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Sherry Robinson, Editor
Penn State University

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LETTER FROM THE EDITOR

We are extremely pleased to present *the Academy of Entrepreneurship Journal*, an official journal of the Academy of Entrepreneurship, Inc. The AOE is an affiliate of the Allied Academies, Inc., a non profit association of scholars whose purpose is to encourage and support the advancement and exchange of knowledge, understanding and teaching throughout the world. The *AEJ* is a principal vehicle for achieving the objectives of both organizations. The editorial mission of this journal is to advance the knowledge and understanding of entrepreneurship throughout the world. To that end, the journal publishes high quality, theoretical and empirical manuscripts, which advance the entrepreneurship discipline.

The manuscripts contained in this volume have been double blind refereed. The acceptance rate for manuscripts in this issue, 25%, conforms to our editorial policies.

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Sherry Robinson, Editor
Penn State University

TRAINING MARRIAGE AND FAMILY THERAPISTS AS FAMILY BUSINESS ADVISORS: A SUPERVISORY MODEL

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ABSTRACT

Family business advisors play a crucial role in assisting family businesses on issues surrounding the business, the family, and both. One issue that has not been addressed is the ideal supervision modality while training marriage and family therapists as family business advisors. Using a modified Delphi method, ten marriage and family therapists experts in consulting family businesses were asked about the best way to supervise therapists being trained as family business consultants. The findings suggest a supervisory model which combines supervisors from the same and different field of expertise as the supervisee. The authors apply these results and suggest a supervisory model that could be implemented by the Family Firm Institute's certificate program which could include a

generalist and specialist certificate to train specialized family business advisors.

CURRENT SUPERVISION MODELS IN TRAINING FAMILY BUSINESS ADVISORS

Family businesses have always been the dominant form of business enterprises around the world and play a major role in economic, social, and political well-being of free world countries today. It is estimated that 95% of the world's businesses are family businesses; approximately 90% of all business establishments in the United States (Beckhard & Dyer, 1983), 80% in South Africa (Venter, Boshoff, & Maas, 2005), and 98% in the Gulf States (Welsh & Raven, 2006).

Family business advisors play a crucial role in assisting family businesses on issues as wide-ranging as the two ends of the spectrum-family to business and the intersection of both. Marriage and family therapists (MFTs) are not trained as family business advisors and those that have been trained on the business side as financial and legal advisors lack training on the family side. In order for advisors to obtain an interdisciplinary understanding of family businesses, the Family Firm Institute (FFI), an international association devoted to the education and professional development of family business owners and advisors, created a certificate program. Such a program requires that advisors be supervised by mentors from a different discipline. This supervision model differs from that used in mental health professions. The rationale underlying such a model is the importance for advisors to have an interdisciplinary understanding of family businesses it, however, leaves aside specialization in one particular discipline.

A larger study on the creation of a curriculum to train MFTs in family business consulting shed light into the importance of supervision. Ten MFTs experts in consulting family businesses were asked about their perception of the best way to supervise marriage and family therapists being trained as family business consultants. The authors apply these findings to the actual training model provided by the FFI and suggest that the FFI's certificate program include a generalist certificate in family business advising and a higher level specialist certificate as an alternative to train effective family business advisors.

CROSS-DISCIPLINARY TRAINING FOR FAMILY BUSINESS CONSULTANTS

While the importance of family business in the global economy has been well established, formal education and research programs that specifically focus on family businesses have appeared in the last twenty years. Interest in family business studies began escalating in the 1990s. In 1998, *Nation's Business* magazine identified 20 universities in the U.S. that had established some form of family business program within or affiliated to their business schools. In the last ten years, doctoral education in family firms emerged and rigorous empirical studies on family business have taken place (Hoy & Sharma, 2006).

The complexities of the family business system require the integration of insights from a variety of disciplines. Therefore, family business consultants, regardless of their specialized background, should have awareness and exposure to concepts, skills and techniques in legal, financial, management, and behavioral aspects of family businesses (FFI, 2008). There are currently no cross-disciplinary graduate programs to train family business consultants. Family business programs primarily focus on preparing future business owners or managers. A standardized cross-disciplinary program for each specialization within family business consulting is nonexistent.

The Family Firm Institute (FFI) provides its members with certifications in advising family businesses. The Book of Knowledge, an information guide published by the Family Firm Institute, is organized around four core areas in family business consulting: legal, financial, management science, and behavioral science. Due to the complexity of family businesses, professional advisors are required to have a certain level of familiarity with all four areas involved in order to better assist family businesses.

Applicants must first determine the areas they wish to improve on by doing a “Self Assessment Matrix” which consists of a list of topics on the four core areas (behavioral sciences, management sciences, finance, and law) and a matrix showing the current level of knowledge and the desired level of knowledge. Once this has been filled out, the applicants must select a mentor. Mentors are experienced members who already hold a certificate. The applicant then completes a "Self-Assessment Activity" which consists of determining those areas he/she needs to develop in the following two years and how he/she will attain the goals set. The applicant then develops a "Learning Contract." This contract consists of the formulation of specific learning objectives, plans for achieving these objectives (specific activities, readings, etc.) and the date of completion. In addition to this, the applicant must attend a "Launching Pad" which is a seminar for professionals new to interdisciplinary family business advising, to a Family Firm Institute seminar or course, and to two annual Family Firm Institute conferences (Family Firm Institute, 2009).

The FFI provides an important starting point and standardization process through their certificate program for professionals to improve their skills and knowledge and assures a minimum level of expertise of family business consultants. However, there is not a standard curriculum for the different areas of knowledge. The areas of knowledge are broad (for example, psychologists and MFTs fall in the behavioral sciences area, disregarding their essential differences which lead to distinct approaches, understanding and interventions of family businesses), and the applicant determines what core knowledge is lacking and self-evaluates their level of knowledge. Further, the mentors are volunteers that come from diverse disciplines and are not classified by professions but rather divided into the four broad categories mentioned (legal, financial, management, and behavioral). Even though the Family Firm Institute promotes a cross-disciplinary approach, each consultant necessarily has an area of expertise that is much more narrowly defined than the broad category under which they fall. For example, psychologists have been trained from an individual perspective while MFTs are trained from a systems perspective. Psychologists focus on issues such as motivation and leadership, while MFTs concentrate on aspects such as structure, boundaries, and differentiation.

SUPERVISION IN MENTAL HEALTH PROFESSIONS AND FAMILY BUSINESS ADVISING

Supervision is a core element in the programs training mental health professionals. Supervisors are the gatekeepers to the mental health profession since they are in charge of assessing the supervisee's knowledge and application of theory, their clinical skills, adherence to ethical standards, and personal characteristics as they relate to professional practice (Brady, Guy, & Norcross, 1995; Lumadue & Duffey, 1999). Supervisors have the responsibility to assess how much supervision each supervisee needs in terms of theoretical knowledge and must identify any aspects (both in terms of knowledge and emotional behavior) that might jeopardize ethical MFT standards. Lamb et al. (1987) define professional impairment in the context of clinical training as meeting with one or more of the following conditions: (1) demonstrate professional behavior that does not integrate professional standards into one's repertoire (ethics); or (2) be unable to obtain adequate professional skills to offer clients an acceptable level of competency (theories and techniques); or (3) be unable to control personal stress, have any psychological dysfunctions and / or excessive emotional reactions that interfere with professional functioning. Any of these conditions interfere with professional performance and must be addressed in supervision (Aponte, 1994, 2003). The importance on reflecting on personal issues as well as in best ways to apply theories into practice requires a supervisor with certain skills and knowledge in the same field as the supervisee.

SUPERVISORY NEEDS FOR ADVISORS IN TRAINING

Family business advisors come from a variety of disciplines and need to have a multidisciplinary perspective to better serve their clients (FFI, 2009). This interdisciplinary context brings certain challenges in terms of training and supervision such as which would be the best supervisory model to train effective family business advisors and if there is one model that can fit all disciplines.

Mental health programs (with the exception of Industrial/Organizational psychology) focus on practice targeted to a clinical setting, not an organizational one. Even those targeted to organizations lack a specialized training in family businesses which consist of a more complex dynamic due to the interaction of the family and the business systems. This leads to few mental health professionals, particularly MFTs, specialized in family business consulting who can offer supervision. For this reason, most mental health professionals obtain their expertise through experience without the required supervision (Sperry, 1996). Further, there is not a determined model of supervision to MFTs working as family business consultants taking into consideration the importance of having a multidisciplinary knowledge.

METHODOLOGY

The present study stems from a larger study to create a model curriculum for MFTs to work as family business consultants. One of the main areas in this model curriculum was supervision. In this study we use the data gathered for this larger study to propose a supervisory model for MFTs and other professionals dealing with family businesses.

MFTs experts in the family business advising were contacted to give their input on supervision in family business consulting. The Delphi method was used to achieve consensus among these experts. This method appeared to be the best since the study dealt with issues that had not previously been focused on (Keeney, Hasson, & Mckenna, 2006). The Delphi method also allowed these experts who were dispersed throughout the country to exchange their thoughts and experiences.

Only focusing on consensus can eliminate different viewpoint which can enrich the data collected (Linstone & Turoff, 1975). To overcome this limitation, a qualitative aspect to the Delphi method can be added. Since this study was exploratory, qualitative methods seemed well suited (Gilgun, 1992).

Sampling Procedures

This study focused on MFTs experts in family business consulting, thus the participant's knowledge was a fundamental element to guarantee a high quality outcome in the Delphi method (Keeney et. al, 2005). Participants were purposefully selected according to their expertise and knowledge in family business consulting and MFT. Participants needed to have specialized training in MFT (determined by either having graduated from an MFT program or being a mental health professional (i.e.

psychology or social work) licensed in MFT (LMFT). In addition, participants were required to have at least 5 years of experience providing consulting services to family business.

Since there is no database of marriage and family therapists (MFTs) who work as family business consultants, we selected the participants by identifying MFTs who had published articles or book chapters related with family business consulting. We searched the internet for family business consultants and selected those that fit the selection criteria. We also contacted professionals with this background referred by the consultants of the Family Business Forum at Virginia Tech and used the snowball technique by asking interested participants to give referrals.

Twenty-five potential participants were contacted by e-mail and fourteen responded to the invitation to participate. Of those fourteen, three said they did not meet the criteria because they did not do family business consultation and one declined the invitation to leave ten participants. Given the small scope of the respondents, ten participants is reasonable to address the research question guiding the present study. Table 1 shows the demographics of the final ten panelists.

Data Collection and Analysis Procedures

This Delphi study consisted of three consecutive phases. The first phase was a semi-structured phone interview, the second phase consisted on an on-line questionnaire, and the last phase consisted of a wiki. Each phase provided data that were used to create an instrument to collect data from the subsequent phase.

Table 1: Expert Panelist Demographics		
1. Gender of Expert Panelists		
	Male (N=5)	Female (N=5)
2. Years of Experience Providing Consultation to Family Business		
5-10 Years (N=1)	10-20 Years (N=3)	More than 20 Years (N=6)
3. Training/Education in MFT		
	MA or PhD MFT Program (N=9)	LMFT (N=7)
4. Primary Setting for Practice		
	Business Consultation (N=7)	University (N=3)

The final product of the data analysis was a model course content for family business consultation. One of the courses discussed by participants as important to consider while training MFTs in family business consultation was supervision. In this paper, we focus on supervision and its relationship with other main topics to consider in a model curriculum. Table 2 summarizes how these three phases interrelate in their data collection and analysis procedures leading to the creation of the course content which was the main purpose of this study.

Phase I: Semi-Structured Interview

Data collection procedures.

As in a traditional Delphi study (Linstone & Turoff, 1975), the first phase of this study was exploratory in nature. This initial phase consisted of a semi-structured interview. The objective of this interview was to explore the participants' perceptions of the core areas of a training program in family business consultation for marriage and family therapists.

<table>
<tr><th colspan="6">Table 2: Data Collection And Analysis In The Three Delphi Phases</th></tr>
<tr><th>Delphi Phase</th><th>Data Collection Instrument</th><th>Type Of Data Collected</th><th colspan="2">Data Analysis</th><th>Product</th></tr>
<tr><td>Phase I</td><td>Semi-structured interview</td><td>Qualitative</td><td colspan="2">Summarization and categorization</td><td>On-line questionnaire</td></tr>
<tr><td rowspan="2">Phase II</td><td rowspan="2">On-line questionnaire</td><td>Quantitative</td><td>IQR and Median</td><td rowspan="2">Merge qualitative and quantitative datasets</td><td rowspan="2">Wiki</td></tr>
<tr><td>Qualitative</td><td>Summarization, categorization, and comparison with data from previous phase.</td></tr>
<tr><td>Phase III</td><td>Wiki</td><td>Qualitative</td><td colspan="2">Summarization, categorization, and comparison with data from previous phases.</td><td>Model Course Contents</td></tr>
</table>

A review of the existent literature allowed to predetermine nine areas to consider including in a curriculum for MFTs in family business consultation: specific issues faced by family businesses, MFT theories that guide consultant's work, other aspects (disciplines or specific areas) consultants should be knowledgeable of, differences between consultation and therapy, ethical issues consultants tend to face, research (specific issues, topics or methodologies), practicum, supervision, and bibliography. Participants were asked to comment about these areas and say if they thought they were important or not, and /or if they would add or eliminate any. Participants were free to contribute any additional information they felt pertinent. The final areas served as sensitive concepts for the questions used in the second phase of the study.

