

**IBA** Institute of  
Business Administration  
Karachi

*Leadership and Ideas for Tomorrow*

**IBA CEE**

Center for Executive Education  
Institute of Business Administration

# *Diploma* *in* *Family Managed Business* *"Growing business with family values"*

Starting from  
**October, 21<sup>st</sup> 2017**

At  
**IBA, City Campus, Karachi**

## Overview

According to the Center for International Private Enterprise (2011)<sup>1</sup> there are over 50,000 family businesses operating in Pakistan. This figure excludes small roadside businesses in the country. Furthermore; over 80% of companies listed on the Pakistan Stock Exchange are in some way related to a family business (Zahid & Aslam, 2006)<sup>2</sup>.

Family businesses serve as the bedrock of any economy and in most economies more than 70% of businesses are classified as family business. These are not only engines of growth and contributors to the economy but they also generate employment. It is the natural evolution through which businesses transform from an entrepreneurial venture to prospective corporations

Family firms differ from other businesses as they combine family and business. This distinctive feature is an unimitable asset but may turn into a liability if not managed effectively.



*“Only about 20% of family businesses last beyond 60 years in the same family”*

The global shift in focus towards entrepreneurship and family business isn't without merit. With hyper-competition and disruption, it has become increasingly important to focus on the institution of family business. These inherent challenges of the family business require an introspection guided by academia

<sup>1</sup>Center for International Private Enterprise. (2011). *Safeguarding the legacy: Corporate Governance and longevity in Family Owned Enterprises*.

<sup>2</sup>Zahid, R., & Aslam, A. (2006). *Managerial Efficiency in Family Owned Firms in Pakistan - An examination of listed firms*

## *Need for Diploma in Family Managed Business*

Family businesses function within unique operational dynamics. Conventional management programs do not account for these in their curricula. Although most family businesses have an improved profitability due to vertical integration, long term view of business, higher equity and reinvestment (Gersick, Davis, McCollom-Hampton, & Lansberg, 1997)<sup>3</sup>. However they are not without challenges in the areas of, but not limited to:

- Acquiring low cost capital
- Auxiliary growth and business diversification
- Managing ownership and leadership transitions
- Professionalization of family businesses
- Delegation of powers to non-family but competent professionals
- Developing the next generation of business managers/directors

A formal education then is required that may prevent the dissolution of family business that is common the world over at roughly the third generation.

The overarching theme of the diploma is to “Educate family business members on contemporary business practices and to de-educate them on practices which act as impediments to growth and or lead to the dissolution of family business”

<sup>3</sup> Gersick, K. E., Davis, J. A., McCollom-Hampton, M., & Lansberg, I. (1997). *Generation to Generation: Life Cycles of the Family Business*. Boston: Harvard Business School Press.

## *Diploma Goals*

1. To prepare participants for the challenges Family Managed Businesses (FMB) face
2. To facilitate their induction and grooming into the family business
3. To realize the value of attracting and retaining non family talent
4. To capitalize on the unique advantages family businesses have over professionally managed businesses
5. To appreciate the importance of succession planning, wealth management, capital allocation, and professionalization in family managed business
6. To understand the significance of family business governance and dynamics of family communication
7. To help participants secure family businesses by emphasizing the need for change, adaptation, innovation and continuing the spirit of entrepreneurship
8. To learn ways to attract low cost financing
9. To create awareness for best practices in HR, Marketing, Finance, Production and R&D
10. To acquire working knowledge of business functions
11. To enhance skillset for leadership, interpersonal communication, conflict resolution, team building and improved decision making
12. To help evolve mindsets to look into global opportunities for expansion and diversification
13. To introduce newer business models and emerging technologies impacting business operations
14. To instill the desire to carryout socially responsible businesses

