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# Entrepreneurship: Small Business in Florence

COURSE DESIGNATOR FLOR 3008

Language of Instruction English

NUMBER OF CREDITS 3

Contact Hours 45

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## COURSE DESCRIPTION

The course introduces the various management/marketing principles and subject materials as they specifically relate to small business. The goal is to provide a comprehensive background with practical application of important concepts applicable to entrepreneurial environment. The course focuses on activities involved in planning, organizing, establishing, and controlling a small business. It addresses key business areas of finance, accounting, marketing and management, as well as government regulations from an entrepreneurial perspective.

Small and medium sized enterprises (SMEs) play a major role in the Italian economic system, they account for over 99.8% of the national enterprises, and among them the micro-enterprises (those with less than 10 employees) represent the wide majority.

The course relies on lectures, classroom discussion, participation, case analysis, field trips to industries (agribusiness, art, trade fairs, fashion, wineries, and tourism), and team project “mapping Florence based small business”. Students are expected to interact with the business community, be able to work effectively in teams, and be active participants in classroom discussions and exercises.

### Main topics:

- Small business: definitions and characteristics
- Options for going into business
- Market research and strategy formulation
- Sample business plan
- Legal Issues
- Financing small and growing business ventures
- Incorporating Ethics and Social Responsibility into the Business
- Marketing
- Entrepreneurship
- Franchising
- The Family Business
- Human Resource Issues in small firms
- Contemporary issues in small business
- Managing growth and transition

## INSTRUCTOR

Tamara Evans

## COURSE GOAL

- To possess a well-grounded understanding of essential entrepreneurial business principles
- To develop an understanding of important business issues as they relate to new ventures.
- To identify, appreciate, and assess the knowledge, attitudes, and skills of an entrepreneur.
- To study and observe entrepreneurial settings and entrepreneurial role models through exposure to actual business settings and experiences.
- To have an expanded awareness of the resources available for creating a business plan

## LEARNING OUTCOMES

### 1. Identify, define, and solve problems

Through readings, classroom exercises, and field trips experiences students will be able to identify the marketing, financial, leadership and other competencies needed by an entrepreneur.

### 2. Locate and evaluate information

Students will search for current articles in daily newspapers and weekly business magazines related to business. Students will evaluate critically the rationale underlying government policy and to appraise its impact on business.

### 3. Master a body of knowledge and mode of inquiry:

Students will acquire the knowledge and competencies required for entrepreneurial success in a range of contexts. This is demonstrated by understanding and applying established techniques of research and enquiry to create and interpret knowledge of a variety of organisational and industry settings and situations.

### 4. Understand diverse philosophies and cultures within and across societies

Understand the key features of economic and organisational theory interpretations of entrepreneurship. Students will develop an understanding of cross-cultural managerial planning and decision-making, organizational structures and environments, the small business legal environment, and dynamics of operating in small businesses.

### 5. Can communicate effectively

Demonstrate knowledge of the language of small business management, by establishing a level of confidence in assessing, creating, and communicating business concepts.

### 6. Understand the role of creativity, innovation, discovery, and expression across disciplines

Students will be able to appraise, select and use appropriate models of innovation and creativity in order to develop and commercialize new business ideas.

### 7. Have acquired skills for effective citizenship and life-long learning

Studying entrepreneurship helps students identify the social responsibilities and ethical aspects of small business development and growth and dealing with society.

## METHODOLOGY

I firmly believe in teaching as a two-way endeavor. Together we create an atmosphere that shapes the learning experience for all.

The typical class session has at least two or more of the following elements:

- Lecture by the instructor, expanding upon the topic of the day.
- Exercises or short cases.
- Review of current events and impact on small business
- Videos showing different issues reinforcing the topic
- Field trips (site visits to Florence-based small business such as Cadini, Paperback Exchange, Caputi, and Florence Chamber of Commerce. Dates and locations will be confirmed during the semester)

## COURSE PREREQUISITES

There are no prerequisites for the course.

## REQUIRED READING/MATERIALS

Stokes & Wilson, *Small Business Management and Entrepreneurship*, 6<sup>th</sup> Edition, South-Western Cengage Learning, 2010.

Pre-ordered and are available for Euro 82.00, at **Paperback Exchange**, Via delle Oche 4R.

Please cite the title of the course and the professor's name when requesting this book.

Each student must buy a copy of the textbook for the successful completion of the course. Further material, handouts and notes will be eventually distributed to the students during the semester.

P. Morone, and P. Testa, *What Makes Small and Medium Enterprises Competitive: An investigation into the Italian manufacturing sector*, University of Naples (copies are provided by the instructor)

Other reading materials (articles, newspaper reports, and the like) will be distributed when appropriate. Students are also encouraged to read business newspapers, such as *The Wall Street Journal*, *The Economist*, *Business Week*, and online materials.