Data analysis procedures.

The outcome of this first phase was the creation of an on-line questionnaire. Therefore we focused the data analysis on the participant's feedback regarding the importance of the selected areas to consider in a model curriculum for MFTs in family business consultation and any content for each area that they might provide. The responses to the interview main question were short and concise (e.g., important area to consider in a model curriculum: yes/no). However, some panelists developed each area further providing emergent data (themes not found in the literature review) to include in the construction of the final questionnaire. The data was summarized and redundancy was eliminated by clustering similar responses into one theme. All the possible aspects within an area proposed by all of the panelists were included in the on line questionnaire to allow these ideas to be considered by the panelists and explore the degrees of consensus regarding these specific themes. Not all the participants commented beyond the main question asked (which required a yes/no answer) and not all the participants commented and amplified on the same areas.

Phase II: On-Line Questionnaire

Data collection

The on-line questionnaire was created based on the data gathered in Phase I (the semi structured phone interview) and that obtained from a review of the literature on family business consultation from a MFT perspective. The questionnaire consisted of nine general questions (one regarding each area). Each question was composed of several alternative answers, each to be answered in a 7 point Likert scale. Participants also had space to make comments on each question. This space allowed participants to either elaborate on their responses or to add any other alternative answers that were not included. These additional spaces allowed participants to expand on their ideas about the content areas that should be included in the model curriculum. For example, one of the nine core areas was supervision. Participants were asked their opinion about what supervision should include and how it should be imparted. Participants were given the following alternatives to rate in a scale from 1 to 7 (1 being strongly disagree and 7 strongly agree):

1. It should be done as a co-consultation.
2. Help supervisees reflect on their motives to be a consultant.
3. Help supervisees reflect on their skills and assets.

4. Supervisees should reflect on messages from their own family of origin regarding money and power.
5. Supervisees should reflect on messages from their own family of origin regarding authority figure issues.
6. Supervisees should be required to reflect on transference issues (e.g. they could be required to write a paper and evaluate the effects of transference).
7. Supervisees should look for a supervisor who is an expert on an area in which he or she feels needs more support (e.g. an accountant).
8. Supervision would be ideal, but is unrealistic due to the few experts in the area (MFT FB consultants).

Data analysis

An analysis of this phase allowed determining emergent themes, the degree to which the participants agreed and disagreed on the different topics, and topics which had a wide range of opinions. The data analysis threw both qualitative and quantitative data which were first analyzed separately and then merged to determine the contents for the third phase, the wiki.

Quantitative data analysis

The quantitative part of the questionnaire was analyzed by calculating medians and interquartile ranges (IQR) for each item. Medians provide information on the central tendency of the responses, showing where most of the items fall on the agreement-disagreement scale. Medians also inform about the type of distribution. A median of 4, for example, would show a skewed distribution towards the high end of the scale. This is important information in analyzing the degree of consensus in each item. The IQR provides information about the range of scores that lie in the middle, 50% of the cases, thus it informs the reader about the consensus of the responses on a particular item. The IQR reflects the variability in the data without being affected by extreme scores. Generally, the level of consensus is determined according to that established by Binning, Cochran, and Donatelli (1972) to ensure that the items that formed part of the final profile are those considered most important by the participants. The items selected are usually those that receive a median of 6.00 or more and an IQR of 1.5 or less. Because of the infancy of the field, we wanted to be more inclusive in our final profile, thus selected those items which received a median of 5 or more and an IQR of 2 or less. It was also important to learn about the items in which panelists' opinions were controversial, thus the items that had an IQR of 3 or more were also selected.

Qualitative data analysis.

The comments made by the panelists were summarized to eliminate redundancies and to create themes. These themes were then compared with those found on the first phase to detect any patterns. This comparison allowed a clearer understanding of the final profile provided by the quantitative analysis.

Merging qualitative and quantitative analyses.

The analysis of the quantitative data allowed us to detect the level of consensus among panelists regarding the content areas. The qualitative data provided content areas that were not present on the questionnaire. The combination of both sets of data provided information about elements to include in final profile, elements where no consensus was reached and new elements to take into consideration. The final analysis of this phase provided the main topics to be posted on the wiki (third and last phase). There were several aspects that met the criteria to be included on the wiki (controversial opinions and/or need for further information). However, not all could be selected because, on one hand, the wiki could not be too long since it would take too much time from the participants and, on another hand, the selected aspects had to be of interest to the participants. Selecting few and interesting topics would increase the participation rate.

Phase III (Wiki)

Data collection

A wiki is an online database that allows users to create and edit the content of a web page. Wikis are used to create collaborative websites where users can write documents in collaboration with one another. Wikis can be open to the general public or made private (ct., Wikipedia). This last phase consisted of the use of a private wiki space to support and encourage an interaction of ideas and discussion between the participants around issues that were controversial or that needed more in-depth information to better understand. The wiki consisted of seven themes for discussion: Structural therapy, therapy and consultation, ethics, assessments, supervision, getting started as a consultant, and bibliography. Participants received a link to a wiki and were asked to comment on each question posted and/or to comment on comments posted by other panelists. Panelists were free to respond to as many questions or comments and as many times as they wished After a week had passed without any new postings, the wiki was closed and the data collected for analysis. Table 3 shows the summarized questions posted on the wiki and its rationale.

Table 3: Selected Questions and Rationale	
Summarized Wiki Question	Rationale
Importance of structural family therapy theory in family business consultation	The quantitative analysis showed low consensus among panelists in regards to the importance of structural family therapy theory. This information is contradictory with the literature which reveals this theory as important to the understanding of family businesses.
Difference between therapy and consultation: Depth of work and therapy outsource.	There was disagreement among panelists about the depth of work a consultant should do. This theme seems important to better understand the differences between therapy and consultation.
Examples of dual relationships as ethical issues.	Panelists agreed that this was an important aspect to consider. Since the objective of this study is the creation of course content, examples of this important issue can provide material to create case studies.
Assessment tools	Panelists agreed on the importance of using assessment tools in their work. However, they did not mention which were used. In order to create the content for a course, this information seems important.
Supervision	Panelists agreed that supervision was ideal but unrealistic. Because it would be ideal, a model curriculum should include supervision. Allowing a discussion on this topic might raise interesting alternatives and ways to provide supervision to students.
Challenges and learned lessons in the creation and administration of their family business consulting business.	Creating and managing a business as a family business consultant was an emergent theme from the qualitative data of the second Phase. Asking panelists to share their experiences will provide information to consider as content of a course in this subject.
Bibliographical suggestions on finance and law.	Finance and law were detected as important areas a consultant should be knowledgeable of. However, information about resources and specific aspects of disciplines to include was lacking.

Data analysis

The data gathered in this phase were qualitative. The nature of the wiki allowed participants to elaborate on the topics presented providing more in depth data in relation to the previous phases. The data was first synthesized into manageable elements according to the selected categories (the main areas considered: theoretical understanding of family businesses, consultation vs. therapy, ethical issues, assessment tools, supervision, managing your own business, and bibliography). These categories guided the exploration of data and the analysis of emergent themes that was performed. The discussions were coded and themes were identified by analyzing recurrent ideas and looking for patterns in the data. Finally, the interrelation between themes was analyzed to have a clearer idea of the content of the areas in question. The last step of data analysis consisted on merging the results obtained from both the qualitative and quantitative datasets in order to develop a complete picture of themes to include in a model course components for MFTs in family business consulting.

RESULTS

Participants responded that besides the theoretical content that a training program for MFTs who specialize in family business consultation should have, (which includes other disciplines besides marriage and family therapy), practicum and supervision would be ideal components. However, participants hesitated on its feasibility. The following comment reflects this point:

> "Supervision and internships would be nice, but there are very few opportunities for this in the real world… but having it as a requirement may not be possible."

The combination of theory, practice and supervision adheres to the training model of marriage and family therapists as set by the American Association of Marriage and family Therapy (AAMFT). The issue is how to impart and who should impart supervision for consultation to family businesses. The analysis of the quantitative data (See Table 4) shows that there are several aspects related to the self of the supervisee that should ideally be worked on in supervision. Panelists agreed that in supervision, supervisors should help supervisees reflect on the following aspects: messages from their own family of origin regarding money, power, and authority figure issues, their skills and assets, on transference issues (e.g. they could be required to write a paper and evaluate the effects of transference), and on their motives to be a consultant. In regards as to how it should ideally be done, panelists agreed that a co-consultation model would be ideal. Panelists also agreed, however, that although supervision would be ideal it is unrealistic due to the few experts in the area (MFT family business consultants).

Table 4: Items on Supervision That Met the Criteria for Inclusion on Final Profile *(Median = 5 or greater; IQR = 2 or Less)*		
Supervision Should Include:	Median	IQTR
Supervisees should reflect on messages from their own family of origin regarding money, power, and authority figure issues.	7.00	1.00
Supervisors should help supervisees reflect on their skills and assets.	6.00	1.00
Supervisees should be required to reflect on transference issues (e.g. they could be required to write a paper and evaluate the effects of transference).	6.00	2.00
Supervisors should help supervisees reflect on their motives to be a consultant.	5.00	1.00
It should be done as a co-consultation.	5.00	1.00
Would be ideal, but is unrealistic due to the few experts in the area (MFT FB consultants).	5.00	2.00

Supervision implies practicum. In regards to this latter topic (See Table 5), participants agreed that students should attend to network groups of family business, should have exposure to meetings with business people, In terms of techniques important to use, participants agreed on the importance to have students practice and be proficient in group facilitation and group dynamics. Co-consultation with senior consultants was also mentioned in this area which reinforces the data found in supervision. Panelists also agreed that other ways of gaining practice in this new arena is for students to interview family business consultants, and shadow an experienced consultant. In this particular area, participants agreed that it should be a requirement because of the importance of having hands-on experience.

Table 5: Items on Practicum That Met the Criteria for Inclusion on Final Profile (Median = 5 or greater; IQR = 2 or Less)		
Practicum Should Include:	Median	IQTRr
Students should attend to network groups of family business; they should have exposure to meetings with business people.	7.00	1.00
Students should be proficient in group facilitation and group dynamics.	7.00	1.00
Students should co-consult with senior consultants	6.00	0.00
Be a requirement: hands on experience.	6.00	1.00
Students should interview family business consultants.	6.00	1.00
Students should shadow an experienced consultant.	6.00	2.00

The analysis of the data showed important interrelation among all the areas. Supervision was a core element. There were several ethical issues that apparently MFTs doing family business consultation tend to face. Some of these issues are related with the differences participants perceive between therapy and consultation. The analysis of the quantitative data (See Table 6) shows that participants agreed that some common ethical issues that should be discussed with trainees in their relationship with their clients as consultants are dual relationships, confidentiality, differentiation, neutrality (taking a neutral position regardless of who hired you and who is paying you), and boundary management. Participants also agreed on the importance of taking a multidisciplinary approach by knowing when to collaborate with other professionals and being cautious of taking the position of the expert. Participants agreed that providing consultation along with consultants of different professions implies learning about ethical codes of the different disciplines involved (e.g., business, legal, financial).

Table 6: Items on Ethical Issues That Met the Criteria for Inclusion on Final Profile (Median = 5 or greater; IQR = 2 or Less)		
Ethcal Issues to Consider:	Median	IQTR
Dual relationships	7.00	1.00
Confidentiality.	7.00	1.00
Managing boundaries between consultant and client.	6.00	1.00
Taking the position of the expert: Knowing when to collaborate with other professionals.	6.00	1.00
Ethical codes of the different disciplines involved (e.g., business, legal, financial).	6.00	2.00
Differentiation	6.00	1.00
Neutrality: Taking a neutral position regardless of who hired you and who is paying you.	5.00	2.00

The qualitative data reflects that the quality of relationships between a consultant and his/her client differs from that of a therapist with his/her clients. The relationships that a consultant established with his/her clients appear to be closer and in a different context than the relationships that a therapist tends to establish with his/her clients.

> “...we often operate in the context of the clients' environment (even staying at their homes from time to time) and it would be difficult to maintain the therapeutic "posture" in these contexts. I believe there are different ways in which we use our "selves" as consultants and as therapists.”

