

Small Business is Our Business...

Small Business Advancement National Center
University of Central Arkansas
<http://www.sbaer.uca.edu>

SBANC Newsletter, April 28, 1998

REMEMBER to check out the Virtual University for Small- and Medium-sized Enterprises at <http://www.vuSME.org/index.asp> or you may link to their site from the Small Business Advancement National Center's web site at <http://www.sbaer.uca.edu> . Take advantage of this spectacular opportunity to learn more about the Internet and help your small- or medium-sized business grow.

Click on the Small Business Advancement National Center's "Apple EG" search engine for specific small business topics that you might be interested in. Find the button at the bottom of the SBANC's home page (<http://www.sbaer.uca.edu>). You will be able to type in any small business topic that might be of interest to you, and our search engine will pull up all of the information related to that topic on our site. CHECK IT OUT!!!

INFORMATION TECHNOLOGY USE BY SMALL BUSINESSES

(Taken from "A Survey of Information Technology Use by Small Businesses," by Ron Berry and Jim Wood, both of Northeast Louisiana University.)

"Information technology is advancing at an amazing rate and it seems as if technology is changing society almost on a daily basis." This quote was taken from a paper written by Ron Berry and Jim Wood, of Northeast Louisiana University, concerning small businesses use of information technology. The two believe that the impact of information technology is affecting all businesses. Some common reasons for firms being somewhat reluctant about information system usage include:

1. "a lack of resources, including financial and personnel,"
2. "a lack of formalized turn-key systems,"
3. "a lack of internal expertise,"
4. "the shorter management time frame characteristic of the small business environment."

The introduction of the personal computer has been one of the most significant impacts of information technology on small businesses according to Berry and Wood. Many software companies have introduced software that is "user friendly" so that most anyone can learn to use it. Many small business owners are familiar with some forms of technology and feel comfortable using it, however, "some of the more recent technology and tools are not fully understood by entrepreneurs." The Internet and the World Wide Web are two aspects of technology that many people do not yet know how they work, or how to use them. Berry and Wood believe that "if training is not offered, then most likely learning about

advanced information technology is going to take place in a hap-hazard manner." If this happens, then many entrepreneurs may not fully realize the benefits of new technologies. To find out more about this topic or to read the entire paper by Berry and Wood visit our web site at: <http://www.sbaer.uca.edu/docs/proceedingsII/98asb001.txt>

TIP OF THE WEEK

"Advantages of Family Involvement in Business"

(Taken from "Small Business Management, An Entrepreneurial Emphasis," by Justin G. Longenecker, Carlos W. Moore, and J. William Petty.)

Problems associated with family businesses can easily blind young people to the advantages that can be derived from participation of family members in the business. The many positive values associated with family involvement should be recognized and used in the family firm.

A primary benefit comes from the strength of family relationships. Members of the family are drawn to the business because of family ties, and they tend to stick with the business through thick and thin. A downturn in business fortunes might cause non-family managers to seek greener pastures elsewhere. A son or daughter, however, is reluctant to leave. The family name, the family welfare, and, possibly, the family fortune are at stake. In addition, a person's reputation as a family member may hinge on whether he or she can continue the business that Mom or Grandfather built.

Family members may also sacrifice income to keep a business going. Rather than draw large salaries or high dividends, they permit such resources to remain in the business for current needs. Many families have gone without a new car or new furniture long enough to let the new business get started or to get through a period of financial stress.

Some family businesses use the family theme in advertising to distinguish themselves from their competitors. Such advertising campaigns attempt to convey the fact that family-owned firms have a strong commitment to the business, high ethical standards, and a personal commitment to serving their customers and the local community.

Other features of the family firm can also contribute to superior business performance. Peter Davis, director of the Wharton Applied Research Center at the Wharton School in Philadelphia, provides as examples the three following features (2):

1. Preserving the humanity of the workplace. A family business can easily demonstrate higher levels of concern and caring for individuals than are found in the typical corporation.
2. Focusing on the long run. A family business can take the long-run view more easily than can corporate managers who are being judged on year-to-year results.

3. Emphasizing quality. Family businesses have long maintained a tradition of providing quality and value to the customer.

"Small Business Management, An Entrepreneurial Emphasis;" Longenecker, Justin; Moore, Carlos; Petty, J. William; South-Western College Publishing; Cincinnati, Ohio; 1997; pp. 94-5.

If you have any comments about our newsletter or if you know of an upcoming small business event in your area, please contact Kim Stubbs by e-mail at: kstubbs@mail.uca.edu

SBANC STAFF

Dr. Don B. Bradley III
Executive Director and Professor of Marketing
Phone (501) 450-5345 E-mail: Donb@mail.uca.edu

Jeannette Thomas
Project Coordinator
Phone (501) 450-5320 E-mail: Jthomas@mail.uca.edu

Jim Grinder
Assistant Project Coordinator - Data Processing
Phone (501) 450-5377 E-mail: JimG@mail.uca.edu

Kimberly Stubbs
Assistant Project Coordinator
Phone (501) 450-5373 E-mail: Kstubbs@mail.uca.edu

Celine Birre
Graduate Assistant
Phone (501) 450-5373 E-mail: CB9015@cub.uca.edu

Rhondi Redmond
Student Assistant
Phone (501) 450-5300 E-mail: RAR1014@cub.uca.edu

Molly Bass
Student Assistant
Phone (501) 450-5377 E-mail: MJB3263@cub.uca.edu

Jay Garrison
Student Assistant
Phone (501) 450-5377 E-mail: JKG9440@cub.uca.edu

Adam Lites
Student Assistant
Phone (501)450-5300 E-mail: aml5025@cub.uca.edu

Ginny DeHart
Student Assistant
Phone (501) 450-5300 E-mail: grd3966@cub.uca.edu