## *Benefits*

After completion of the diploma participants will be able to

- Critically analyze the internal and external environment for problems and opportunities
- Manage day to day operational challenges along with an eye for long run performance capabilities
- Use parallel planning processes
- Capitalize on family name and reputation by consistently offering high quality products and services
- Demonstrate leadership and entrepreneurial skills required to grow business
- Craft a family legacy based on trust and commitment
- Implement corporate governance best practices
- Resolve successfully FMB issues and challenges through pursuing joint optimization
- Enhance speed to market time by reducing decision making cycles and increased customer intimacy
- Charter family dynamics for growth and expansion
- Maintain Work-family balance

## *Key Themes*

- Significance of family business governance and dynamics of family communication and trust creation
- Challenges FMB face and response strategies
- Reviving the spirit of entrepreneurship
- Managing non family talent
- Succession planning, wealth management, capital allocation, and professionalization in family managed business
- Leadership, interpersonal communication, conflict resolution, team building and improved decision making
- Contemporary working knowledge of business functions



## *Who should attend?*

- Family business members
- Employees working for business
- Spouses and next generation family members interested in learning and gaining insight into contemporary best practices and processes of running family business.

## *Andragogy*

Learning from the best practices & functions of projects around the world:

- Lecture (Class room & Video Conference)
- Project (Live business cases from the organizations)
- Group Activities / Simulations/ Syndicate
- Visits: Strategic Locations
- Learning Management System
- Guest Speakers
- In-depth study of various projects in Pakistan
  - Manual
  - Case Studies
  - International Journals
  - Text Books



## *Schedule*

- 4-Month Diploma Program
- Commencement of Classes from October 21<sup>st</sup>, 2017
- Classes will be held on weekend from Saturday to Sunday
- 4 Classes a week, 2 classes on each day
- Class Timings:
  - Saturday: 02:30 pm – 05:30 pm
  - Saturday: 06:00 pm – 09:00 pm
  - Sunday: 10:00 am – 01:00 pm
  - Sunday: 02:00 pm – 05:00 pm
- Mid-term and Final-term Examination

## *Eligibility*

An applicant must have:

- A bachelor's degree from HEC recognized educational institution in any area of study.
- An adequate post qualification work experience.

## *Admission Criteria*

- Admissions will be based on Panel Interviews.
- Each application will be thoroughly screened, and will only be accepted if deemed suitable for the program.
- Nominations with incomplete application forms and incomplete documents will not be entertained.



## Program Fees

**Program Fees: PKR 150,000/- (excluding all applicable taxes)**

15% discount is offered if full fee is paid in advance

Advanced Payment Schedule	Total
Total fee in Advance	PKR 127,500
Last date of fee submission	16 October, 2017

Installments Payment Schedule					Total
Total Fee (if paid in 4 equal installments)	PKR 37,500	PKR 37,500	PKR 37,500	PKR 37,500	PKR 150,000
Last Date of fee submission	16-Oct-17	06-Nov-17	04-Dec-17	05-Jan-17	

### Fee Includes:

Processing fees, Test and Exam Fees, Diploma and Transcript. Fees do not include course material, books and stationery.

**Admission fees PKR 500/-**

## *Online Admissions*

Apply Online Now; [<https://cee.iba.edu.pk/diplomaprograms.php>]  
All students to be enrolled in ERP.



## *Payment*

Payment is due upon receipt of the acceptance of participants to the program along with the invoice. Please ensure that the payment reaches the CEE Office before commencement of the program as seat in the class will only be reserved once the fee is received.

Payment can be made via cheque / bank draft payable to the “Institute of Business Administration, Karachi” at the following address:  
Center for Executive Education (CEE)  
IBA, City Campus, Garden/Kayani Shaheed Road,  
Karachi.

For online payments via credit cards:

<https://onlinepayment.iba.edu.pk/>

From dropdown 1 & 2 please select ‘Executive Education’

Experience  
**EXECUTIVE**

# EDUCATION

Center for Executive Education, IBA, Karachi

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## For Further Information

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Contact us for Client Specific Customized Executive Programs & Consultancy