The type of relationship established between a consultant and his/her clients appears to bring up ethical issues addressed in the AAMFT code of ethics. One such issue involves dual relationships. Apparently, to be able to relate with clients in a close way requires for the therapist to have a different professional identity, then a different code would apply.

> "…since boundaries are a major issue in this work, it is difficult to call what we do therapy because therapy requires a stricter reliance on therapeutic boundaries. … I've done things in this work that I would never do as "therapist" like go to a company dinner, or golfing with a client. These actions seem to be important in this work, but are shunned in therapy. But the purpose is to gain trust and buy in, just like a therapist might allow a client to tell their story and empathize with them to get that client to buy in to the process. So calling what we do "Therapy" may limit our ability to use tools that work in family businesses, and may create legal action against us."

The consultant-client relationships established also seem to be related to the role of the consultant being different from that of a therapist. Although participants agreed that the roles of a therapist differ from that of a consultant, participants seemed to have difficulty defining those roles and their differences beyond the more informal role of the consultant mentioned above. This theme was not easy to define for consultants. However, participants seemed to agree that the roles they have tend to fluctuate according to the situation and established goals with the family business. The following comment is an example of this fluctuation:

> "I have sometimes thought of my "shape shifting" being among the roles of advisor to the leadership---facilitator of process--and, the voice of the business."

Panelists tend to agree that there is a difference between the role of a therapist and the role of a family business consultant. However, there was disagreement regarding the depth of the work a family business consultant should do with families. I asked participants if they believed a family business consultant should provide therapy to family members as part of his or her consultation or if they should outsource therapy.

This was the most controversial and discussed topic of the wiki. Apparently, it is an issue that MFTs working as family business consultants face constantly. The discussion focused mainly in trying to determine the differences between therapy and consulting. The differentiation of both does not seem to be an easy one to determine. However, participants agreed on the importance of its differentiation and definition since this is a new field and what the client can expect from a MFT doing family business consultation is still being defined.

The data suggest that there are some similarities between therapy and consulting. It appears to be that both deal with the same relational dynamics and also both are considered by panelists as agents of change. An important theme emerged regarding the definition of the client. This appears to be a central issue since it defines the scope and depth of the work of the consultant. Participants had different ways of defining the client. While some participants defined the client to be the business, others defined the client as the families that own the business. These differences appeared to give consultants different ways of approaching and understanding the work they do with their clients. Participants agreed, however, that their therapeutic skills helped them understand relational issues and intervene in ways that are beneficial to both, the business and the family members. The following comments can help summarize this discussion:

> "I think of the essence of our work being the facilitation of differentiation of both individuals and sub-systems (shareholder group, a real Board of Directors, a Family Council)."

> "As a therapist my contract was focused on the individual in whatever system they came within to my office. As a family business consultant my client is the larger system and I work primary in the family business system. The clients expect that I will help the individuals and subsystems to be more effective and help them remove obstacles to enhancing harmony in the family and sustained prosperity in the business. If the issues are severe and require in-depth therapy, that is not our contract and I refer them elsewhere. So I guess to me it is not so much our impact that is defining as our contract with the client and boundaries that we establish."

Another interesting theme was the punctuation of different professional identities of consultants and therapists. Participants tended to refer to their previous work and life as therapists as their "former identity". The participants refer to themselves and identify themselves as primarily being consultants, not therapists. Professional identity seems to be related to several interconnected themes: quality of relationship established with client, ethics, roles, and depth of work. Participants agreed that it is not easy to differentiate between therapy and consultation because there is always some overlap. Therapeutic behaviors tend to remain in the consultant's repertoire and participants perceive them as important for their work. The difference, in part, appears to be the depth of the work done. Some participants' reflections on this topic include:

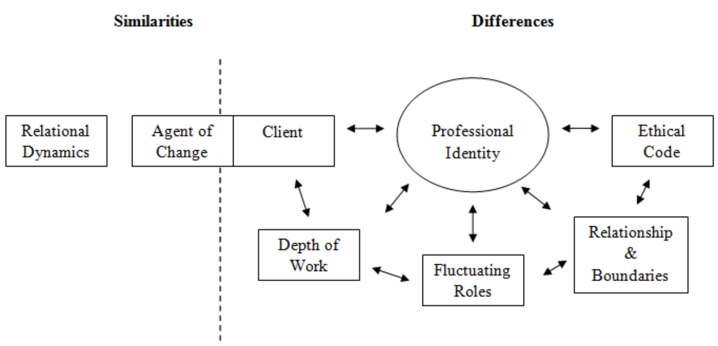
> "I think a lot of family business consultants are engaging in therapeutic behaviors whether they call themselves a therapist or not. I use lots of the techniques I used as an LMFT."

> "How deep do we go. If my focus begins to be one person and the work is extensive, then that changes the nature of the relationship."

Figure 1 shows a thematic map illustrating the results of this analysis. All of these ethical issues should be discussed in supervision. These issues imply more than theoretical knowledge of techniques used in consulting. They imply deeper work with the self of the consultant and/or the therapist. Working with the self requires a supervisor who is knowledgeable to go in this arena without bridging the gap between supervision and therapy.

According to the data analysis from the first two phases of the study, there was a high level of consensus among panelists regarding supervision being ideal but unrealistic due to the few MFTs who do family business consultation. For this reason, in the wiki, I asked participants how this issue might be addressed and their thoughts of alternative ways of providing supervision (e.g. use of technology) and/or having supervisors from a different field (e.g. a family business consultant expert in finance).This topic appears to be an important issue. There were several comments and discussions around it. There seem to be different approaches to the conceptualization of supervision (hierarchical or equal relationship) and different ideas as to who should provide it (MFTs or other professionals). However, participants tended to agree that the goal of supervision should be to help and guide the consultants find his or her own voice.

Figure 1: Thematic Map Showing Final Themes to Consider in Consultation vs. Therapy



While some panelists agreed that it is important to be supervised by an MFT because being supervised by professionals from other fields is essentially different, other panelists stated that they have had good learning experiences from professionals from other professions. Part of the difficulty in finding consensus among panelists appeared to be related to different conceptualizations of the nature of the supervisory relationship. According to some participants, being supervised by professionals from other disciplines implies an equal relationship. For other participants, supervision implies a hierarchical position. The following comments can help exemplify this controversial theme:

> "Supervision" as I have received it, and delivered it, only happens on a peer level with a whole host of colleagues: other MFTs, accountants, lawyers, marketing people... leaders in any and all the disciplines that I frequent."

> "By virtue of the word, supervision, there is an implicit hierarchy where someone with more of something works with another person who has less of that something…"

Other panelists integrated the two previous positions in regards as to who should supervise (and MFT supervisor vs. supervisors from other professions) and the nature of supervision (hierarchical vs. peer level). Participants seemed to associate supervision ideally with an MFT and complement it with consultation or mentoring with experts from other disciplines. One of the participants summarizes these themes in one of his comments:

> "At the very least an MFT doing this work has to have a good MFT supervisor who gets family businesses. It is also best to have a mentor who has done this family business work. I agree with Andy…professionals need multiple mentors and supervisors for this work. Human Resource, accounting, business, lawyers all have great advice to give, and one should look around for FFI groups or other FOB groups and get involved for the purpose of learning how to work together. And to echo Joe, an MFT doing this work is not the same as an accountant doing this work."

An aspect that was briefly discussed as an alternative way for students to receive supervision from an MFT family business consultant is through the phone or internet. Apparently, there is such a service offered by The Couples Institute (www.couplesinstitute.com).

LIMITATIONS OF THE STUDY

A limitation inherent to the Delphi consists on that the results reflect the ideas and experiences of a particular group of knowledgeable panelists (Fish & Busby, 2005). For this reason, they cannot be generalized. Also, the size of the group was relatively small. However, the universe of MFTs who do business consultation also appears to be small.

The first two phases of this Delphi study maintained the panelists' confidentiality. However, in the third phase confidentiality was an issue. Participants were asked to sign up with a pseudonym and only one did. The other participants signed up with their full names. They all knew each other. The potential risk of having the names exposed is that comments posted by experts with more experience and/or recognition could have impacted the ideas and comments of those with less experience.

In the wiki phase, some technical issues arose. Three of the nine participants enrolled reported to me that they were not able to post their comments because their browser was incompatible. This problem was easily resolvable with the aid of a technician (we provided the technician's phone number). This did not require more that a 3 minute phone call. Two of the participants solved their problem and participated fully in the wiki. One did not. It may be that this participant did not participate in this phase for this reason. There was another participant who signed in to the wiki but never posted a comment.

IMPLICATIONS FOR FUTURE PRACTICE AND RESEARCH

Supervision appears to be a key element in the training of family business consultants. The study could be replicated to the other three FFI areas: operations, finance, and law to see if the results would be similar. These results could be extended to other disciplines that offer consulting to family businesses. It would be interesting to hear what their experience has been regarding supervision, if they felt they grew with the mentoring received and if they would prefer to have a mentor from a different discipline, from their own discipline, or if a combination of both would be ideal.

The lack of guidelines for MFTs entering the field of family business consultation is evident. The creation of such guidelines is fundamental for education and training purposes, as well as for determining the scope of practice. It would be ideal to establish guidelines that could be recognized by the AAMFT. These guidelines could contain the following aspects:

1. Determination of family business consultation (or consultation in general) by MFTs: Differentiation with the other mental health professions, determination of the role of a MFT providing consultation, and ways to approach consultation.

Basically, what do we do, how is it different from other professions and how do we do it.

2. Development of specific ethical codes: Consider the essential differences between clinical and organizational work, and relationship with clients, such as family business consulting. Evaluate MFT ethical codes and create ethical standards that are coherent with this specific type of work, in this case, family business consulting.
3. Recognition of family business consultation as a MFT specialization. A creation of an association for family business consultants as a sub area of the AAMFT could provide practitioners with an identity and legitimize this specialty.

Participants of this study agreed on the importance of a cross-disciplinary approach to consultation, where operations, law, and finance play important roles. However, participants did not specify the operations, legal, and financial aspects they have had to learn to better serve the client. Future research could focus on which specific aspects of these disciplines complement a MFT in consulting to family businesses. Another aspect that was brought up by participants was the difficulty of communicating with consultants from other disciplines. Future research could help create a common language among consultants from the different disciplines that advise family businesses.

CONCLUSIONS

Supervision is a central aspect in the training of mental health professionals. Marriage and family therapy has a model of supervision where its supervisors must possess certain training and experience in order to be approved supervisors. These measures are taken to assure a high quality of supervision and with the underpinning idea that supervisors are the gatekeepers of the field. Marriage and family therapists providing consulting services to family businesses are not required to be supervised; however, there are several ethical issues that can arise when working in such a setting. These issues are also related with the self of the consultant since there appears to produce an identity crises caused by the different type of relationship that exists between consultant and therapists with their clients.

Work on these issues would require a supervisor knowledgeable on emotional issues. At the same time, an ideal supervisor should also be knowledgeable of the dynamics of family businesses. This latter is very difficult to find because of the few MFTs who provide consulting services. However, technology could take an important role in facilitating a supervisory relationship with a MFT expert in family business consulting.

Due to the complexity of family businesses, a consultant should also be knowledgeable of different areas such as basic finance, legal and managerial aspects of family firms. Although the specific minimal content required is not established, participants believe that seeking advice from experts in those areas is beneficial to the growth of the consultant.

An ideal supervision model for marriage and family therapists providing consultation services to family businesses would include supervision with a MFT who has work experience or is knowledgeable of family businesses an complement it with supervision or consulting with experts in other areas of family business consulting. This model could also be applied to different areas of family business consulting. The authors suggests a two tier Family Firm Institute (FFI) certification program similar to the Society of Human Resource Management (SHRM) certification program that has a basic, generalist level of certification with a minimum degree requirement, years in the field, and includes the mentoring relationship that exists now. Then a higher tier certification would be created that encompasses the relational issues of family business consulting, and incorporates the results from this study to include an experiential or practicum component with a minimum number of required hours with a supervisor in the certificate seeker's indicated area of expertise. For instance, a supervisor in Marriage and Family Therapy with family business experience, or a supervisor that is an attorney with family business experience. The supervisor role would be based on the chosen expertise of the certificate participant trying to earn the higher level of certification. This would take the field of family business consulting to the next level of achievement and would result in more confidence, not only by the certificate graduate, but also by the family business recipient.

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`SOCIAL RESPONSIBILITY AND THE SMALL BUSINESS

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ABSTRACT

The focus of social responsibility concentrates primarily on large businesses. This can be seen in the wording of "corporate responsibility" as well as most of the research regarding social responsibility. Although small businesses make up fifty-one per cent of gross domestic product, and account for approximately fifty percent of United States employment, research on them is minimal compared to large firms. The literature is dominated by large multinational organizations. More research needs to be focused on the small business enterprise.

