

FRE 302 SMALL BUSINESS MANAGEMENT IN AGRI-FOOD INDUSTRIES Fall 2016

Small Business Management
Industries in Agri-Food
profit, agribusiness, ansoff, ratios, risk, competitive, control, marketing

CLASS SCHEDULE

Wednesday & Fridays, 9:00 - 10:30am

CLASS WEBSITES

FRE 302 Course Materials (Notes, Assignments, Solutions) will be posted at: <http://blogs.ubc.ca/fre302/>

UBC Connect: Used for upload of assignment and cases for grading.

Piazza: We will be using Piazza for class discussion. The system is highly catered to getting you help fast and efficiently from classmates, the TA, and myself. Rather than emailing questions individually, I encourage you to post your questions on Piazza. Find our class page at: <https://piazza.com/ubc.ca/winterterm22016/fre302/home>

INSTRUCTOR:

Kelleen Wiseman, MBA in Agribusiness, PhD

CONTACT INFORMATION:

kelleen.wiseman@ubc.ca

Ofc: MCML 352; UBC #: 604-822-9704

OFFICE HOURS:

Wednesday & Fridays, 10:30 - 11:30am; Office hours will be held in MCML 352

COURSE DESCRIPTION:

FRE 302 Small Business Management in Agri-Food Industries introduces students to the principles of business planning and management with an emphasis on the areas of finance, marketing, entrepreneurship, legal structure, risk and strategy. These principles will be presented and applied within the context of small to medium businesses involved in the food and agribusiness sector and will emphasize both fundamental business planning concepts and the unique challenges facing food & agribusiness firms. Students will have the opportunity to apply the course principles through the development of a business plan.

The course will be of value to those who have an interest in developing their own business idea, working for a medium sized business or applying an entrepreneurial approach within a larger business. At some point in the future, most students will be involved with a small business, as an owner, manager, investor, employee, supplier or client and thus will likely be involved in assessing and/or preparing business plans. This course provides the fundamentals for these assessments.

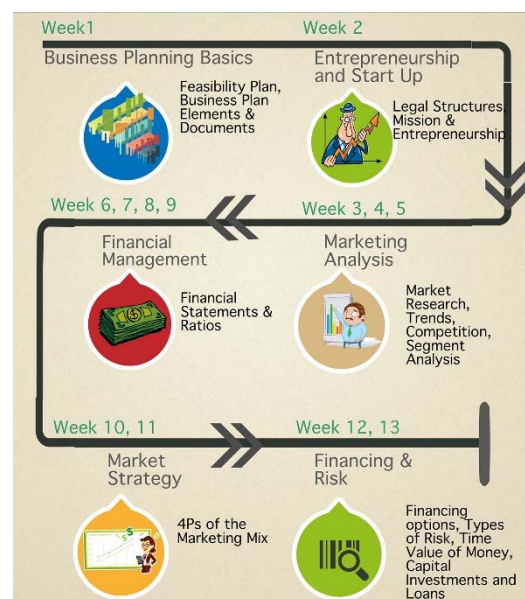
ACADEMIC MISCONDUCT

The integrity of academic work depends on the honesty of all those who work in this environment and the observance of accepted conventions such as acknowledging the work of others through careful citation of all sources used in your work. Plagiarism - including self-plagiarism - and other forms of academic misconduct are treated as serious offences at UBC, whether committed by faculty, staff or students. You should be aware of the sections of the University Calendar that address academic integrity and plagiarism (<http://vpacademic.ubc.ca/integrity/>). The UBC library also has a useful web-based Plagiarism Resource Centre that explains what plagiarism is and how to avoid it (<http://vpacademic.ubc.ca/integrity/ubc-regulation-on-plagiarism/>).

In this course, you will be required to submit some material in electronic form. The electronic material will be submitted to a service which UBC subscribes, called TurnItIn. This service checks textual material for originality. It is increasingly used in North American universities. For more information, review TurnItIn online.

LEARNING OUTCOMES & COURSE MAP

Module	Upon completion of this course, students should be able to complete the following:
Business Planning Basics	<ul style="list-style-type: none"> Describe the objectives and elements of the feasibility and business planning process Identify the unique features of food and agribusiness products in the business sector Outline the correct content, format and style of a professional business plan document Apply the principles underpinning business planning to a case study to review the feasibility of a product, start-up business or established firm.
Entrepreneurship and Start Up	<ul style="list-style-type: none"> Understand the challenges and benefits of entrepreneurship Evaluate legal structures available for business start-ups Develop a workable vision and mission statement for a business.
Marketing Analysis & Market Strategy	<ul style="list-style-type: none"> Describe and use industry and competitor analysis frameworks to review potential for a product Describe and utilize segmentation analysis techniques in order to develop ideal customer personas and forecasts Understand options and decisions associated with marketing mix strategy- price, product, place and promotion.
Financial Management & Financing & Risk	<ul style="list-style-type: none"> Describe, develop and use the main financial statements of net worth, balance sheet, net income and cash flow to support operations, planning and control of a business. Explain and understand the relationships among the main financial statements Develop and interpret financial ratios to assess the liquidity, solvency, profitability and efficiency of businesses in various stages of establishment. Compare and evaluate the different types of business financing. Describe the time value of money concept and use it to conduct capital investment and loan analysis related to business start-up Perform risk identification and management for start-up and established firms through use of key principles and tools



CUSTOM TEXTBOOK

The Textbook is organized into SIX major topics, corresponding with the content we will cover in lectures:

- Business Planning Basics
- Entrepreneurship and Start Up
- Marketing Analysis
- Financial Management
- Marketing Strategy
- Financing & Risk

Why Purchase/Read/Use the Textbook if I can just come to class and study off the lecture notes?

