

**COURSE DATA****Data Subject**

Code	35969
Name	Family business
Cycle	Grade
ECTS Credits	4.5
Academic year	2020 - 2021

Study (s)

Degree	Center	Acad. year	Period
1315 - Degree in Finance and Accounting	Faculty of Economics	4	First term

Subject-matter

Degree	Subject-matter	Character
1315 - Degree in Finance and Accounting	23 - Year 4 optional subjects	Optional

Coordination

Name	Department
DOLZ DOLZ, CONSUELO	105 - Business Administration 'Juan José Renau Piqueras'

SUMMARY

Currently, a very high percentage of economic activity takes place within family businesses, and they also generate the most employment. Students of the degree in finance and accounting should know familiar companies in depth like the most important element of the economic activity.

Also, those who will work or work in family businesses, those who direct or will direct them, those who own or will own them, may in this course acquire knowledge of the strengths and weaknesses of this type of companies; they will discover how to control some and reinforce others to increase success and ensure the continuity of the company. The subject will study the major issues of succession, generation changes, the incorporation and retribution of family members, the role of professionals or the preparation of a family protocol to order and regulate all relationships between family and business.

Students of the degree in finance and accounting can learn and assimilate a set of solid and novel concepts from which to more clearly understand the strategic, organisational and human issues present in an unavoidable way in any company. The key points of a good direction, diagnostic keys and guidelines for action are included in this program that aims to contribute to a better training of future entrepreneurs.



PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

Other requirements

Being a global subject, it is necessary that students have knowledge of Fundamentals of business management, Strategic management, Civil law, Commercial law, Tax system and Labour law.

COMPETENCES (RD 1393/2007) // LEARNING OUTCOMES (RD 822/2021)

1315 - Degree in Finance and Accounting

- Conocer las peculiaridades de las empresas familiares y su impacto sobre la dirección de la empresa.
- Conocer la legislación que afecta a la empresas familiares.
- Adquirir las habilidades necesarias para determinar el momento más oportuno así como el proceso familiar y empresarial más apropiados para poner en marcha los diversos órganos de gobierno, políticas y normas de funcionamiento interno de la familia y de la empresa.

LEARNING OUTCOMES (RD 1393/2007) // NO CONTENT (RD 822/2021)

- To know the perception of family businesses of the different sources to raise financing.
- Identify the strengths and weaknesses of a family business
- Identify the most frequent sources of conflict in a family business and know how to start the process of developing a protocol.
- Find out how current legislation affects the operation of family businesses

DESCRIPTION OF CONTENTS

1. INTRODUCTION TO THE FAMILY BUSINESS

- 1.1. Concept of family business.
- 1.2. Types of family business.
- 1.3. Family businesses in the Spanish and world economies
- 1.4. The family business in the Valencian Community.
- 1.5. Survival and results of the family business



2. COMPANY AND FAMILY

- 2.1. Causes of success and problems of the family business
- 2.2. The family business system.
- 2.3. The family: strength or weakness?
- 2.4 Competitive advantages and disadvantages of the family business
- 2.5. Solution strategies.

3. EVOLUTION OF THE FAMILY BUSINESS

- 3.1. Evolving model of the family business.
- 3.2. The visionary entrepreneur
- 3.3. The Society of Brothers
- 3.4. The consortium of cousins
- 3.5. Adapting practices and structures to change

4. OWNERSHIP, GOVERNANCE AND MANAGEMENT STRUCTURES OF THE FAMILY BUSINESS

- 4.1. Governance problems of the family business.
- 4.2. Family business structure: rules and decision areas
- 4.3. Ownership structure. Family business versus corporate business.
- 4.4. Governance structures
- 4.5. Management structures

5. SUCCESSION (I): TRANSMISSION OF LEADERSHIP

- 5.1. The moment of generational change and problems in succession
- 5.2. The succession process. Models
- 5.3. Process Planning.
- 5.4. Preparation of successors.
- 5.5. Preparation of the family
- 5.6. Preparing the company

6. SUCCESSION (II): TRANSFER OF OWNERSHIP

- 6.1. The type of ownership of the FE.
- 6.2. Transfer decisions and ownership structures.
- 6.3. When to transfer ownership.
- 6.4. How to transfer ownership.
- 6.5. To whom to transfer the property.
- 6.6. The 'professionalization' of the property.



7. NON-FAMILY MANAGERS

- 7.1. The need for non-family managers in the family business.
- 7.2. The perception of the family business by the non-family manager.
- 7.3. Roles, capacities and styles of non-family managers.
- 7.4. Incentives for the non-family manager to remain in the family business.