## GRADING

### Class participation and attendance

This course requires that you participate in class discussions. This means that you contribute to class discussions by relating your experiences, asking questions, and making comments appropriate to the topics being discussed. Students will be assigned readings from the textbook which will be discussed during a given class period. In order for the discussions to be meaningful, each student must come to class fully prepared to discuss the assigned reading and make meaningful comments. Since participation plays a role in your final grade, it is essential that you have not only read the assignment, but have drawn conclusions of your own from the reading. You will present those conclusions during class discussions.

All students begin the term with a **C+** grade for participation. Contribution to class discussion will raise this grade.

Habitual absence from class and disrupting class (i.e., talking, text-messaging, etc.) will reduce this grade.

### Quizzes

There will be two quizzes. Each quiz consists of 20 T/F and MC questions, and will be administered at the beginning of the class. Students who are late or miss the class **miss the quiz, and gain zero (0) points for that quiz. Quizzes cannot be made up.**

### Experiential Learning (course project)

To enhance classroom-based instruction and provide a unique learning experience for students, site visits to Florence-based small business are an integral part of the course. The broad goal of the field trips is to increase exposure of students to "real" organizations as part of their education. The students experience is to go on site to observe and familiarize them with firm's operations, as well as interact with entrepreneur and small business owners. The firms are small, Florence-based, and most had undergone various changes and restructuring over their history. Thus students will have an opportunity to gain a first-hand appreciation of the complexities of operating a firm, as well as to reflect on and critiques the relationship between theory and practice.

To maximize the value of this course to students' overall learning outcome students are asked to act as researchers whose task is to formally collect information on small businesses in Florence, and use this information to evaluate its entrepreneurial nature.

A key advantage of such an assessment mode is that students typically have to communicate with small businesses owners and employees, and collect statistical information (using the internet, government publications) and manipulate such information – however modestly – to 'tell' a story about enterprise in Florence.

**Details of the project will be given in class. The project will include in class presentation as well as a written paper for grading.**

### Exams

There will be one required mid-term exam and a final exam.

## Grading Rubric

A	93-100	Achievement that is outstanding relative to the level necessary to meet course requirements.
A-	90-92	Achievement that is significantly above the level necessary to meet course requirements.
B+	87-89	
B	83-86	
B-	80-82	Achievement that meets the course requirements in every respect.
C+	77-79	
C	73-76	
C-	70-72	
D+	67-69	Achievement that is worthy of credit even though it fails to meet fully the course requirements.
D	60-66	
F	0-59	Represents failure (or no credit) and signifies that the work was either (1) completed but at a level of achievement that is not worthy of credit or (2) was not completed and there was no agreement between the instructor and the student that the student would be awarded an I.

Summary of how grades are weighted:

Class Participation	5%
Quizzes	20%
Course Project	20%
Mid-term Exam	25%
Final Exam	30%
Overall Grade	100%

## CLASS SCHEDULE

### WEEK 1

#### Course Overview & Introduction

- Introduction to Small Business Development

#### Readings:

- Stokes & Wilson, *Small Business Management and Entrepreneurship*, Ch. 1
- Website: [http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/index_en.htm)

### WEEK 2

#### Entrepreneurship, the entrepreneur and the owner manager

- The importance of entrepreneurship as a process of change, the role of innovation and the particular management behaviors required to achieve it. The differences between small business owner–management and entrepreneurship.
- Case study discussion & end of chapter activities

#### Readings:

- Stokes & Wilson, *Small Business Management and Entrepreneurship*. Ch. 2
- SMEs in Italy (copies distributed by the instructor)
- “A Tale of Two Entrepreneurs”: Part I in Stokes & Wilson, *Small Business Management and Entrepreneurship*, pp. 22-23
- “Work space Group PLC); Stokes & Wilson, *Small Business Management and Entrepreneurship*, pp.24-26.
- The six activity boxes in chapter 1, and the seven activity boxes in chapter 2

## WEEK 3

### The Small Business and Entrepreneurial Environment

- An overview of the key external environmental factors that influence the success (or otherwise) of new small businesses and entrepreneurial ventures. Types of factors small businesses and entrepreneurs need to be aware of in order to manage their ventures successfully.

#### Readings:

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch. 3
- Case study “A tale of two entrepreneurs: Part 2 in Stokes & Wilson, Small Business Management and Entrepreneurship, pp.56-57
- “Bobby and Sahar Hashemi: Coffee Republic”; Stokes & Wilson, Small Business Management and Entrepreneurship, pp.58-59.
- The six activity boxes in chapter 3

## WEEK 4

### Innovation and the Marketplace

- The difference between creativity (the generation of new ideas) and innovation (the successful exploitation of these new ideas).