This article provides the results of a study of social responsibility in a select group of small businesses. Chief Executive Officer owners of privately owned manufacturing companies participated in the study. Approximately half of the firms representing four regions in the United States publicly proclaimed a commitment to social responsibility.

The other half were selected with no knowledge of their orientation to social responsibility. The results provide meaningful insights into the nature of social responsibility in small business.

INTRODUCTION

In the current business environment, 99.7% of United States businesses have fewer than 500 employees. Approximately sixty-seven percent have less than ten. (U.S. Census, 2007) These businesses make up fifty one percent of gross domestic product (GDP), and account for nearly 50% of U.S. employment (U.S. Census, 2007; U.S. Small Business Administration office of Advocacy, 2007). Social Responsibility (SR) has been given little attention as to the extent to which small businesses embrace the idea (Cambra-Fierro, J., Hart,S and Polo Redondo, Y, 2008; Dean, T., Brown, R., and Bamford, C., 1998). The literature has been dominated by large multinational firms (Williamson, D., Lynch-Wood, D., and Ramsay, J., 2006).

Studies on small and medium businesses in Western Europe have provided some focus in the area of social responsibility. The focus has been on drivers and determinants of SR, (Darnall, N., Henriques, I, & Sadorsky, P., 2009) resource availability, (Aragon-Correa, J, Hurtado-Torres, N. Sharma, S., and Garcia-Morales, V., 2008), and how it is managed (Jenkins, H., 2006). These studies suggest that small and medium businesses react to SR in different ways. A summary of these differences are as follows:

At large companies SR consists of a formal initiative involving reports and third party audits commonly beyond the capabilities of small business (Fassin, Y., 2008). The flat structure of small businesses results in fewer people being involved in decisions and the personal values of CEO/Owners they become the drivers of SR (Jenkins, 2006).

SR in small businesses tend to be driven more by concern for employees and their families than by external stakeholders (Darnall, et al., 2009; Murillo & Lozano, 2006).

Typically, they have fewer resources – especially financial, and also fewer trained personnel and time to devote to SR matters. This makes understanding and operationalizing SR more difficult (Aragon-Correa et al, 2008; Lepoutre & Heene, 2006).

Fewer studies have been carried out in the U.S., and they have focused on environmental management programs (Cordano, Marshall, and Silverman, 2009; Marshall, Cordano, & Silverman, 2005), the degree of the owner's and manager's commitment, leadership, and support for the community (Besser, 1999; Besser and Miller, 2004). There have been a few empirical studies that have explored the role of owner/manager and their beliefs in adopting SR (Marshall et al, 2005; Murillo & Lozano, 2006; Quin, 1997).

STUDY METHOD

Semi-structured interviews were the primary method for this study. Consequently, the research followed the recommended approach by Corbin and Strauss for this type of study (Corbin and Strauss, 2008). This involved a recommended method for data collection and analysis of using a rigorous method of open, axial, and selective coding of interview transcripts. Constant comparison of codes across interviews helped tease out themes and isolate findings.

SAMPLE

Twenty-six CEO/owners (or otherwise primary decision makers) of small or medium sized, privately owned manufacturing companies participated in the study. Half of the sample represented firms who had publically proclaimed a commitment to CSR. These were identified from media reports, the CSRWire (www.csrwire.com) or by online searches. The other half of the sample consisted of CEO/owners of manufacturing firms whose CSR orientation was unknown to us. These participants were sourced using the principle researcher's professional network and through association lists (www.bcorporation.net). We also asked respondents to recommend other prospective interviewees. All companies represented in the study were located in the US, involved in manufacturing activities and not publically traded. Hoovers and Reference USA databases were checked to determine the total number of employees, the ownership structure, and contact information for the owner or CEO.

Table 1 : Overview of Participants

Code (Region)	Company Age (yrs.)	CEO Gender	CEO-Age (yrs.)	CEO-Education Level	Number of Employees
East_1	29	M	55	Masters	50
East_2	31	M	50	Masters	200
East_3	15	M	55	Masters	10
East_4	13	F	54	Masters	87
MW_3	25	F	50	Bachelors	174
MW_5	37	M	40	Masters	68
MW_7	21	M	54	Masters	18
South_1	44	M	54	Masters	150
South_12	40	M	52	Masters	49
South_6	145	M	58	Masters	180
South_7	208	M	56	Masters	162
South_8	195	F	35	Masters	26
West_1	115	F	54	Masters	100
West_2	63	M	55	Masters	63
West_3	12	F	40	Masters	25
West_4	30	F	60	Masters	15
MW_1	7	M	40	Masters	16
MW_2	65	M	45	Masters	150
MW_4	80	M	50	Masters	34
MW_6	65	M	55	Masters	38
South_10	21	M	45	Trade	2
South_2	32	M	56	High School	37
South_3	65	M	85	Masters	31
South_4	190	M	58	Masters	103
South_5	200	M	49	Masters	100
South_9	17	M	54	Masters	12

All companies were involved in manufacturing, had at least two and no more than 250 total employees, were privately held, and were located in four US regions: Northeast, Midwest, South, or West. Most provided services in niche markets using a business-to-business model.

Data Collection

Data was collected during a 13-month period from July 2010 through August 2011. Interviews of 60 to 90 minutes were conducted in person or by telephone with a single individual at each firm. Participants were advised of the general research topic and objectives, were provided with an informed consent document, and agreed to having the interviews digitally recorded.

Face-to-face interviews were conducted at locations selected by the interviewee to provide privacy. Telephone interviews were conducted using a conference call format at a time suggested by the interviewee. All recordings were transcribed by a professional transcription service and were manually coded.

As suggested by Corbin and Strauss (2008), our interview questions were open-ended and exploratory. The intention of the questions was to obtain stories associated with the informant's decisions related to social responsibility. Respondents were first asked to relate their personal and professional backgrounds and to overview their current responsibilities and experience with their firm. Respondents were asked to recall positive and negative interactions between themselves and various stakeholder groups, which resulted in decisions. Appendix A provides the interview protocol used during the research.

As a heuristic to trigger rich narrative responses to subsequent questions, two separate card decks were prepared and introduced during the interview process. These required respondents to rank order and discuss the role of various stakeholders associated with their businesses (including employees, suppliers, business partners, communities, etc.) and to respond to a variety of social responsibility initiatives (including arts, education, environment, economic development, social justice and wellness). Interviewees were asked to recall both positive and negative experiences related to situations referenced by the cards and to interactions with various stakeholders. Interview questions were evaluated throughout the process and modified to reflect emerging ideas and themes (Corbin & Strauss, 2008).

Data Analysis

The data was analyzed using open, axial, and selective coding techniques (Corbin & Strauss, 2008; Maxwell, 2004). The principle researcher listened to and reviewed interview transcripts several times to become very familiar with the material (Corbin & Strauss, 2008). Each transcript was then read line by line to identify "codable moments", fragments of data of potential significance, which were captured, examined and labeled (Strauss & Corbin, 1990) with *in vivo* codes (codes based on a word or phrase in the data), then sorted with similar excerpts from other interviews. Our 26 transcripts yielded 1,046 codable moments distributed into 127 categories or initial themes.

In a second phase of coding, we sought to identify relationships between categories (axial coding). Axial coding reduced the number of categories to 90. At this juncture in the coding process, existing research was referenced to assist in selecting various codes that were descriptive of the *in vivo* codes. Conceptually, for example, activities were considered to represent decisions, and behavioral decision theory was referenced to identify themes related to certain of our code categories. We also referenced the CSR literature for concepts and themes related to social responsibility from an individual and corporate standpoint. Selective coding was used to identify specific themes supporting emerging theory.

Table 2: Results of Coding	
Codable Moments Extracted (Open)	1,046 codes
Initial Categories / Themes	127
Themes and Concepts (Axial)	90
Themes (Selective)	15

From a decision theory standpoint, the major themes we identified were related to societal norms, self-efficacy, locus of control, moral obligation, and satisficing (Ajzen, 1991, 2006; Ajzen & Fishbein, 1980; March, 1978; March & Simon, 1958; Simon, 1947, 1955, 1979, 1991). From a CSR standpoint we considered stakeholder orientation, stakeholder saliency, agency, business culture, intentional change, emotional intelligence, transformation, and relationships (Agle et al., 2008; Ayuso, Ariño, Castro, Rodriguez, & Pearson, 2007; Cordano et al., 2009; Freeman, 1984; Friedman, 1970; Hart, 1995; Hemingway & Maclagan, 2004; Murillo & Lozano, 2006; Russo & Tencati, 2009; Spence, 2007). From the ethics literature, we recognized themes relating to obligations, altruism, deontology, utilitarianism, and emotional effects. Continued analysis yielded the findings reported in the next section.

FINDINGS

We interviewed CEO/owners of privately owned manufacturing SMEs located in the continental United States to determine how they understand and practice social responsibility. Our sample consisted of 26 companies from four US regions. Thirteen of these companies were purposefully selected because they publically proclaimed a commitment to social responsibility. The other thirteen were firms about which we had no prior knowledge regarding their CSR orientation. Among the latter group, consistent with findings of similar research conducted in Europe, our data revealed that most CEO/owners of SMEs do not prioritize social responsibility as part of the *core* identity of their firms. All of the CEO/owners of firms we studied who did not purposefully espouse CSR, however, still acknowledged some degree of involvement in or consideration for local community activities, most often by providing financial contributions. Firms we included in the sample specifically because they publicly proclaimed a CSR orientation, on the other hand, distinguished themselves by describing CSR as a strategic firm initiative formally exercised and requiring significant personal commitment from the CEO/owners. Our findings focus primarily on that portion of our sample and distinguish it from SME firms with a less institutionalized approach to social responsibility.

> *F. 1: SME CEO/owners who do not champion CSR see it as an inappropriate focus for their firms, rationalizing it variously as 1) a domain more appropriate for large corporations, 2) an undertaking that should be personal rather than firm focused, 3) a distraction from running their businesses, 4) sufficiently satisfied by making charitable donations and/or 5) justifiable only when it makes good business sense.*

Among the thirteen CEO/owners we interviewed without having prior knowledge of their stand on CSR, all reported making donations or volunteering on occasion at various charity events, but none had instituted a specific

CSR firm strategy or policy or were using a socially responsible lens to make firm decisions. Rather, charitable giving and encouraging or permitting employee participation in occasional local civic or charitable programs were typically described. Even then, two of the 13 recommended that giving should be a personal rather than business endeavor and reported purposefully supporting local civic and charitable programs on a private basis. Some suggested that CSR programs were the more appropriately purview of large well-endowed companies and that the comparatively limited capabilities of small companies "could not make a difference" in finding solutions to social problems. Eight CEOs disclosed support of several local social initiatives in the areas of education and wellness – but explained they did so because they saw a firm focused return on investment. A CEO who backed local educational initiatives, for example, expressed concern about a lack of skills in job candidates and how this might affect the future of his company.

At several companies, CEO/owners were concerned about the rising cost of healthcare and were promoting wellness in their companies as a way to control or reduce healthcare expenses. As one CEO/owner stated, "The only way …to have better cost outcomes is to reduce utilization, and the only way to do that over time is to have a healthier work force" (S-05 CEO/owner trailer manufacturer). At another company, the CEO, explaining why he backed a health and wellness campaign noted frankly, "We've got to take care of our people…It becomes more and more difficult every year with… the increase that [the insurance company's] asking from us" (S-04 CEO/owner parts manufacturer).

CEOs of SMEs who did not proclaim a CSR orientation were sometimes reluctant to champion employee involvement in the community. Some described the scope of their efforts as just encouraging charitable giving, but others admitted not going even that far. As one revealed, "In our case there is no direct business benefit from monetary giving, and so …as a privately held and family owned company the view is let each of the individual owners give money to the causes and purses that are most important to them" (S-05, CEO/Co-owner trailer manufacturer). The owner of a coatings company, when asked about charitable donations said, "don't come to the company, come to me" (S-03, Owner whiteboard manufacturer). Justifying why he didn't champion employee involvement in community initiatives, another CEO explained, "I have tried to get the employees interested… (but) the majority of them don't like this social (thing), no. They don't believe in it" (S-02, CEO/owner cabinet manufacturer) and a third observed, "I found it very difficult to understand why I need to be in these events and engaged in all these things for my organization to follow" (NE-02, CEO construction materials manufacturer).

