

Small Business Essentials

11:373:205

Credits: 3

Prerequisites: Microeconomics course and Pre-calculus recommended

Instructor Information

Instructor	Email	Office Location & Hours
Peter Renzulli, CPA	Peter.renzulli@rutgers.edu	TBD

General Information

Area of Emphasis

This course focuses on the design and management of all aspects of a business, such as bookkeeping, inventory, customer experience, pricing, marketing, and benchmarking.

Learning Goals

This course is designed for non-business majors. By the end of the course, students will be able to:

1. Prepare and maintain a complete set of accounting books, including the preparation basic accrual financial statements.
2. Analyze and interpret different strategies of purchasing inventory using the merchandising method of accounting as well as:
 - a. Recognize different inventory methods such as LIFO, FIFO and Average.
 - b. Discuss the impacts of proper and improper purchasing of inventory on profitability and cash flow.
3. Determine the pros and cons of owning a business based on life style choices and finances.
4. Design a business strategy based on:
 - a. Understanding different customer experiences
 - b. Analyzing the 4 P's (product, people, process and price) of managing a business.
5. Validate business strategies from four different and specific approaches:
 - a. Operational approach
 - i. Design processes to run a business
 - ii. Discuss attributes of the right people to hire in the business
 - b. Marketing approach

- i. Formulate branding and social media strategies to deliver the business strategy
 - ii. Build an networking plan to market the business
- c. Financial approach
 - i. Evaluate different benchmarking methods to measure the business
 - ii. Understand and evaluate DuPont Formula as a benchmarking strategy.
- d. Understand economic theory and its impact on business design and strategy.

Assessment of Goals

Goals 1 and 2 will be assessed via in-class assignments and exams using TBL. Students will prepare a complete set of books and records for a particular business.

Goals 3 -6 will be assessed via homework assignments, participation in in-class activity, and the preparation and presentation of a well-researched business proposal. Students must demonstrate an understanding of the material as applied to different businesses during in-class participation. Students will develop three (3) separate research papers which, when combined, will provide the framework for developing a comprehensive plan for a startup business. The papers will utilize concepts such as customer experience, the 4 P's and benchmarking strategies. The final assessment will be an in class presentation of their work.

Grading

Grades will be assigned as follows:

Class participation	10%
Exams	30%
Research papers	40%
Presentation	<u>20%</u>
	100%

Course Materials

Required Text

There is no required textbook for this course. All required materials will be provided as handouts or posted on Sakai on a weekly basis. Students will also be engaged in interactive assignments designed by the professor.

Examples of course material include the following:

Course Topics and Design

1. Purpose of the course
 - a. This course is designed for non-business majors who wish to understand all aspects of business operations.
 - b. This is an introductory level class that will cover operations, sales & marketing, accounting and strategic planning.
2. Topics Covered
 - a. What is a business?
 - i. Types of business formation
 - ii. History of business formation
 - b. How a business makes money
 - i. Basic bookkeeping & financial statements
 - ii. Variable vs fixed cost
 - iii. Volume profit analysis
 - iv. Break-even
 - c. Understanding Inventory
 - i. LIFO, FIFO, Average cost, and specific identification
 - ii. Merchandising method of accounting
 - iii. Buying inventory, you make your money when you buy not sell
 - d. Why we own a business
 - i. Lifestyle
 - ii. Make money
 1. Dupont Formula
 2. Dupont and operations
 - e. Making money and knowing your customer - an integrated approach
 - i. Customer experience
 - ii. 4 P's of business
 1. Product
 2. People
 3. Process
 4. Price
 - f. Delivering the experience - an operations approach
 - i. Process
 1. The Details matter
 2. Designing systems to ensure the experience before you start
 - ii. Hiring the right people
 - g. Delivering the experience - a marketing approach
 - i. Branding
 - ii. Marketing
 - iii. Social media
 - iv. Networking
 - h. Delivering the experience - finance approach

- i. Using Dupont
 - ii. Bench marking your company with financials
 - iii. Bench marking your employees, drivers to success
 - iv. Budgets
 - v. Using break-even and volume analysis in your business
- i. Economics and your business

Exam Schedule

Date

Subject

Additional Information and Resources

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