EXECUTIVE CERTIFICATE IN FAMILY BUSINESS

MONASH UNIVERSITY
Monash is renowned as a dynamic university. Its research is internationally recognised, its faculties acclaimed for teaching excellence throughout Australia, and its graduates hold prestigious positions worldwide.

Monash offers a breadth and depth of courses and programs unique in Australia on six campuses – Berwick, Caulfield, Clayton, Gippsland, Parkville and Peninsula.

The university has ten faculties – Art and Design, Arts, Business and Economics, Computing and Information Technology, Education, Engineering, Law, Medicine, Pharmacy and Science.

FACULTY OF BUSINESS AND ECONOMICS
The Faculty of Business and Economics comprises the departments of Accounting and Finance, Econometrics and Business Statistics, Economics, Management, Marketing, and Taxation and Business Regulation. The faculty offers its undergraduate and graduate courses on five of the university’s campuses in Victoria, Berwick, Caulfield, Clayton, Gippsland and Peninsula, and in several countries overseas, as well as off-campus by distance education and open learning.

Graduate courses include graduate certificates, graduate diplomas, masters degrees by coursework and by research and the Doctor of Philosophy degree. Executive certificates are also available. Undergraduate courses include generalist and specialist (tagged) degrees, as well as double awards and double degrees, both within the faculty and with other faculties of the university.

The mission of the faculty is to use its scale, scope and unique internal diversity to become an international leader in the pursuit, dissemination and analysis of knowledge, particularly in the disciplines of accounting, banking, business law, business statistics, econometrics, economics, electronic commerce, finance, international business and international trade, management, marketing, taxation and tourism. By the application of that knowledge, its staff and students will contribute to the economic, social and commercial development of Australia and its neighbours and trading partners.

DEPARTMENT OF ACCOUNTING AND FINANCE
The Department of Accounting and Finance has staff based at the Caulfield, Clayton, Gippsland and Peninsula campuses.

The interests of the Department extend to all areas of accounting and finance, including auditing, banking, corporate finance, financial management, financial accounting, management accounting and risk management. Graduate programs are available on each campus and by distance education. These programs have been designed to meet a wide range of educational and professional requirements in accounting and finance. The Department is committed to excellence in teaching and research and values highly its interaction with the business and professional communities.

THE COURSE
The Executive Certificate in Family Business is a Faculty of Business and Economics award designed to increase students’ knowledge and skills in the area of family and private business management. This course is available to individuals who do not have a formal degree qualification and it also offers an alternative pathway for entry into formal award courses offered by the university.

The Executive Certificate in Family Business is a full-fee paying course which permits students to undertake preliminary studies in a number of business management related subjects. Students undertaking this course will have the opportunity of completing a coherent course of appropriate level study relevant to their career, with the opportunity to articulate into further tertiary studies, providing they achieve a credit average or above in their Executive Certificate studies.

This course comprises four subjects and may be completed over two semesters of part-time study.

OBJECTIVES
On completion of the course students should:

- have an understanding of the theoretical concepts upon which the practice of family and private business is based;
- be able to apply these concepts and techniques to real business problems, preferably within their own organisation, so that the concepts are put to practical application;
- develop an understanding of specialist areas of family and private business, appropriate to the student’s needs, and how this specialist knowledge can be applied to appropriate situations and problems;
- have the knowledge base to advance to higher degree studies.

ENTRANCE REQUIREMENTS
An applicant for admission to candidature for an executive certificate must:

- have at least six years relevant employment experience;
- have been either an owner manager or in a management/supervisory position or administering expenditure in excess of $500,000 per annum for at least three years; and
- be recommended by their employer, or if self-employed, provide suitable references.

COURSE DELIVERY AND LOCATION
The course will be delivered at the Caulfield Campus through 39 contact hours per subject per semester in the evenings and/or weekends.