F. 2: SME firms that practice CSR are more likely to be led by CEO/owners with a strong personal

> *commitment to social causes as a result of personal history or experience. *

Of the 13 firms we studied that espoused a commitment to CSR, 11 of them detailed their commitment on a firm website or had otherwise publicly proclaimed CSR as a strategic firm effort. In each case, the owner or CEO described him/herself as the firm's CSR champion, revealed having spearheaded a social consciousness in his/her firm and attributed doing so to specific personal experiences that nurtured or ignited the desire to do so. Eleven CEO/owners credited early life experiences citing the influence of parents, teachers or other role models in instilling in them an interest and commitment to CSR. These CEOs told of growing up in families that encouraged engagement in the community, mentioned forebears who had initiated programs of social responsibility that they were now carrying on and identified other important social referents who helped them to develop a social consciousness. The quotes below suggest CEOs' early exposure to social concerns:

> "I (was) an Eagle Scout. A lot of who I am today I learned when I was 12, 13, 14-years old. I truly learned how to be self-reliant, but (also) how to give back and how to treat people the way you want to be treated" NE-01, CEO/owner - food manufacturer.

> "I have felt and my father before me felt, it's important to interact with the organization, interact with the community and make sure that we are …plugged into what's going on, and if we can help then we'll help" S-06, CEO/owner - food product manufacturer.

> "I always had things that I wanted to bring to the world that had a little bit of my own flavor in it so it's kind of a theme, I guess, a thread throughout my background" W-03, Co-owner - apparel manufacturer.

Two of the CEO/owners at companies committed to CSR described important serendipitous events that awakened a social consciousness in them late in life. One, the owner of a western US manufacturing firm, for example, reported that while involved in attempting to gain a permit to operate a hazardous materials recycling center as part of her company's paint operations, she was faced with community discontent. As she said,

> "...what I learned about this community is that there isn't a lot of things they can control over the gangs, and over some of the educational issues. But what they have been given permission to address is environmental issues. And so you see a lot

> of strong grassroots efforts. Once I understood that this was an area where they could finally take charge of their lives, where they honestly felt like they could make a difference, and improve the quality of their life, it stopped being about why are they against me." W-01, CEO/owner paint manufacturer.

The other CEO, jarred by a crime committed on company property that victimized an employee, embraced social justice as a CSR focus for his firm.

CEO/owners of self-proclaiming companies reported they were motivated to "do the right thing" and "give back". As one stated,

> "[W]e're not out there to build brand recognition. If it happens as a side-effect that's great but for us it's about – we're part of this civilization. We're part of this community and this environment and we feel you know, and we're benefiting from being within this community and we want to give back to it" (W-03, Co-owner apparel manufacturer).

Another explained,

> "We do believe in doing the right thing in an ethical sense, in a moral sense, and in treating our customers, our suppliers, our employees as we would want to be treated. And I think it's more of a belief in really what I would call the highest sense of business ethics, that the way to get ahead is not by being the meanest so and so in the valley but by being the person who is smart enough to serve our customers, to serve our employees, to serve our shareholders in an intelligent way that is good for everyone concerned" (W-02, CEO paper products manufacturer).

F. 3: However motivated, CEO/owners committed to CSR proactively seek to embed social responsibility throughout the organization at all levels.

` CEO/owners committed to CSR discussed the importance of instilling socially responsible attitudes in managers and employees throughout their organizations, encouraging their participation in socially responsible initiatives supported by the firm or by other organizations, often formally articulating company CSR policies and credos and sometimes designating CSR managers.

Table 3:Embedding CSR Activities: Employee Engagement
"[E]verybody in the company is allocated or given the opportunity to have two paid days for volunteering every year. We also a year ago decided to start having a company-wide day of volunteering." NE-04, Deputy Chief of Mission beverage company
"[W]e challenged ourselves four years ago to make a difference in one person and these others, in Brazil, where we do outreach with some orphans and children, and also some cancer survivors. In Swaziland, we've actually financially adopted through Save the Children four children whose parents were both killed by AIDS. So in here, we do an awful lot of outreach." S-06, CEO/owner - food manufacturer
"I try to make sure that we engage our employees to do community service in their churches and in their homes also, and some of them, they're younger, so we teach them by having them do things here with us." MW-03, CEO/owner - printing/publishing company
"I have a position, a senior manager position that half of her time is spent in community activities, so 20 hours a week. And then the other half of her time, she is the Director of Human Resources. So she sits on multiple boards within the community. She must be going to two or three events a month. I go to one to two events. I sit on two boards within the community, and we financially support various activities within the community as well." W-01, CEO/owner paint manufacturer
"We started doing something a couple years ago that I think is really neat in that we've developed six community gardens here. I have actually volunteered to go out there and, you know, till the soil and help plant some vegetables and we encourage the managers and the people here to volunteer their time." NE-01, CEO food manufacturer

Three of the self-identified companies reported adopting formal CSR initiatives such as preparing and publishing reports of social and sustainable activities. In most cases, however, CSR programs in SMEs were reported to be much less formal. The companies with formal programs were newer companies (average age 13.3 years compared to 71.7 years for the remainder of firms in the sample) and were described by their CEOs as specifically designed to be social enterprises, where social responsibility and sustainability were fully integrated into the corporate strategy from initial formation.

DISCUSSION

CEO/owners of the thirteen companies in our sample that self-proclaimed commitment to CSR described relying on their convictions about social responsibility to make general firm decisions, thus equating CSR with core firm identify. In making CSR a part of the core identity of their companies, the self-proclaiming companies acknowledged being responsive to not only business and financial pressures, but also to awareness of and concern about societal and cultural pressures that might, but did not necessarily have to, impact the firm. All thirteen CEO/owners relied on personal beliefs and values when making diverse firm decisions related to HR, manufacturing, supply chain issues, marketing, firm investments, etc. Contrarily, CEO/owners of non-proclaiming companies described only personal – but not firm – commitment to socially responsible behavior.

Self-proclaiming firm CEO/owners emphasized "doing the right thing", "giving back to others", and "being a part of the greater community" and described making "moral" and "ethical" decisions. The belief that they could make a difference – interpreted as an expression of self-efficacy and demonstrating internal locus of control – had been, they revealed, inculcated in early childhood.

Mental Models of CSR

According to Senge (1990 (2006 ed.)) individuals have subconscious mental models of how the world works. These mental models are the framework that individuals use to make sense of the world and, as such, they contain the totality of what they have learned. According to Reger, Mullane, Gustafson and DeMarie (1994) our mental models not only define who we are, they define our organizational identity and culture. One's framework is informed by beliefs, education, values, decision history, what others think about us and how we want them to think of us. This "heritage" effect is best explained by Shils:

> "At any moment, an individual human being[s] ... character with all its contradictions has already been formed, his beliefs with all their ambiguities and uncertainties have been formed, his mental and physical capacities have been formed. His characteristics, beliefs, and capacities might be unsteady and they might undergo changes subsequently; they might furthermore be only dimly or erroneously perceived by the individual himself and by others. Nonetheless they are what they are

> at the moment in question. They have been formed on the foundation of the individual's original genetic endowment and by a process of precipitation through experience and the reception of traditions in a given environment in which certain beliefs and practices prevail." (Shils, 1981: 47).

Nystrom and Starbuck (1984) posit that the cognitive structures used by individuals to understand the world consist of an interwoven system of beliefs and values that are mutually reinforcing. "Cognitive structures," they maintain, "manifest themselves in perceptual frameworks, expectations, world views, plans, goals, sagas, stories, myths, rituals, symbols, jokes and jargon" (Nystrom & Starbuck, 1984: 55) and they also house knowledge about moral and ethical behavior (Hannah et al., 2005).

Manifested mental models are reflective, indicative of feedback loops, which lead to learning (Senge, 1990 (2006 ed.)) especially when multiple people are involved in a decision process. When mental models become ossified, disruptive events serve as a potential trigger for feedback (Kelly, 1955 (1963 ed.); Senge, 1990 (2006 ed.)). CEOs who have incorporated CSR as a core aspect of their business may be more likely to get feedback from multiple sources that results in continued updating of the mental model. Where unanticipated issues intrude, disruption creates opportunity for formation of a new mental model.

Individuals, however, may become trapped in mental models, especially when those models become culturally significant expressions of the organization (Senge, 1990 (2006 ed.); Werhane, 2008). We saw evidence of entrapment at two firms where CEO/owners experienced "shocks" that forced a re-evaluation of their mental models. At one, an act of domestic violence motivated a CEO/owner to champion a statewide academy to train law enforcement and judicial personnel in domestic violence issues. At the second firm, a public hearing exposed the animosity held by a local community for the company and its CEO/owner who had been oblivious to its concerns. In both of these cases, the CEO/owners experienced a cognitive shift in how they understood the world (Keck & Sikkink, 1998; Senge, 1990 (2006 ed.)). Shils (1981) describes how traditions are broken and new traditions formed following shocks when two confrontational ideas collide. According to Nystrom and Starbuck (1984) such a shift must occur before an organization can change old ways and move in a new direction. It is not always necessary to have a disruptive event to create change, as Nystrom and Starbuck (1984) point out, some individuals are able to anticipate and respond to change before a crisis occurs.

Whether their mental models were informed by heritage or influenced by disruptive events, SME CEO/owners who have committed their firms to CSR use it as a lens through which to interpret the firm's circumstances and/or to make firm decisions. A mental model of social issues as the appropriate purview of business motivates the CEO/owner to consider the effects of any decision he/she makes involving specific stakeholders – including society at large. A simple exercise very clearly differentiated the mental models of CEOs in our two sample sets.

We asked all of the respondents in our sample to itemize six social groups – employees, customers, suppliers, local community constituents, business partners, and society at large in order of perceived firm priority. Not surprisingly, non-proclaiming companies uniformly selected employees as the stakeholder of highest concern to the firm, with customers and suppliers as next in importance – and considered society at large as least salient. Contrarily, most CSR proclaiming CEOs labored over the exercise, acknowledging that *all* stakeholder groups were of concern to the firm in one way or another. Some recognized that the category "society at large" encompassed *all* of the other groups and accordingly prioritized it. CEO/owners of SMEs with a well-developed sense of CSR understand their firm as part of, dependent on, and incumbent to a broad conceptualization of stakeholders. While non-proclaiming CEOs favor social commitments that serve or reflect employees' interests, proclaiming CEOs entertain a more holistic view of their enterprises and the constituents it serves.

We also asked CEO/owners to prioritize a list of common CSR foci including education, health, social justice, arts, environment, and economic development –

and to nominate any other focus of their choice. Interestingly, CEOs of self-proclaiming firms acknowledged the importance of all the categories as salient for the firm, even if they prioritized one or two as specific choices to champion given their inability to support them all. Non-proclaiming SME firm owners, however, while acknowledging the importance of social problems associated with each category, described why addressing them was either not appropriate for SMEs in general or for their firm in particular or why they could not provide support given limited resources or perceived inability to "make a difference."

Quite clearly then, SME CEOs that commit to CSR exhibit broader, more strategic understandings of CSR, higher senses of self-efficacy in accomplishing it and stronger internal locus of control related to its enactment. Having an internal locus of control indicates that individuals have the capability to influence the outcomes of events while an external locus of control indicates the belief that others control the outcome (Cleveland, Kalamas, & Laroche, 2005).

Reger et al., (1994) note that there are two major barriers that hinder change. First, there is a passive barrier that prevents people from fully understanding new ideas unless they are somehow tied back into existing understanding; second, people often actively resist change, seeing it as potentially detrimental as opposed to beneficial. At non-proclaiming companies in our sample, CEOs defined boundaries between the firm and the community or larger society and boundaries between themselves as owners/executives and the firm. They also tended to view CSR as potentially detrimental to the company or were opposed just because they did not fully understand how espousing it might affect the company. Proclaiming companies, contrarily, blurred these lines. For them it was about how the company could help society and the community and how they could mobilize employees and others in that process.

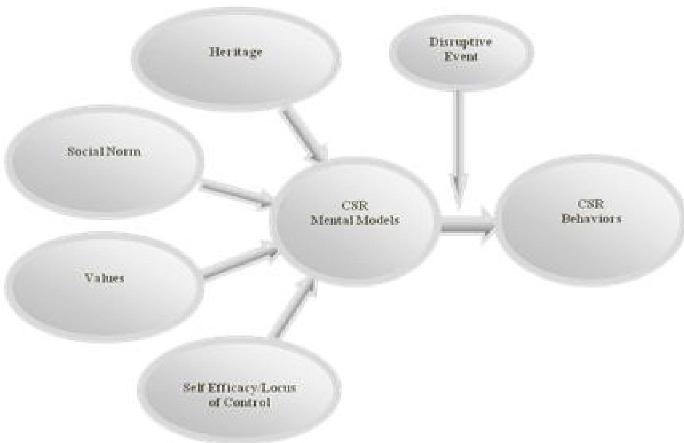
CEOs of CSR proclaiming firms often focused their efforts on specific areas of CSR where they believed they could have the greatest impact. These areas varied among companies, but in each case the CEOs revealed themselves as social change agents. Non-proclaiming company CEOs; however, expressed no firm stake in social change and were far more likely to associate social support with personal experience. CEOs, for example, often mentioned specific charities that they supported, often because family members or people important to them had received services from them. In one case, the CEO had a child who had benefitted from surgery at a particular hospital and consequently donated to it.