8. CIVIL ASPECTS OF THE FAMILY BUSINESS.

- 8.1. General objectives.
- 8.2. Matrimonial property regimes.
- 8.3. Minors and business assets.
- 8.4. Inheritance and succession.
- 8.5. Co-ownership.

9. TRADE ASPECTS OF THE FAMILY BUSINESS

- 9.1. The family business.
- 9.2. Bodies of the family and the company.
- 9.3. The Family Protocol.
- 9.4. The family and the ownership of the company
- 9.5. Shareholder remuneration.

10. FISCAL ASPECTS OF THE FAMILY BUSINESS

- 10.1 Taxes applicable while waiting for the family business. Previous notions.
- 10.2 Wealth Tax.
- 10.3 Inheritance and Gift Tax.

11. LABOUR ASPECTS OF THE FAMILY BUSINESS

- 11.1 Family work.
- 11.2 Presumption of non employment.
- 11.3 Destruction of the presumption of non-work.
- 11.4 Status of the members of the family business.
- 11.5 Employee member.
- 11.6 Administrative bodies and LR.
- 11.7 Administrative bodies and common working relationship.
- 11.8 Common employment relationship: dependency.
- 11.9 Common employment relationship: amenity.
- 11.10 Administrative bodies and special employment relationship.
- 11.11 Administrative bodies and PAD: Theory of the bond and golden parachute clauses.
- 11.13 Social Security framework
- 11.14 Assumption of internal promotion to PAD of a worker with a common labor relationship.



12. THE FAMILY PROTOCOL: CONTENTS AND EFFECTS

- 12.1. Concept.
- 12.2. Purpose of the family protocol.
- 12.3. Basic content of the family protocol
- 12.4. Typology of pacts.
- 12.5. Documentary structure.
- 12.6. Formulation and review process.

13. PSYCHOSOCIAL ASPECTS OF THE FAMILY BUSINESS

- 13.1. Group dynamics in the family business: roles, status, processes of influence and decision making.
- 13.2. Emotional intelligence and personal conflict resolution in the family business.
- 13.3. How to manage the organizational culture in the family business.

WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	30,00	100
Classroom practices	15,00	100
Development of group work	24,00	0
Preparation of evaluation activities	30,00	0
Preparing lectures	13,50	0
TOTAL	112,50	

TEACHING METHODOLOGY

To achieve the proposed objectives, a combination of theory and practical classes will be used.

Theory classes will be developed through master classes, which will be supported in the reference manuals that we will later indicate and in the class explanations. Thus, the study material of each of the topics will be composed of the class notes plus the book chapters indicated by the teacher.

Practical classes aim to bring students closer to reality and facilitate the implementation of the theory knowledge acquired and the development of skills and abilities. To achieve this, a combination of methodologies might be used, including: the resolution of cases, conferences given by businessmen and professionals working in the FB, attendance to seminars and visits to companies.

Through this methodology the subject aims to transfer to students a faithful vision of reality and a set of knowledge, skills and competencies of undoubted and immediate practical application.



EVALUATION

The evaluation of the subject consists of two parts:

- a) **Exam.** 60% of the final grade corresponds to the grade obtained in a written exam that may include theoretical-practical questions, theoretical development questions and comments on practical cases.
- b) **Continuous assessment.** The remaining 40% will come from the grades obtained throughout the course from the submission and / or presentation of the works required by professors. The total grade will be a weighted average of the two grades, as long as the score in both is greater than 4. A grade lower than 4 points in any of the parts means failing the subject. A grade lower than 5 points in the final mark of the subject means failing the subject. Students who, for whatever reason, cannot attend all or part of the practical classes should contact the teacher of the subject before September 24, 2020. The deadlines for submission of reports and papers will be published in the virtual classroom. Works submitted beyond the indicated date will imply a mark reduction of 3 points. In any case, submissions delayed more than 48h. will not be accepted. The evaluation system will be maintained in the two official calls of the subject. The b part mark can be maintained in case this mark is equal or greater than 5, and the subject was failed in the first call. Part b mark cannot be used beyond the first and second call of the current course.

REFERENCES

Basic

- CORONA, J. Empresa familiar: análisis estratégico. Ediciones Deusto, Barcelona, 2017

Additional

- CORONA, J. (Ed.), Empresa familiar: aspectos jurídicos y económicos. Ediciones Deusto, Barcelona, 2011.
- PÉREZ-RODRIGUEZ, M.J. (Coord.)- BASCO, R.- GARCÍA TENORIO, J. GIMÉNEZ, J. SÁNCHEZ I., Fundamentos en la dirección de la Empresa Familiar. Emprendedor, empresa y familia. Thompson-Cívitas, Madrid, 2007.

ADDENDUM COVID-19

This addendum will only be activated if the health situation requires so and with the prior agreement of the Governing Council

English version is not available