Three good reasons:

1. The text is an additional and more detailed resource to find answers for questions you may have throughout lectures.
2. The same person who made the textbook is the one who is writing the assignments, quizzes and exams (me!). Thus, topics and themes that are emphasized in the textbook are ones that are most likely to be tested.
3. The text will provide you with a deeper understanding of the concepts – this will serve you well when you encounter questions (whether in exam or real-world) which require problem solving.

The Custom Textbook is available at the Copiesmart (103-5728 University Blvd, University Village). The cost for the custom textbook is defined by Copiesmart.

EVALUATION PLAN:

The grading schema for the course is as follows: **(Note you have some choice here!)** *

	DATE	PROPOSED VALUE (% of final grade)	<u>OR CHOOSE THE VALUE FOR YOU</u>
In-Class Activities: (pollev.com & mini-assignment questions)	Throughout the term	10	10
In Class Cases	Throughout the term	5	0-5
Assignments 1 & 2	TBA	10	0-15
Group Business Plan Project	Part 1: Proposal Part 2: Final Written Project	20	20
Midterm	Oct 19	25	15-30
Final Exam (cumulative)	TBA	30	20-40

**If desired, you may define your own evaluation plan by selecting a value within the ranges provided for assignments, in-class cases, midterm and/or final exam. Select a value with the range provided, ensure the value adds to 100%, and then email me at kelleen.wiseman@ubc.ca by September 26 by 8pm. No changes are permitted after that date so make your selection carefully. If you wish to have your value calculated using the proposed value for each item, no email is required to confirm this. The proposed values will be used for all students who have not specified otherwise.*

IN-CLASS ACTIVITIES (5%) AND EPOLLS (5%):

We will use these as one way to help you be active and engaged in your learning during class.

In-class mini-assignments: Individual activities will take place throughout the term. These will not be announced ahead of time and must be completed and submitted in the class during which they were assigned. You will be asked to submit these via paper copies or on connect in class. If you satisfactorily complete at least 90% of these activities, you will receive all 5% marks. If you complete and submit less than 90% of the in-class mini-assignments, your mark will be calculated as the proportion of mini-assignments you completed throughout the term (e.g., if you satisfactorily completed 70% of these, you would receive a mark of 3.5 out of 5). There will be approximately weekly activities. Late submissions will not be accepted.

Epolls responses: Poll Everywhere is a simple application that allows you to text short answer or answer multiple choice questions using mobile devices like phones or laptops. Students will be asked to participate by visiting a mobile-friendly web page or sending text messages. Instructions will be displayed on-screen. I will invite students by email and then you will be asked to login for Poll Everywhere. Then no matter what the device is used (laptop, smartphone, text message) you will be able to answer and your answer will be logged. You will need to bring one mobile device to class with you each day. If you respond to all the questions on a particular day, you will receive one point for that day. If you earn 90% or more of the possible points available for Epolls throughout the term, you will receive all 5 marks. If you receive less than 90% of the possible points for Epolls participation, your mark will be calculated based on the proportion of points received. There will be approximately weekly activities. Late submissions will not be accepted.

IN-CLASS CASES

The casebook includes a set of cases that we will use as a platform for in-class discussion throughout the term. These cases will focus on key concepts and areas that students generally find more challenging. Practice makes perfect – or at least increases the chances of perfect! Content from all cases covered in class are included in exams and assignments. Be prepared to write down the answers and key points as we go along as solutions will not be posted.

Moderator role: If you have selected to allocate points to the in-class case in your evaluation plan then you will need to sign up as a moderator of one case (details to the sign-up process and schedule will be provided via email in the third week of class). There will be several moderators per case but you do not have to coordinate. As a moderator, you are required to provide accurate answers to the case and be ready to provide answers to the case when the professor requests them in class. As well, you are asked to provide your rough notes to the professor after class.

Class member role: If you are not the moderator, you are still required to read the assigned cases and be ready to fully engage the relevant business planning principles and case solutions.

ASSIGNMENTS:

- Assignments are to be submitted in a PDF format via Connect System. You can convert to PDF using free PrimoPDF printer (available at <http://www.primopdf.com>) or other programs of your choice. It is your responsibility to produce readable files with reasonable size.
- Required format for assignments includes: PDF; typed; single spaced; title page providing assignment name, your name and UBC student number; and questions provided in correct order
- Excel usage is not required but encouraged for the completion of the financial assignments.
- Due dates/times will be posted on each assignment. Solutions to assignments will be posted via Connect on the due date/time. Please note, to be fair to all students, late assignments are not accepted because in most cases the solutions are posted right after time/date due. There is no partial score for late submissions; you should regard assignments as helping you keep up with the course. There will be no makeup assignments.
- Plagiarism of assignments will earn you a zero in the assignment at a minimum and will be handled according to the policies of the university.