Kohlberg described six stages of moral development (Kohlberg, 1969, 1971, 1976, 1981), noting that in the last two of them individuals grow beyond the authority of groups and group identifications, becoming aware of and freely choosing how they respond to moral issues. At stage five they define what is right based on societal agreement (laws and legality) but understand that they hold power to make changes to these laws and societal norms much as a contract is changed. At stage six, what is right is defined by abstract imperatives and principles that are comprehensive, consistent, and have the appeal of universality. At this stage, individuals are in tune with society and their actions automatically fit the highest ideals of what society believes and understands (Kohlberg, 1981). Our data positions CEOs of proclaiming SMEs closer to these last two stages of moral development than those of SMEs with no CSR orientation.

Finally, SMEs like all companies have resource constraints fiscal, human, and pertaining to knowledge. These constraints are taken into account by the CEO who makes decisions on how best to apply limited resources to create the largest impact. CEOs in proclaiming companies were often willing to cut back in some areas to expend resources in others. While none of the companies had dedicated personnel specifically for CSR activities, many of the CEOs willingly served in this capacity, and at several companies other management personnel also shouldered responsibility for CSR. The engagement beyond a single individual was one of the main indicators that CSR had been embraced by the company. While this might be expected in larger firms, it also occurred in companies with as few as 10 employees (NE-03).

Overall, our data suggest that choices about CSR behaviors are influenced by the mental models of SME CEO/owners – and, in turn, those mental models are affected by such factors as heritage, personal values, social norms, locus of control, and self-efficacy. As Figure 1 below suggests, how and the extent to which CEO/owner mental models influence CSR behavior may be moderated by a disruptive event.

Figure 1: Proposed Mental Model of CSR Behaviors



In previous studies in Europe where most of the extant research on SMEs and CSR has been conducted, researchers have observed that the personal values of CEO/owners are strong drivers of company culture (Quinn, 1997; Spence & Rutherfoord, 2003) and CSR orientation (Hemingway & Maclagan, 2004) – a finding indicated by our data to be predictive of US SMEs as well. Some of those studies (Murillo & Lozano, 2006; Spence & Rutherfoord, 2003) reported a primary focus by most European SMEs on employees and customers which was true in our case by the subset of our sample about which we had no prior knowledge of CSR orientation. Among CEO/owners of SMEs that publicly espoused CSR, however, we found strong extra-firm concern with broad social issues affecting society at large, an orientation more generally associated with larger, publicly traded US corporations. The "heritage" effect strongly demonstrated in our data has been alluded to, but not empirically identified in the European work on SME CSR and the disruptive event as a trigger of CSR orientation has not been previously discussed in the literature.

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APPENDIX A: INTERVIEW PROTOCOL

Interview Protocol and questions for small and medium business enterprise (SME) leaders. Introduction (Interviewer): "Hi (name). I just want to thank you for taking the time to meet with me today. I am doing these interviews to learn about how and why small and medium sized businesses, who are socially responsible, interact with different groups and make decisions."

1. I want to get to know you better, so, could you tell me about yourself and how you came to be where you are?
2. I would like you to take a look at a set of cards that represents some of the key stakeholders in a typical business. With your business in mind, would you please look at these cards and rank them in order of priority for your company - from highest to lowest.
   a. I see you have placed (A) first, could you tell me why that group is important to the company (go to local community and society quickly)?
      i. I noticed you seemed to have difficulty with X and Y, could you tell me about that?
   b. Probes:
      i. Tell me about a time in the past year when you interacted with this group in a positive manner?
      ii. How and how often do you interact with that group?
      iii. Tell me about a time in the past year when you had a negative interaction with this group?
3. I am going to show you another set of cards that represent different areas in which companies invest time, materials and money. Please take a look at these cards and rank them in order of priority, from the areas of most concern to your company to those of least concern.
   a. What have you done in terms of investing in this area
      i. Have you invested time?

    ii. Have you invested material?
    iii. Donations?
    iv. Have your employees invested time?

4. Could you tell me about how the current economy has affected what you invest in these areas?
5. By now you have probably figured out what I am interested in, are there any items that you feel should be added.

STRATEGIC HUMAN RESOURCE DEVELOPMENT IN SMALL BUSINESSES IN THE UNITED STATES

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ABSTRACT

Over 99% of the businesses in the United States are classified as small businesses. These businesses are responsible for at least half of: private sector employees, highly skilled and trained employees, new jobs created, and the private gross domestic product (nonfarm). Evidence is presented in this review to support that both strategic business planning and strategic human resource development work in combination to provide businesses with a competitive advantage. As we build on this research and strive to learn the best approaches for adopting adopt strategic human resource development in small businesses, we need to ensure the foundations for this research are strong. This review summarizes what we know about strategic human resource development in small businesses, the theoretical foundations for this work, and the role of critical definitions in this work. Suggestions are made for increasing the impact of research in this field and building support for the utilization of strategic business plans and

strategic human resource development plans in businesses of all sizes.

INTRODUCTION

The aim of this review is to highlight the important research on the prevalence and impact of strategic human resource development (SHRD) in small businesses in the United States, and to find ways to improve the impact made by this work. This review explores foundational questions about this research. First, what theories are researchers relying on in support of strategic planning? Secondly, what does the term and construct 'small businesses' refer to? What defines a small business and why are small businesses important to the United States economy and subsequently its citizens? To what extent do small businesses create and utilize strategic business plans? And finally, do SHRD processes benefit small businesses? Existing research will be examined to provide insight on these questions. Following which is the discussion of the implications of this research for researchers, theorists, educators, and practitioners.

Research articles included in this paper were located through a series of online title searches through a University of Illinois electronic library access and included searches of the following databases/tools: Business Source Complete, ABI Inform Complete, Scopus, Academic Search Premier Plus (Ebsco), PsychINFO and Engineering

Village. Additional articles were identified through a targeted title search of leading human resource development and human resource management journals. Search terms included combinations of the following: strategic plan, strategic planning, strategic business plan(s), strategic human resource development, SHRD, small business, small firms, Strategic planning theory, Resource Based Theory, and Human Capital Theory. Over 90 articles from peer reviewed journals were reviewed as a result of this process. A few additional articles were discovered via citations and references included in the aforementioned articles.

Three articles were retained for which the sample of businesses were outside of the United States, which included businesses in Canada (Fabi & Lacoursière, 2009) and the United Kingdom (Keogh, Mulvie, & Cooper, 2005; Richbell, Watts, & Wardle, 2001). These articles focus and methods were unique (i.e. there were not comparable studies published utilizing businesses in the United States), provided specific research findings relevant to the topic, were timely (published in the last 10 years), and because the countries included share a number of economic and cultural traits with the United States. Generalization of the findings from these studies to small businesses in the United States is inherently limited. Each of these studies represents research that has the potential to be replicated, to test for relevance in a United States setting, by utilizing a similar sample of small businesses in the United States.

Studies that examined strategic planning that were published before 1980 were excluded due to the rapidly changing business environment and the growth of the human resource development profession in the 1980's (Kuchinki, 2007). Articles that exclusively addressed specific components of SHRD (e.g. goal setting, mission statements, succession planning, etc.) were excluded. Resources included: articles that address strategic planning and/or SHRD planning whose intended audience are practitioners working in small businesses and federal agency publications that include information relevant to small businesses operating in the United States including: the U.S. Census Bureau; the U.S. Small Business Administration (SBA); the U.S. Small Business Administration, Office of Advocacy (SBA-OA); the U.S. Department of Labor (DOL); U.S. Bureau of Labor Statistics (BLS); and the Internal Revenue Services (IRS).

THEORETICAL FOUNDATIONS

Researchers included in this review approached grounding their studies by referencing theories that influenced the development of strategic planning, referencing theories that involved other factors of their research (e.g. creativity, learning, and satisfaction), and/or by demonstrating a gap in the empirical literature. Ackelsberg and Arlow (1985); Berman, Gordon, and Sussman (1997); Ibrahim, Angelidis, and Parsa (2004); Keogh et al. (2005); Lyles, Baird, Orris, and Kuratko

(1993); and Rue and Ibrahim (1998); based their research on the body of existing empirical research in the literature.

The most commonly referenced theoretical foundation relevant to strategic planning was Resource Based Theory (Crook, Todd, Combs, Woehr, & Ketchen, 2011; Karami, Jones, & Kakabadse, 2008; Yi & Hai, 2011). Resource Based Theory is an economic theory commonly attributed to Wernerfelt (1984). Wernerfelt, a young economist at the time, urged companies to consider utilizing what he termed "dynamic resource management" in which businesses include in their planning both their resources and products (instead of focusing solely on their products) (1984, p. 179, 175; 1995, p. 172). Wernerfelt, who also taught business policy and competitive analysis, encouraged "bigger firm[s]" to examine their strengths and weakness (i.e. resources) and to utilize these in the formulation of growth and diversification strategies (1984, p. 172, 180). He defined resources as "those (tangible and intangible) assets which are tied semi-permanently to the firm" (1984, p.172). Examples of resources under this definition include: "brand names, in-house knowledge of technology, employment of skilled personnel, trade contracts, machinery, efficient procedures, capital, etc." (p. 172). Wernerfelt argues that in competitive environments "strategies that are not resource-based are unlikely to succeed" (1995, p. 173).

One of the key business resources described in Resource Based Theory is that of the workforce employed within it. This workforce is sometimes referred to collectively as human capital and the characteristics of which are discussed by theorists developing and contributing to Human Capital Theory. Understanding that employees and their skills, competencies, etc., are described as a key resource in Resource Based Theories, helps to illustrate why strategic business planning and SHRD, are critically linked. Schultz (1993) discussed the critical aspects of human capital, highlighting that human capital is a set of both innate and acquired skills that cannot be separated from the person who has them, and that are developed through investments in people. Barney (1991) utilized the concepts of Resource Based Theory, to highlight the link between the development of human capital and the competitive advantage of strategic companies. As such he described the link between human capital and a company's competitive advantage, wherein the company has developed and recognized human capital abilities that are valuable, rare, inimitable and non-substitutable.

Wernerfelt credits Prahalad and Hamel (1990) as "single-handedly responsible for the diffusion of the resource based view into practice" (1995, p. 171). Prahalad and Hamel's article, "The Core Competence of the Corporation" features a series of case studies of global businesses, contrasting those who strategies based on a "portfolio of core competencies" with those whose strategies are based on a decentralized "portfolio of businesses" (p. 81). The purpose of the article is to illustrate the value in building core competencies in a company, and the link between the development of core competencies and the development and maintenance of long term profitability (through evolving and superior product lines).

Prahalad and Hamel define core competencies as "the collective learning of the organization, especially how to coordinate diverse production skills and integrate multiple streams of technologies" (p. 82). They assert that "unlike physical assets, which do deteriorate over time, competencies are enhanced as they are applied and shared" (p. 82). They warn that when the people who carry the core competencies for the company are not recognized and utilized that the competencies become "imprisoned" and these individuals' skills began to "atrophy" (p. 87). The potential for a business to capitalize on the core competencies of its human capital relies on the company's recognition and utilization of the human capital to build its competitive advantage.

SMALL BUSINESSES DEFINITIONS

What constitutes a small business in the United States? Two sources of information were examined in exploring the definition of a small business. The first is the definition, usage, and regulation of small business by Federal agencies in the United States. The second source is the definition of a small business as represented in the research literature, either through the explicit statements of the researcher or via the confines utilized in choosing their representative research sample. Both sets of definitions pose unique opportunities and complications for any researcher attempting to design a generalizable study of small businesses.

Federal Definitions of Small Businesses

The most commonly referenced Federal definition of small businesses is the Federally codified definition of small business under the Small Business Association (SBA). The SBA "aids, counsels, assists, and protects the interests of small business concerns, and advocates on their behalf within the Government" (Business Credit and Assistance, § 101.100, 1996). "SBA's size standards define whether a business entity is small and, thus, eligible for Government programs and preferences reserved for 'small business' concerns. Size standards have been established for types of economic activity, or industry, generally under the North American Industry Classification System (NAICS)" (Business Credit and Assistance, § 121.101, 1996).