#### Readings:

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch. 4
- Case study “A tale of two entrepreneurs: Part 3 in Stokes & Wilson, Small Business Management and Entrepreneurship, pp.96-97
- “Andrei Korkunov and his chocolate factory”; Stokes & Wilson, Small Business Management and Entrepreneurship, pp.97-98.
- The nine activity boxes in chapter 4

## WEEK 5

### Information and market research

- The need for information, especially market intelligence, before setting up a new venture, and the need for continuous information and feedback from the market even for established businesses.

#### Readings:

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch. 5
- Case study “A tale of two entrepreneurs: Part 4 in Stokes & Wilson, Small Business Management and Entrepreneurship, pp.129-130.
- “More food for thought”, Stokes & Wilson, Small Business Management and Entrepreneurship, pp.130-132.
- The six activity boxes in chapter 5

## WEEK 6

- Quiz 1
- Excursion TBA
- Mid-Term Exam

## WEEK 7

### Creating the entrepreneurial Small Business & Business Planning

- Problems small business owners and entrepreneurs have in drawing up plans.

**Readings:**

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch. 6
- Case study “A tale of two entrepreneurs: Part 5 in Stokes & Wilson, Small Business Management and Entrepreneurship, pp.160-161.
- “Can-be ltd by Thomas Goulding”, Stokes & Wilson, Small Business Management and Entrepreneurship, pp. 162-164.
- The five activity boxes in chapter Ch. 6

**WEEK 8****Successful Small Business Strategies**

- The 4 Ms of strategy for small businesses (motivations, marketing, money and management) and effectuation theory. Key theories of strategic management, including the resource-based view of the firm and organization.

**Readings:**

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch. 7
- Case study “Circumspect strategies: Part 1&2” in Stokes & Wilson, Small Business Management and Entrepreneurship, pp. 240-242
- “The entrepreneur versus the planner”, Stokes & Wilson, Small Business Management and Entrepreneurship, pp.210-211.
- The seven activity boxes in chapter 7

**WEEK 9****Start-Ups and franchises**

- The advantages and disadvantages to small business owner or entrepreneur of opting for start-up, buying an existing business, or franchise. The nature of franchise relationship, and whether or not is indeed a type of small business, and whether it is compatible with the concept of entrepreneurship.

**Readings:**

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch.8
- Case study “You’ve been framed: Part 1” in Stokes & Wilson, Small Business Management and Entrepreneurship, pp. 268-270.
- The six activity boxes in chapter 8

**WEEK 10****Buying an Existing Business**

- Buying an existing business as a mechanism for market entry in sectors with specific barriers to entry such as the hospitality and catering industries.

**Readings:**

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch.9
- Case study “You’ve been framed: Part 2&3” in Stokes & Wilson, Small Business Management and Entrepreneurship, pp. 300-301, and pp. 300-301.
- The seven activity boxes in Ch. 9

**WEEK 11**

- No Class: Taormina Study Tour

## WEEK 12

### Forming and Protecting a Business

- Legal aspects in the setting up and development of a business – the business type and intellectual property rights.
- In class presentation of Taormina assignment

### Readings:

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch. 10
- Case study “Forming a business: Part 1&2” in Stokes & Wilson, Small Business Management and Entrepreneurship, pp. 325-327
- The 6 activity boxes in chapter 10

## WEEK 13

### Management of people and resources

- Despite the tendency for owner–managers to adopt rather autocratic management styles in the early days, the need for appropriate leadership styles and team building to enable a business to grow is fundamental.

### Readings:

- Stokes & Wilson, Small Business Management and Entrepreneurship, Ch. 11

## WEEK 14

- Quiz 2
- In class presentation
- Final Exam

## ATTENDANCE POLICY

Regular attendance and punctuality are mandatory in order to earn full marks. The final grade will take into consideration preparation required for class (i.e. readings) and participation in class discussions. If you miss any meetings without an excused absence from the on-site director, your final grade will be dropped accordingly. In the case of absences, it is the student’s responsibility to find out what information was given in class including any announcements made.

## UNIVERSITY OF MINNESOTA POLICIES AND PROCEDURES

Academic integrity is essential to a positive teaching and learning environment. All students enrolled in University courses are expected to complete coursework responsibilities with fairness and honesty. Failure to do so by seeking unfair advantage over others or misrepresenting someone else’s work as your own, can result in disciplinary action. The University Student Conduct Code defines scholastic dishonesty as follows:

### SCHOLASTIC DISHONESTY:

Scholastic dishonesty means plagiarizing; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; altering forging, or misusing a University academic record; or fabricating or falsifying data, research procedures, or data analysis.

Within this course, a student responsible for scholastic dishonesty can be assigned a penalty up to and including an “F” or “N” for the course. If you have any questions regarding the expectations for a specific assignment or exam, ask.

### STUDENT CONDUCT

The University of Minnesota has specific policies concerning student conduct and student needs. This information can be found on the Learning Abroad Center website.