Students will be provided with printed study materials which introduce subject content, case studies, and direct attention to appropriate readings in each subject area.
Independent work on assignments will develop students’ ability to apply theoretical concepts and techniques to real business problems, preferably within their own organisation. Students will be guided through case studies in family and private business to develop a better understanding of the relationship between theory and application.

The following teaching techniques will be used:
- the lectures for delivering the issues of family and private business will involve contemporary visual components such as data-show presentations and video materials;
- workshops will develop the students’ ability:
  - to analyse the usefulness and limitations of existing family and private business theories and practice, and
  - to evaluate these theories in relation to their businesses.

**COURSE STRUCTURE**
Normally students complete the course in one year of part time study. The course comprises the following four subjects:

First semester
- Family Business Issues I (core)
- Family Business Issues II (core)

Second semester
- Family Business Issues III
- Family Business Issues IV

**SUBJECTS**

**Family Business Issues I**
This subject introduces the idea that family and private businesses are different from other firms, since they mix business with their day-to-day family life, adding the complexity of family life to the business challenge. Thus, they face a range of issues surrounding three key aspects in running their family and private business: the firm; the owner; and the owner’s family.

Furthermore, family and private businesses exist in two social systems: business and socio-familial systems. Thus, the owners of family and private businesses face challenges not only from operational business areas such as competitive markets, planning, financing, marketing, but also from areas associated with ownership and family.

Family Business Issues I explores the issues of family and organisational cultures, and the interrelationship between both entities. The subject will discuss how culture is articulated at an early stage of the business, how it is communicated to employees and other generations, and how it is cultivated and changed. The “institutional overlap” between business and the socio-familial system is also explored.

**Family Business Issues II**
Family Business Issues II introduces the issues that a family and private business must face in the transition from entrepreneurship to a professionally managed firm. This move is essential for a company to develop beyond the first stage. Elements of the subject include business planning, competent and motivated management, clearly defined performance expectations, identifiable performance indicators, appropriate compensation systems, effective information and control systems, and the maintenance of clear and consistent communication.

The subject discusses the various structures that are available when setting up a business and outlines the various business tax structures available.

In addition, the subject considers the effective management of a family and private business’ wealth, both before and after the death of a principal, through the development of a suitable estate plan.

**Family Business Issues III**
This specialist subject introduces the notion that family considerations affect the choice of business strategy. Family Business Issues III will discuss how strategic planning for family businesses differs from planning for other types of organisations. It explores why it is necessary to integrate both the family system and business system into the planning process.

Strategic business planning in relation to strategic family planning will be discussed as well as issues such as succession, maintaining family harmony, employee care and loyalty, creativity, hoshin planning, and leadership.

**Family Business Issues IV**
This specialist subject explores the challenges and opportunities associated with developing and managing growth within the business. Managing growth requires an overall understanding of the business environment (marketing, planning, financial, and risk assessment). To ascertain the types of challenges growth-oriented firms may face, issues such as risk and financial management (e.g. inadequate working capital, cash flow, profits, and expenses) will be discussed.

Family Business Issues IV also discusses how skilful sourcing of funds is essential for the financial success of the family firm, while the nature and mix of funds used determine the profitability, short-term liquidity, and long-term survival prospects of the enterprise. The uses of venture capital are explored in relation to ownership and succession issues, as well as to the business life-cycle. In addition, the subject discusses what venture capital investors look for in making an investment decision, the due diligence process, structuring the deal, likely involvement of the investor after making the investment, and exit strategies that investors use and the implications these may have on the family business.

**COURSE OUTLINE – Topics covered include:**

**Family Business Issues I**

1.1 Family Business: Introduction and overview.
   - Surveys/Statistics.
   - Introduction and overview.

1.2 Family Business Dynamics:
   - Systems approach.
   - Life-cycles approach.

1.3 Roles, relationships and interactions in the Family Business.
   - The founder; the spouse; the children; in-laws; key employees.
   - Sibling Rivalry
   - Co-preneurial couples.