The SBA maintains a Table of Small Business Size Standards Matched to North American Industry Classification System Codes (SBA, 2010). The 45 page publically available document includes a 37 page table listing 20 sectors and associated industries by assigned NAICS (2007) code and the correlating size standard. The size standards for most industries are expressed as caps on average annual receipts (expressed in the millions of dollars) or average employment of the firm (expressed as actual number of employees not full time equivalents) depending on the industry (SBA, 2010; Business Credit and Assistance, § 121.106, 121.201). Industries where the definition is limited by average annual receipts have caps that range from $0.75 million to $35.5 million (with exception of Commercial Banking, Savings Institutions, Credit Unions, Other Depository Credit Intermediations, Credit Card Issuing, and International Trade Financing institutions that can have up to $175 million in assets) (SBA, 2010; Business Credit and Assistance, § 121.201). Industries where the definition is limited by number of employees have caps that range from 50 employees to 1500 employees (SBA, 2010; Business Credit and Assistance, § 121.201).

Most federal departments, that serve or report data regarding small businesses, in the United States, reference the SBA definition of small business for determining eligibility status for services and protections designated for small businesses. For example, the Department of Labor (DOL) references the SBA definition of small business for both its Occupational Safety and Health Administration (OSHA) Small Business Assistance Program (DOL, 2005) and the Simplified Employee Pensions (SEP) Retirement Plans for Small Businesses (DOL, 2009). The IRS refers to the SBA definition in its descriptions of services and the protections offered to small businesses under the Small

Business Regulatory Enforcement Fairness Act (2006) and Self-Employed Tax Center publications (IRS, 2011).

In contrast, many of these same agencies utilize different definitions and approaches to defining small businesses in their publications and statistical reports. In their economic reports the Bureau of Labor Statistics categorizes firms into three size groups based on the number of employees (1-49, 50-249, and 250 plus). The SBA's Office of Advocacy, defines small businesses as an "independent business having fewer than 500 employees", using this definition in all reports and publications (SBA-OA, 2011b). In 2010, only 0.38% of all private sector firms employed more than 500 employees (BLS, 2011). Under the SBA's Office of Advocacy the remaining, 99.62% of private sector firms are small businesses.

Definitions of Small Businesses Used in SHRD Research

Most of the researchers in this review did not state the definition of small businesses that they adopted for their study. They did however; demonstrate their definition of small business in the selection of their study sample. Researchers utilized at least one of the following criteria to define the small businesses that made up their research sample for their study: number of employees, membership in a small business association or chamber of commerce, annual fiscal figures (profits or sales), and the age of the business (Table 1).

Table 1: Research Samples of Small Businesses (United States).				
Year	Authors	Number of Employees	Fiscal Range	Other
1985	Ackelsberg & Arlow	1-500+	From $200,000 to $3,000,000 in annual sales	Chamber of Commerce (covering six counties in Eastern United States) definition of small business
1993	Baker et al.		$100,000 - $25,000,000 in sales in 1984	1989 INC. 500 company
1993	Lyles et al.	<500	<$1,000,000 in gross annual profits	
1993	Schwenk & Shrader	<100		
1995	Rowden	≤ 200		
1997	Berman et al.			Members of the Massachusetts Small Business Development Center
1998	Ardichvili et al.		From $300,000 to $10,000,000 in annual sales	Emerging Small Businesses: 13 years or younger (inception dates between 1979 and 1984)
1998	Rue & Ibrahim	≥ 15		Members of the Small Business Development Center at Georgia or listing on a marketing firm list
2002	Rowden	≤ 200		
2004	Ibrahim et al.	≤ 500		
2011	Hargis & Bradley	<250		

Three studies utilized membership in a business association or chamber of commerce to determine their population; none of these studies included a description of the membership requirements for these associations (Acklesberg & Arlow, 1985; Berman et al., 1997; Rue & Ibrahim, 1998). In addition to the utilization of a membership association as a source for their sample, Rue and Ibrahim (1998) utilized a wholesale marketing firm list of small businesses in Georgia; however no additional description is provided regarding the list, its origins, or the companies included. Rue and Ibrahim (1998) did limit their sample to those companies that had 15 or more employees, but did not delineate a maximum number of employees or provide a justification for utilizing a minimum employee limitation. In their description of their sample of 135 businesses, Ackelsberg and Arlow (1985) provide little insight into their definition of a small business. Their sample includes businesses that have up to and more than five hundred employees, and as much as and more than three million dollars in annual sales (p. 64).

The most common criterion utilized by researchers was number of employees. Five researchers (or groups of researchers) only utilized companies who had less than a specific maximum number of employees (Hargis & Bradley, 2011; Ibrahim et al., 2004; Lyles et al., 1993, Schwenk & Shrader, 1993; Rowden, 1995; Rowden, 2002). These maximums ranged from less than 100 employees to less than 500 employees. None of these researcher defined how the number of employees was calculated, so it is assumed for the purpose of this review that these numbers represent the average number of employees, and is not adjusted for full time equivalency, to account for seasonal labor, temporary, or contractual labor. Lyles et al. (1993) further limited the scope of their sample to those companies that had at least one million in gross annual profits. Baker, Addams, and Davis (1993) utilized the 1989 INC 500 list of independent and privately held companies, who all had between $100,000 and $25,000,000 in sales in 1984.

Rowden (1995, 2002) defined small businesses as those with less than 200 employees. In his 1995 study he states that "88 percent of the manufacturing companies in the United States employ fewer than two hundred workers". He does not cite the source for this statistic. Rowden (2002) reviewed a number of size criteria utilized by prior researchers and federal agencies to determine that "the most consistent definition of a small business seems to be one that employs fewer than 200 people" (p. 409). None of the remaining researchers provided a theoretical or practical rationale for their choice in maximum number of employees or maximum gross annual profits for the businesses they studied.

Ardichvili, Harmon, Cardoza, Reynolds, and Williams (1998), utilized a sample of businesses that had been part of two previous studies (Reynolds & Miller, 1988; Reynolds, West, & Finch, 1984). The boundaries, for this sample chosen from the Duns Market Identifier file, included the companies' geographical location (Minnesota and Pennsylvania) and inception date (1979-1984) (p. 59). However, in their explanation of the delegation of strategic planning functions in these new venture businesses, they highlight properties unique to the small businesses. To illustrate the small nature of the businesses in the sample, they provided the average firm size, as a function of the number of employees (mean: 15, median: 6, mode: 2) (p. 63). They divided the firms in their study into four categories of total sales (less than $300,000, $300,000 – $1.1 million, $1.1 million – $9.9 million, and more than $10 million). Six percent of their sample had an annual total sales figure for 1991 of more than $10 million, and a 33% of their sample had annual total sales for 1991 of $1.1 million or more.

SIGNIFICANCE OF SMALL BUSINESSES IN THE UNITED STATES

Researchers who utilized samples of small businesses in the United States, justified the importance of strategic planning, and the examination of the human resource development role in the framing of their research. However, few directly addressed what was the significance of studying these activities in small businesses. Four of the researchers framed the need for their study solely based on filling an identified gap in the literature, without additional argument on the significance of addressing said gap in regards to small businesses (Ackelsberg & Arlow, 1985; Ardichvili et al., 1998; Baker et al., 1993; Lyles et al., 1993, Rue & Ibrahim, 1998).

Ibrahim et al. (2004); Rowden (1995, 2002); and, Schwenk and Sharder (1993); highlighted the contributions of small businesses to the United States economy. These assertions are reflected in the current federal statistics on small businesses. There were 27.5 million small businesses in the United States in 2009 (SBA Office of Advocacy, 2011b p. 1). According to the IRS, "Small businesses employ about half of all private sector U.S. workers, and have generated 60 to 80 percent of net new jobs annually over the last decade. Taxes contributed to our nation's budget by small businesses and the self-employed represent more than 45 percent of the total by all private firms" (2011b, p.2). According to the SBA Office of Advocacy small businesses: represent 99.7% of all employer firms, employ about half of all private sector employees, pay 43% of the total U.S. private payroll, have generated 65% of the net new jobs over the past 17 years, create more than half of the nonfarm private GDP, hire 54% of high tech workers (scientists, engineers, computer programmers, etc.), produce 16.5 times more patents per employee than large patenting firms (2011, p. 1).

The statistics provided by both the SBA Office of Advocacy and the IRS (and quoted in the above two studies), utilize the SBA Office of Advocacy's definition of small businesses (fewer than 500 employees). While, Ibrahim et al. (2004), did not specifically state that they were adopting the SBA Office of Advocacy's definition of the small businesses, the criterion they utilized in developing their sample is consistent with the definition. Rowden (1995, 2002) limited his studies to businesses with 200 or fewer employees. Schwenk and Sharder (1993) limited their sample of studies for their meta-analysis to those that studied businesses with fewer than 100 employees. While Schwenk and Shrader provided a detailed accounting of their research and selection of articles for their meta-analysis they do not provide an explanation for imposing this size criterion.

Rowden in his 1995 and 2002 articles cited several reasons, in addition to national economy, as justification or indicators of significance for studying small businesses. He introduced the need for planning in a small business due to the high failure rate, citing that 80-85% of the 600,000 new small businesses created each year, will fail in the first three years of business (Rowden, 1995, p. 357). Rowden explores the impact that small businesses have on the world economy on the macro scale and assert that small businesses are a major contributor to the stability of the world economy (2002, p. 408). On the micro scale, Rowan highlights findings of higher job satisfaction in small firms and high levels of opportunities for learning and growth (2002, p. 408). Hargis and Bradley (2011) builds on this theme by providing their readers with the importance of human resources in small firms, the differences between small firms and larger firms, and unique issues in human resources for small firms (p. 106-107).

SMALL BUSINESS AND STRATEGIC BUSINESS PLANNING

SHRD planning is foundationally linked to the organization's strategic business plan. Therefore a critical aspect of understanding SHRD in small businesses is knowledge about the prevalence and impact of strategic business planning in small businesses. The most popular method utilized in research regarding strategic planning is a quantitative questionnaire (Arkelsberg & Arlow, 1985; Baker et al., 1993; Berman et al., 1997; Ibrahim et al., 2004; Lyles et al. 1993; Rue & Ibrahim, 1998). Arkelsberg and Arlow (1985) sampled 135 small businesses from six-county-area from eastern United States (p. 62). They utilized a questionnaire that included 70 five-point Likert-type scale questions and two economic factor questions. The questionnaire gathered data on goal setting, internal and external factor forecasts, and planning functions (p. 64). Baker et al. (1993) surveyed 194 CEOs of INC. 500 firms. INC. 500 firms are firms that are independently owned, and that had between $100,000 and $25 million in sales during 1984 (p. 83). Lyles et al. (1993) utilized highly structured interviews, to complete a quantitative questionnaire, with 188 businesses with less than 500 employees and more than 1 million dollars in gross sales (p. 42). Berman et al. (1997) utilized a questionnaire with 161 small businesses in Massachusetts. They captured basic information about the business and its planning process. Sophisticated planning included planning through budgets, long range planning and strategic planning. Less sophisticated planning consisted of crisis management (p. 5). Rue and Ibrahim (1998) surveyed the CEO, President, or Chair of the Board Directors of 253 small firms with at least 15 employees in Georgia. The survey collected performance indicators and data on whether they strategically plan and what components are included in their strategic plans (p. 26-27).

Two research groups chose alternatives to the survey or interview questionnaires. Richbell et al. (2011) utilized semi-structured interviews of owner/managers or senior managers at 70 small metalworking firms, with less than 50 employees in Sheffield (UK). The interviewers gathered data on both the firm-related characteristics and owner/manager characteristics (p. 501-502). Schwenk and Shrader (1993) conducted a meta-analysis on 14 studies addressing strategic planning in businesses with less than 100 employees and that included measures of performance (p. 56-58). The 14 studies included were empirical studies published between 1982 and 1990 in seven peer reviewed journals and one study prepared for the 19th annual meeting of the Western Decision Sciences Institute (p. 56, 58). Table 2 summarizes seven studies wherein researchers contributed to the field's understanding of the characteristics and impact of strategic business planning in small businesses.

Table 2: Literature Summary: Impact and Characteristics of Strategic Business Planning in Small Businesses.		
Year	Author	Findings
1985	Arkelsberg & Arlow	Planners have significantly higher sales and profits.
1993	Baker et al.	Obstacles to planning: time constraints, market uncertainty, lack of expertise, budget constraints, resistance to change.
1993	Lyles et al.	Formal planners, average size 101, average gross sales 9 million, mean growth rate 1.77 Non formal planners, average size 47, average gross sales 6 million, mean growth rate 0.75
1993	Schwenk & Shrader	Positive correlation between planning and the following: sales, revenue growth, return on assets, return on sales, and return on investments
1997	Berman et al.	Small business that plan have improved performance overall. The effect is more significant among the smallest of businesses.
1998	Rue & Ibrahim	In firms that did not engage in strategic planning had lower growth rate in sales, where firms utilized strategic plans had higher growth rates in sales.
2011	Richbell et al.	Owners with college education, who are new to the sector, who previous job was working for a medium to large firm and those in companies actively seeking new customers were more likely to plan. Owner work level experiences (new entrepreneurs, line workers, experienced entrepreneurs) did not show a relationship with having a plan.