GROUP BUSINESS PLAN PROJECT

You will be required to come up with a business idea that is associated with the food or agri-food business sector and then complete a basic business plan (due near the end of term) for that business idea. This project will be completed in groups of 3 to 4 students. A handout outlining timing and requirements for the group project will be given out on the second week of class. Groups will not be assigned and you are free to develop your own groups based on shared interest and expertise.

EXAMS

The midterm (90 minutes in class) exam date is defined in the class schedule and the final exam (2.5 hours) date will be defined by the registrar. Exams content will include problem solving and short answer questions. Examinations will be closed books and closed notes. The final exam will be cumulative.

Please note that a basic non-scientific calculator is required for each exam. Only this type of calculator will be allowed for use in the exam. If you are unsure if your calculator is OK for the exam be sure to check with me prior to the midterm date. Formula sheet and cell phones are not permitted during exams.

If you are unable to write a midterm examination, you must have a verifiable doctor note and must contact me before or immediately after the scheduled date and time and present documentation explaining your absence. If the excuse is considered legitimate then the weight of the exam will be transferred to the final exam. There will be no makeup midterm examinations.

HOW TO DECIDE ABOUT YOUR EVALUATION PLAN?

There is no perfect strategy. I am providing you with this option so you can select a plan that suits your strengths and schedule. Select a value with the range provided, ensure the value adds to 100%, and then email me at kelleen.wiseman@ubc.ca by September 26 by 8pm. No changes are permitted after that date, so make your selection carefully. If you wish to have your value calculated using the proposed value for each item, no email is required to confirm this. The proposed values will be used for all students who have not specified otherwise.

COURSE POLICIES

CLASS NOTES

Notes will be available on the website prior to the class. You will need to print and bring these notes to class. These notes provide only the basic information on the topics. Each student is expected to take additional notes during class.

NAME TAGS

You will be provided with a nametag during the first class. Please ensure you bring this name tag and display it each class. Thanks!

CLASS PROTOCOL

- Be on time for class. You are in a UBC business management course – manage your time. It is very disruptive for the rest of the student and the professor to enter into the classroom late.
- Participation is important in this class, especially since all students bring important and interesting real-world experience to discussions. All students are expected to come to class having read the assigned readings and additional resources and be ready to engage in the materials.
- Laptops are not necessary in the classroom. If you must have a laptop in class, then manage your access so as to respect others and the instructor by focusing on the lecture.
- Cell phones should be accessed only for time tracking and Epoll. Texting in class is not professional!
- Do not enter and exit the classroom during the class. The class is one hour and twenty minutes long and you are expected to be in the class the entire time.

COURSE SCHEDULE

MODULE 1 - BUSINESS PLANNING BASICS		Custom Textbook
Week 1	<ul style="list-style-type: none"> Food & Agribusiness: System & Unique Considerations Business Planning Process Feasibility Plan: Objective and Stages Business Planning – Objectives, Elements, Principles, Document Writing the Plan: Style, Content, Format 	
MODULE 2 –ENTREPRENEURSHIP & START UP		
Week 2	<ul style="list-style-type: none"> Entrepreneurship: Traits, Types and Trade-offs Business Start-Up: Approaches to Marketing Management in the agribusiness system Mission & Goal Setting Forms of Business Structures 	
MODULE 3 – MARKET ANALYSIS		
Week 3, 4, 5,	<ul style="list-style-type: none"> Market Research: Options and Trade-Offs Industry Analysis – Description & PEST Competitive Analysis – Porter Generic Strategies, Ansoff Development Strategies, Perceptual Map & Position, SWOT and Competitive Matrix Segmentation - Objectives, Buyer Behaviour, Bases, Steps, Selection & Meaningful Market Segments Sale Forecast Methods Business Plan: Marketing Analysis Section 	
MODULE 4 – FINANCIAL MANAGEMENT		
Week 6, 7, 8, 9	<ul style="list-style-type: none"> Financial Management Overview Financial Statements & Methods used for Business Planning: <ul style="list-style-type: none"> Depreciation Net Worth Statement Balance Sheet Statement of Changes in Owner Equity Income Statements: Cash and Accrued Cash Flow Statements Break Even & Sensitivity Analysis Financial Analysis and Performance: Ratios & Statement Analysis Business Plan: Financial Section 	
Midterm October 19		
MODULE 5 – Market Strategy		
Week 10	<ul style="list-style-type: none"> Market Mix Options Price, Product, Promotion, Place (Distribution) Consideration, Strategy & Selection 	
MODULE 6 - FINANCING & RISK		
Week 11, 12, 13	<ul style="list-style-type: none"> Sources of Financing: Debt & Equity Capital Structure and the Role of Leverage Time Value of Money, Capital Investment & Loan Analysis Risk Management & Risk Matrix 	
Final Exam TBA via UBC system		