1.4 Communication and conflict resolution.

1.5 Balancing Family and Business.
   - Healthy family/healthy firm.

**Family Business Issues II**

2.1 Key attributes and critical success factors in the family business.
   - Strengths/weaknesses; advantages/disadvantages of family-controlled firms.
   - Institutional overlap.

2.2 Professionalising the family business.
   - The entrepreneur and the family firm.
   - From Entrepreneurial concern to family firm.
The family Constitution; issues of organisation and corporate governance.
Compensation issues and policy.

2.3 Succession issues – ownership and management.
   Management of succession; challenges.
   Succession planning in action; retirement planning and funding.

2.4 Protecting the Family Fortune.
   Legal and financial aspects of family business.
   Estate and Tax Planning.

2.5 Valuing and selling the family business.

Family Business Issues III
3.1 Leadership, vision, values and corporate culture.
   Change management within the family environment.
   Management practice and style.

3.2 Family considerations that impact on strategy.

3.3 Creativity and innovation in the family business.

3.4 Family values/roles in business plan construction.
   Business plan construction and hierarchy of planning techniques.

3.5 Managing the Growth of the family business; business life-cycles.
   Special issues of managing human resources in family firms.
   Effective professional resources utilisation.

Family Business Issues IV
4.1 Competitive environment.
   Environment scanning and scenario planning.
   Shifting paradigms
   Identifying market opportunities.

4.2 Competitive Advantage.
   Understanding the competitive environment.
   Competitive strategy in the family business.

4.3 Marketing in the family business.
   Customer focus.

4.4 Risk assessment and management.
   Risk assessment/management in the family business.
   Effective management of family firms and control systems.

4.5 Funding the growth of the family business.
   Assessment and analysis of funding options for the family business.
   Being ‘investment ready’ – obtaining equity finance for the family business.

METHODS OF ASSESSMENT AND RELATIONSHIP TO OBJECTIVES
Assessment for the two core subjects: Family Business Issues I and Family Business Issues II will be a combination of assignment work, case study, individual presentation, and examination. The assignment is designed to test the student’s ability to integrate theory and present a conceptual model of a business environment in relation to issues discussed in the subject. The case study is designed to test the student’s ability to apply theory to their own work or business environment. Individual presentations test the student’s ability to reintegrate the subject from its various parts into a whole and provide an explanation and recommendation of their own work or business environment problems. The examination will assess the student’s knowledge of different conceptual models pertaining to family business and how effectively they are able to apply these models to different problems.

These two core subjects will provide the prerequisite for the other two specialist subjects offered in this area: Family Business Issues III and Family Business Issues IV.

Assessment for the two specialist subjects will require students to complete assignment work, individual presentation, and a case study. Assignment work will require students to demonstrate their ability to apply theoretical and practical concepts to the specialist areas.

Individual presentations will test the student’s ability to reintegrate the subject from its various parts into a whole and provide an explanation and recommendations for their own work or business environment problems. The case study will be used to develop students’ skills to evaluate their business in relation to theoretical concepts within the specialist area.

ARTICULATION
Students satisfactorily completing the Executive Certificate in Family Business with an average grade of credit or above are eligible to apply for admission to graduate diplomas offered by the Faculty. Students may apply for credit exemption up to a maximum of four subjects towards the relevant graduate diploma. Students who successfully complete the graduate diploma with an average grade of credit or above may be eligible to continue their studies in a relevant Masters by coursework.

FEES
The Executive Certificate in Family Business is a full-fee paying course. Each subject is assessed at $1000 for 1998. Fees are payable at the beginning of each semester.

COURSE CO-DIRECTORS
The course co-directors for the Executive Certificate in Family Business, Professor Claudio Romano and Dr Kosmas Smyrnios are directly responsible for the structure and delivery of this program.

ENQUIRIES AND APPLICATIONS
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