

BUS 230
SMALL BUSINESS MANAGEMENT

COURSE DESCRIPTION:

Prerequisites: ACC 120

Corequisites: None

This course introduces the challenges of entrepreneurship, including the startup and operation of a small business. Topics include market research techniques, feasibility studies, site analysis, financing alternatives, and managerial decision making. Upon completion, students should be able to develop a small business plan. Course Hours Per Week: Class, 3. Semester Hours Credit, 3.

COURSE OBJECTIVES:

At the completion of the course requirements, the student will be able to:

- a. Understand and apply the basic principles of entrepreneurship.
- b. Incorporate critical thinking skills into business activities.
- c. Perform basic research and problem solving.
- d. Evaluate a business financially and operationally.
- e. Demonstrate effective team work skills.
- f. Utilize computer skills and simulation.
- g. Understand, create, and utilize the business plan.
- h. Demonstrate effective oral and written communication skills.
- i. Make effective presentations.
- j. Be knowledgeable of and sensitive to business ethics.
- k. Understand the general role of small business and the place of this managerial enterprise in the social and economic structure of the American business system.

OUTLINE OF INSTRUCTION:

- I. Entrepreneurs: the energizers of Small Business:
 - A. Opportunities for entrepreneurial energizers
 - B. Rewards and drawbacks of entrepreneurship
 - C. Characteristics of entrepreneurs
 - D. Readiness for entrepreneurship
 - E. Diversity in entrepreneurship

- II. Small Business: vital component of the economy
 - A. Definition of small business
 - B. Small business as producer of goods and services
 - C. Special contributions of small business
 - D. The small business failure record
 - E. Causes of business failure

- III. Startup and buyout opportunities
 - A. Creating a new business
 - B. Buying an existing business
 - C. Lessons from high-growth firms

- IV. Franchising opportunities:
 - A. Understanding the franchise option
 - B. Advantages and disadvantages of franchising
 - C. Evaluating franchise opportunities
 - D. Selling a franchise
 - E. Understanding the franchisee relationship

- V. The role of a business plan for a new venture
 - A. What is a business plan?
 - B. The need for a business plan
 - C. How much business plan is needed?
 - D. Preparing a business plan

- VI. Creating a competitive Advantage
 - A. Competitive advantage
 - B. Market segmentation strategies
 - C. Niche marketing:
 - D. Customer service management

- VII. Analyzing the market and formulating the marketing plan
 - A. Small business marketing
 - B. Marketing research for the new venture
 - C. Estimating market potential
 - D. Components of the formal marketing plan

- VIII. Selecting the management team and form of organization
 - A. The management team
 - B. Legal forms of organization
 - C. The board of directors
 - D. Federal income taxes and the form of organization:

- IX. Choosing the location and physical facilities
 - A. The location decision
 - B. Site selection
 - C. Home-based businesses
 - D. The building and its layout
 - E. Equipment and tools

- X. Accounting statements and financial requirements
 - A. Accounting statements
 - B. Tools for determining financial needs
 - C. Assessing profitability
 - D. A firm's financial requirements

- XI. Finding sources of financing:
 - A. Debt of equity financing?
 - B. Sources of financing
 - C. Individuals as sources of funds
 - D. Business suppliers and asset-based lenders as sources of funds
 - E. Commercial banks as sources of funds
 - F. Other sources of funds

- XII. Consumer behavior and product strategy
 - A. Understanding the customer
 - B. Product management
 - C. Product strategy alternatives for small businesses
 - D. Building the total product offering

- XIII. Pricing and credit strategies
 - A. Setting a price
 - B. Using break-even analysis for pricing
 - C. Selecting a pricing strategy
 - D. Offering credit
 - E. Managing the credit process

- XIV. Promotion: personal selling, advertising, and sales promotion
 - A. Promotion and the communication process
 - B. Determining promotional expenditures
 - C. Personal selling techniques for small firms
 - D. Advertising considerations for small firms
 - E. Sales promotion options for small firms

- XV. Distribution channels and global markets
 - A. The role of distribution activities in marketing
 - B. Structuring a distribution system
 - C. Global marketing challenges
 - D. Initial preparations for global marketing
 - E. Sources of trade and financing assistance

REQUIRED TEXTBOOKS AND MATERIALS:

Longnecker, Moore, and Petty. Small Business Management. 12th edition. South-Western Publishing Company, 2003.

Longnecker, Moore, and Petty. Student Learning Guide for Small Business Management. 12th edition. South-Western Publishing Company, 2003.

SUGGESTED RESOURCES:

Kapron, Jile E., Biz Plan Express, Academic Version. Cincinnati, OH: South-Western College Publishing, 1998.

STATEMENT FOR STUDENTS WITH DISABILITIES:

Students who require academic accommodations due to any physical, psychological, or learning disability are encouraged to request assistance from a disability services counselor within the first two weeks of class. Likewise, students who potentially require emergency medical attention due to any chronic health condition are encouraged to disclose this information to a disability services counselor within the first two weeks of class. Counselors can be contacted by calling 686-3652 or by visiting the Student Development Office in the Phail Wynn Jr. Student Services Center, room 1309.