. Format and rules are available from the instructor. Check the calendar for the deadlines. Failing this deadline is failing this assignment.

*** The Adopt a Small or Family Business will be presented in class by the group, following the calendar and the rules to be defined

The following grading scale will be employed:

93-100 = A; 89-92=A-; 86-88 = B+; 83-85 = B; 79-82 = B-; 76-78 = C+; 73-75 = C; 69-72 = C-; 66-68 = D+; 63-65 = D; 60-62 = D-; below 59 = F.

For more information on current UF grading policies for assigning grade points, students are encouraged to consult the University catalogue:

<https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

Attendance Policy:

Attendance is required. Your contribution is an important part of the learning experience gained by each of your peers. Absence means you are taking away from the class dynamic and evolving culture of class. You are allowed a maximum of two unexcused absences. Missing more than this total will mean the forfeiture of your class participation grade. Requirements for class attendance and make-up exams, assignments, and other work in this course are consistent with university policies that can be found in the online catalog at:

<https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx>

V. Course format:

The learning method will involve a mix of interactive lecture, class discussion, can case presentations. The emphasis will be on developing and understanding of key concepts at the small and family business management, such as its process, the growth, maturity and harvest stages, growth stages and rapid growth strategies, operations management and total quality management, recruiting and managing the human resources, the importance and methods of harvest, family business characteristics, stages of development, succession and transition planning.

Students are expected to come to class prepared and to make a contribution to the discussions that occur in the classroom. Contributions include asking questions, answering questions, providing examples from you own life experiences and your other courses, expressing opinions, taking positions, disagreeing with points made by the instructor or your peers, and so forth.

VI. Academic Integrity:

UF Students are bound by The Honor Code which states: "We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity by abiding by the Honor Code." On all work submitted for credit by students at the University of Florida, the following pledge is either required or implied: "*On my honor, I have*

neither given nor received unauthorized aid in doing this assignment.” The Honor Code (<https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/>) specifies a number of behaviors that are in violation of this code and the possible sanctions. Furthermore, you are obliged to report any condition that facilitates academic misconduct to appropriate personnel. If you have any questions or concerns, please consult with the instructor.

VII. Course Evaluations:

Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at <https://evaluations.ufl.edu>

Evaluations are typically open during at last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at <https://evaluations.ufl.edu>

VIII. Course Schedule and Assignments:

Week One

#1 –

Introduction to the course; Calendar, evaluation, rules and processes; Entrepreneurship and Small Business; What is Small Business; Definition of Small Business; Similarities and Differences between Entrepreneurship and Small Businesses

Reading - Chapter 1 “Small Business: Its opportunities and rewards” – Katz & Green

#2 –

Entrepreneurial Process and Small Business Management Process; Growth, Maturity and Harvest; Contrast the nature of start-ups, rapidly growing companies, and mature companies

Reading - Chapter 20 “Achieving success in the small business” – Katz & Green; HBR - Can small business help countries compete

Groups formation for cases and raffle case discussion;

Groups formation for Adopt a Small or Family Business Assignment and raffle group number

Week Two

#3 –

The five stages of small business growth: Stage 1 – Existence; Stage 2 – Survival; Stage 3 – Success; Stage 4 – Take Off; Stage 5 – Resource Maturity; The characteristics of small business at each stage of development

Reading - Chapter 20 “Achieving success in the small business” – Katz & Green; HBR –Five stages of growth

#4 –

The five stages of small business growth; The evolution of small companies, the relevance of the management factors across the stages; Why it is so hard to grow?; The typologies of entrepreneurial ventures

Reading - HBR –Five stages of growth; Chapter 1 “Why it is so hard to grow?” - Treacy;

Adopt a Small or Family Business Assignment – Monitoring 1 with the instructor – Identify the Business

CASE DISCUSSION 1 – Innocent drinks

Week Three

#5 –

The Five Disciplines of Growth; The First Discipline – Customer Base Retention; The Second Discipline – Market Share Gain; The Third Discipline – Market Positioning

Reading – Chapter 4 “The first discipline: Keep the growth you have already earned”, Chapter 5 “The second discipline: Take business from your competitors”; Chapter 6 “The third discipline: Show up where growth is going to happen” – Treacy;

#6 –

The Five Disciplines of Growth (cont.): The Fourth Discipline – Adjacent Market; The Fifth Discipline – New Businesses; Manage your portfolio for growth; Examples and Exercises

Reading - Chapter 7 “The fourth discipline: Invade adjacent markets”; Chapter 8 “The fifth discipline: Invest in new lines of business”; Chapter 2 ‘Who’s achieving double-digit growth?’– Treacy; Chapter 9 “Manage your portfolio for Double-digit Growth” – Treacy

Adopt a Small or Family Business Assignment – Monitoring 2 with the instructor

CASE DISCUSSION 2 – Threshold Sports

Week Four

#7 –

Strategy in Small Business; The Small Business Strategy Process: Prestrategy, Customer & Benefits, Industry Dynamics & Analysis, Strategy Selection & Implement, Post Start-Up Strategy

Reading - Chapter 7 – “Small Business Strategies: Imitation with a Twist” - Katz & Green;

#8 –

Operations Management in Small Business; Manage short-time assets; Techniques to manage and improve the operations of your business; Total Quality Management Small Business Management

Reading - Chapter 16 – “Assets: Inventory and Operations Management” - Katz & Green; HBR – Match your sales force structure to your business life cycle; Chapter 3 – “Small business Entrepreneurs: Characteristics and Competencies” - Katz & Green

CASE DISCUSSION 3 – MOD Pizza: A winning recipe?

Week Five

#9 –

Human Resource Management: Small Business Considerations; Recruiting and managing the human resources of the small business, how to match the right person to the job; the relevance of employee training; retaining and leading the human resources of the small business; understand entrepreneurial leadership

Reading - Chapter 19 – “Human Resource Management: Small Business Considerations” – Katz & Green

CASE DISCUSSION 4 – Chocolates El Rey

Adopt a Small or Family Business Assignment – Monitoring 3 with the instructor

#10 –

Family Business; Family Business in the US; How they matter and how they differ; factors that make a family business; Configuration of a family business;

Reading - HBR – The family business; Paper “Correlates of success in family business transitions”, Morris et al., 1997, JBV

CASE DISCUSSION 5 – Crunch

Week Six

#11 –

Family Business (cont.); Issues in succession and transition planning; Succession and the transfer of power; creating the strategy for the family business management and governance; Priorities at the great family-controlled businesses

Reading - HBR - Transferring power in the family business; Chapter 4 "Succession: Continuing entrepreneurship and the next generation", Poza (Family Business)

#12 -

Family Business (cont.); The long-term winners in the family business; The command, continuity, community, and connection - or "the four Cs - in family business; Managing for the long run

Reading - HBR - Leadership lessons from great family businesses; HBR - What can you learn from family business; Chapter 1 "What distinguishes great family businesses" and Chapter 9 "Managing for the long run", Miller & Breton-Miller, *Managing for the long run: Lessons in competitive advantage from great family businesses*

Deliver the group work Adopt a Small or Family Business

CASE DISCUSSION 6 - Anderson Steel Service

Week Seven

#13 -

Students' presentations of Adopt a Small or Family Business

Group 1 Presentation; Group 2 Presentation; Group 3 Presentation;

#14 -

Students' presentations of Adopt a Small or Family Business

Group 4 Presentation, Group 5 Presentation; Group 6 Presentation

Week Eight

#15 -

Final Exam