



MARRI LAXMAN REDDY INSTITUTE OF TECHNOLOGY AND MANAGEMENT

(AN AUTONOMOUS INSTITUTION)

(Approved by AICTE, New Delhi & Affiliated to JNTUH, Hyderabad)

Accredited by NAAC with 'A' Grade & Recognized Under Section 2(f) & 12(B) of the UGC act, 1956

COURSE CONTENT

FAMILY BUSINESS MANAGEMENT								
III SEMESTER								
Course Code	Category	Hours/Week			Credits	Maximum Marks		
24MB021E	Professional Elective	L	T	P	C	CIE	SEE	Total
		4	0	-	4	40	60	100
Contact Classes:45	Tutorial Classes: Nil	Practical Classes: Nil			Total Classes: 45			
Prerequisite: Basic concepts of Family Business								

COURSE OVERVIEW:

This course provides an understanding of family businesses and their unique structure combining family, ownership, and business systems. It examines succession planning, governance, and challenges in ensuring continuity across generations. The course also focuses on successor development, leadership, and strategic planning for sustaining competitive advantage. Finally, it discusses the future evolution and long-term sustainability of family businesses in a competitive environment.

COURSE OBJECTIVES:

- To understand the concept, structure, and unique characteristics of family businesses and their competitive advantages.
- To examine ownership challenges, shareholder responsibilities, and governance structures in family businesses.
- To analyze the development of next-generation leaders and succession planning in family enterprises.
- To study strategic planning and entrepreneurship for sustaining and regenerating family businesses across generations.
- To understand organizational change, leadership evolution, and strategies for ensuring the long-term future of family businesses.

COURSE OUTCOMES: After Completion of the course, students should be able to

1. Describe characteristics of family businesses, containing succession theories, system models, agency - stewardship perspectives, emotional intelligence factors and genogram applications in business dynamics.
2. Differentiate ownership - governance challenges in family businesses by distinguishing shareholder and managerial roles while focusing strategic fit elements that support enterprise sustainability.

3. Apply next-generation leadership concepts by selecting key attributes, managing interdependent relationships and elucidate CEO–family dynamics in succession planning.
4. Analyze life cycle stages of family businesses by valuating strategic regeneration efforts, core competencies and entrepreneurial actions that contribute competitive advantage.
5. Evaluate transformation strategies in family businesses by reviewing leadership transitions, cultural change processes, organizational development methods and mechanisms for institutionalizing.

UNIT – I: INTRODUCTION TO FAMILY BUSINESS

Family business as a unique synthesis; succession and continuity; the three-generation rule; building family businesses that last; the systems theory model of family business; agency theory of family business; the stewardship perspective of family business; competitive challenges and competitive advantages of family businesses; role of genograms and family messages in understanding the family system; family emotional intelligence; the eci-u model.

UNIT – II: OWNERSHIP CHALLENGES AND FAMILY GOVERNANCE

Shareholder priorities managers vs. owners; responsibilities of shareholders to the company; effective governance of the shareholder–firm relationship; family governance—structure and challenges; managing succession challenges; enterprise sustainability; twelve elements of strategic fit and their implications for family firms.

UNIT – III: SUCCESSOR DEVELOPMENT

Characteristics of next-generation leaders; attributes, interests, and abilities of next-generation members for responsible leadership; next-generation personalities; managing interdependence; CEO as an architect of succession and continuity; types of CEO roles; spouse’s role in leadership transition and transfer of power.

UNIT – IV: STRATEGIC PLANNING AND TRANSGENERATIONAL ENTREPRENEURSHIP

Life cycle stages influencing family business strategy; converting core competencies into competitive advantage; the unique vision of family-controlled businesses; strategic regeneration; the business rejuvenation matrix; entrepreneurship in family businesses.

UNIT – V: THE FUTURE OF FAMILY BUSINESS

New leaders in the evolution of family businesses; three stages of evolution; continuity and culture; cultural change and transformation; the change formula; organizational development approaches to change; commitment planning; organic competencies and the future of business; sustaining growth through competition; institutionalizing change.

TEXT BOOKS:

1. Ernesto J. Poza, Mary S. Daugherty, Family Business, 4e, Cengage Learning, 3rd Edition, 2015.
2. Frank Hoy, Pramodita Sharma, Entrepreneurial Family Firms, Prentice Hall, 4th Edition, 2010
3. Laura Hougaz Entrepreneurs in Family Business Dynasties: Stories of Italian-
4. Australian Family Business over 100 years, Springer, 7th Edition, 2015.
5. John L. Ward, Keeping the Family Business Healthy: How to Plan for Continuing Growth, Profitability and Family Leadership, Palgrave Macmillan, 3rd Edition, 2011

REFERENCE BOOKS:

1. Family Business Management: Concepts and Practice – A. Bakr Ibrahim & Willard H. Ellis, 2nd Edition, 2006, Kendall/Hunt Publishing
2. Managing the Family Business: Theory and Practice – Thomas Zellweger, 1st Edition, 2017, Edward Elgar Publishing
3. Entrepreneurial Family Businesses: Innovation, Governance, and Succession – Veland Ramadani, Esra Memili, Ramo Palalić & Erick P. C. Chang, 1st Edition, 2020, Springer

ELECTRONIC RESOURCES:

- <https://nptel.ac.in/courses/110105141>
- <https://www.classcentral.com/course/swayam-family-business-199645>
- <https://www.ifc.org/content/dam/ifc/doc/mgrt/family-business-governance-handbook.pdf>
- https://www.coursera.org/learn/leadership-in-the-family-business?utm_source=chatgpt.com

MATERIALS ONLINE:

1. Course template
2. Tutorial question bank
3. Tech talk and Concept Video topics
4. Open-ended experiments
5. Definitions and terminology
6. Assignments
7. Model question paper – I
8. Model question paper – II
9. Lecture notes
10. PowerPoint presentation
11. Drshya Siksha Sangrah (DSS) Videos