Prevalence and Frequency of Strategic Planning in Small Businesses.

Studies examining the prevalence of strategic planning found that between 60 – 86% of small businesses in the United States utilize strategic business plans (Arkelsberg & Arlow, 1985; Baker et al., 1993; Ibrahim et al., 2004; Rue & Ibrahim, 1998). However, as the studies in question utilized surveys, it is likely that these percentages are falsely inflated due to the fact that those participating in planning were more likely to respond to the mail survey (Arkelsberg & Arlow, 1985, p.65). Arkelsberg and Arlow, and Ibrahim et al. gathered data regarding how often organizations strategically planned and provided choices based on number of years (annually, every two years, every three years, etc.). Both studies found that a majority of businesses create strategic plans every 1-5 years (Arkelsberg & Arlow, 1985, p. 65; Ibrahim et al., 2004, p.54). Respondents in Baker et al. (1993) were provided the following options for frequency of their formal planning: monthly, quarterly, semiannually, annually, and other (p. 83). From this Baker et al., asserts "that over 90 percent of the planning firms perform their formal planning at least once a year" (p. 83). Due to the short periods covered in the options Baker et al. provided to the respondents, this question appears to closely reflect Ibrahim et al. (2004) question regarding the frequency in which respondents review and revise their long-range plans in which respondents were provided the following options: "weekly or less, monthly, quarterly, semi-annually, annually, and never" (p. 57). As such it is unclear if the respondents in Baker et al. provided data that reflected the frequency in which the business created strategic plans, how often they reviewed and revise their strategic plans, or if the data fails to accurately capture either concept.

Owner Manager Characteristics and Strategic Business Planning.

Understanding what are the characteristics of owners/managers which influence their propensity to strategically plan, is key to promoting both strategic business and SHRD. Baker et al. (1993) found that managers listed time constraints, market uncertainty, lack of expertise, budget constraints, and a resistance to change as obstacles that make it challenging to strategically plan (p. 84). But it isn't clear why some owners/managers overcome these challenges when others are unsuccessful. The focus of most researchers has been examining the relationship between firm variables (size, industry, age of the business, sales, etc.) and strategic planning.

Richbell et al. in their 2011 study examined the role of owner/manager antecedent influences (e.g. demographics, experiences, and education) influence the choice to utilize strategic planning (p. 499-500). They found that owners with a college education, who were new to the sector, and/or whose previous job was working for a medium to large firm, were more likely to strategically plan (p. 506). However, previous work level experiences (new entrepreneurs, line workers, experienced entrepreneurs) did not show a relationship to the owners' propensity to strategically plan (p. 506). In addition to identifying owner/manager antecedent influences, Richbell et al. found that owners in companies that were seeking to expand and those actively seeking new customers were more likely to strategically plan (p. 508). There are a few limitations to the generalizability of this study. First, the study examined the characteristics of owners/managers living in Sheffield, England. Some of these antecedent influences may be perceived differently, and/or they may be more or less prevalent in businesses in the United States. Secondly, their findings are only significant to a relatively low level.

Strategic Planning and Performance Measures for Small Businesses.

At this point, we have examined research that tells us that strategic planning is prevalent in small businesses and research that provides us insight into who values and implements such planning, now we need to address the important question of performance. Do small businesses that strategically plan perform better? Specifically, do small businesses profit from strategically planning. Arkelsberg and Arlow, in their 1985 study, found that planners have significantly higher sales and profits. Schwenk and Shrader in 1993 meta-analysis of 14 studies, found a positive correlation between planning and the following: sales, revenue growth, return on assets, return on sales, and return on investments. Schwenk and Shrader conclude that their findings are "consistent with the claim that strategic planning promotes long-range thinking, reduces the focus on operational details, and provides a structured means for identifying and evaluating strategic alternatives, all of which improve firm performance" (p.

60). Rue and Ibrahim (1998) found that the contrapositive argument was also true, in other words, there was a significant correlation between small business that did not engage in planning and a lower growth rate in sales.

Lyles et al. (1993) found that the level of sophistication of the strategic plan corresponds to the average size, gross sales, and growth rate of small business. Lyles et al. defined plans as sophisticated that included "control procedure and data regarding factor from outside the immediate firm environment" in addition to the "objectives, strategies, and resource requirements" covering at least three years that they included in the definition of less sophisticated plans (p. 43). In other words, not only do small businesses benefit from strategic planning, but there are even more benefits for those small businesses with more sophisticated plans.

STRATEGIC HUMAN RESOURCE DEVELOPMENT

Torraco and Swanson (1995) provide a thorough description of the emerging roles of human resource development professionals in the planning and implementation of strategic business planning. They posit that SHRD is a necessary business response to the increasing centrality of information technology in the success or failure of businesses (p. 7), the increasing reliance on workplace expertise in establishing a competitive advantage (p. 7), and the destabilizing effects of current volatility in the national and global markets (p. 17). SHRD supports business success by: building the performance capability/expertise of employees (p. 3-4), and aligning human resource development efforts with the current and emerging strategies of a company (p. 7-9). Successful SHRD is orchestrated by human resource development professionals who are: needs and outcome orientated; focused on building expertise; perceived as credible; and knowledgeable about strategic planning and deliberate and emergent strategies (p. 18). Human resource development professionals need to be prepared to build strategic planning skills in their organization, take an active role in the businesses planning processes, demonstrate the centrality of employee expertise, and build flexible human resources that meet the organizations current and future expertise needs (p. 20-23).

Internal organization measures might be the best indicators of strategic human resource management (SHRM) and SHRD. Becton and Schraeder (2010) highlight the factors that differentiate between human resource management and SHRM. While they focuses on the SHRM holistically, it is clear from their list of key activities which include, "Focus on the future and find flexible ways to prepare for it, ensuring employees have the requisite capabilities to share and support the organization's future goals," and "develop the employees you need, providing opportunities for education, training and professional development," that SHRD is at minimum a central component of SHRM. Becton and Schraeder provide 13 criteria for transformation from traditional human resource management to SHRM, which are fundamental mind-set, view of organization, education and training, critical skills, view of employees, timeframe, process/outcome orientation, risk, response to change, human resource management systems and practices, approach to system development, primary areas of practice, and status in organization (p. 12-16). These criteria present both a gauge and a roadmap for practitioners who are engaged in the transformation process from human resource management to SHRM.

Yi and Hai (2011) provide SHRD practitioners with a model for matching their organization's strategies with a strategic human resource strategy and a complimentary reward system. This model allows human resource development practitioners to ensure their practices are in line with the overall strategy of their organization. For example, under Yi and Hai's model organizations that provide the lowest cost good or service follow the "overall cost leadership strategy" and human resource development professional working in these organizations should focus on development efforts that enhance their employee "production efficiency" and promote "cost controlling" (p. 14). These same organizations should then utilize "an output reward alternative", wherein employees are rewarded for initiatives that result in a reduction in costs (p. 22). Yi and Hai's model recognizes that the type of strategy set by the organization is going to change how and what it values in its employees, and that by aligning human resource development strategies with the organizations, the organization avoids costly errors in human resource development management.

SMALL BUSINESS AND STRATEGIC HUMAN RESOURCE DEVELOPMENT

Researchers are striving to understand the role of SHRD in the small business (Table 3). Karami et al. (2008) surveyed the CEOs of 132 small high tech businesses, with less than 250 employees and with less than £50 million in annual sales, throughout the United Kingdom. They found that executives in companies that utilize SHRM practices viewed human resource management as being a critical component in their companies' competitive advantage (p. 12). They also found that there is a significant correlation between human resource management capabilities and performance, and between the utilization of strategic human resource practices and performance (p. 13).

Ardichvili et al. (1998) utilized a quantitative survey to learn about HRD practices in small businesses. Their sample included 576 emerging small business with 13 years or less history from Minnesota and Pennsylvania (p. 60). They argued that there are three stages that the small business develops through, and that at each stage the human resource development needs of the organization change. These stages are defined by the industry type (service or manufacturing) and the volume of sales in the thousands of dollars (p. 59). As businesses grow the company's founders delegate progressively more tasks to their employees, resulting in more human resource management (and development needs). Ardichvili et al. states that "we were unable to find a single instance in which differences in functional differentiation could be explained independently of firm size" (p. 63). Ardichvili et al. also provide insight into the order in which tasks are delegated, citing that marketing and planning are among the last tasks delegated to employees by founders (p. 61-63).

Training and development remain critical functions of SHRD. Fabi and Lacoursière (2009) utilized data collected from CEOs of 300 Canadian manufacturers via a survey conducted by the university research center (St. Pierre & Delisle, 2005) and stored in the PDG® member database. They found that the focus of the companies' human resource management results in specific advantages. Small businesses which emphasize motivating components of human resource management show a better financial performance and small businesses which emphasize informing and training components of human resource management show better operational performance (p. 19-20). Ibrahim et al. (2004) surveyed the CEO, President, or Chair of the Board Directors of 633 small firms. The questionnaire collected quantitative information regarding the planning process, what components are included and what is quantified (p. 54). They found that two hundred and two companies, or 38.4%, listed hiring and training of key management personnel as a strategy for growth.

Table 3: Literature Summary: Strategic Human Resources in Small Businesses		
Year	Author	Findings
1995	Rowden	HRD supports the company's unique market niche by: Training and development of employees Building and supporting the companies culture Hiring and orientation practices Enhancing the quality of life in organizations
1998	Ardichvili et al.	Three stages of small businesses, at each stage more tasks are delegated by the company's founders. Two of the last tasks to be delegated are marketing and planning.
2002	Rowden	Workplace learning both formal and informal is prevalent in small businesses. Significant correlation between workplace learning and job satisfaction.
2004	Ibrahim et al.	202 companies, 38.4%, listed hiring and training of key management personnel as a strategy for growth.
2005	Keogh et al.	Trainings managers see a need to include: communications, project management, motivation, HRM, Marketing/sales promotion, strategic planning, finance, continuous improvement
2008	Karami et al.	Significant correlation between HRM capabilities and performance. Significant correlation between utilization of SHR and performance. SHRM correlated to executive perceptions of HRM being critical component in competitive advantage.
2009	Fabi & Lacoursière	SME that emphasize informing and training components of HRM show better operational performance SME that emphasize motivating components of HRM show a better financial performance

Table 3: Literature Summary: Strategic Human Resources in Small Businesses		
Year	Author	Findings
2011	Hargis & Bradley	Training (top two responses): Taught by someone in the business (68.6%) On-the-Job Training (13.5%) Recruitment using outside firm: Most skilled employees (11.3%) Most common employee (3.9%) Training investment: 43% of employees spend less than $5000 per employee on training expenses 24% spend between $1000 - $5000
Note: HRD = Human Resource Development, HRM = Human Resource Management, SHRM = Strategic Human Resource Management, SME = Small and Medium Enterprises		

Manager and Employee Training and Strategic Human Resource Development.

Hargis and Bradley's (2011) research encourages the implementation of SHRM in small businesses (p. 105). They collected data on employee recruitment, selection and training practices from 752 small business owners/managers (p. 113). The two most common approaches to training employees are being taught by someone in the business (68.6%) and on-the-job training (13.85%), and 43% of the small businesses included in the survey spent less than $5,000 annually per employee, in out-of-pocket training expenses, with 24% spending between $1,000-5,000 (p. 116). Hargis and Bradley (2011) encourage human resource management professionals working in or for small businesses to align their practices to "help support the mission, vision, and purpose of the organization" (p. 118). To achieve this, Hargis and Bradley encourage business owners/managers to align their practices to an organizational strategy that is the best fit for their organization (Hargis & Bradley, 2011, p. 118; Yi & Hai, 2011 p. 14-15).

Training for managers was found to be in high demand in small businesses (Keogh et al., 2005). Keogh et al. utilized semi-structured interviews of owners or senior managers, from twenty small software companies. Five of these companies had less than ten employees, twelve had between ten and fifty employees, and three had between fifty and 250 employees. They found that six of the twenty small software companies provided development activities for their owners and managers (p. 84). Owners and senior managers that they interviewed expressed wanting training in communications, project management, motivation, human resource management, marketing, sales promotion, strategic planning, and finance (p. 85).

Workplace Satisfaction Strategic Human Resource Development.

Rowden (1995) conducted a comparative case study of three firms that had at least 10 years of experience and employed less than 200 people. His sample included: a paint and industrial coating company, a furniture company, and a commercial signage company. He conducted interviews with key managerial and non-managerial personnel as to the extent of formal and informal human resource development offerings, and to what extent these offerings are perceived as being linked to the success of the business. Additionally, Rowden's 1995 study included a series of observations and a document analysis (p. 359-363).

Human resource development contributes to a number of strategic areas in small businesses (Rowden, 1995). However, while small business were actively engaged in human resource development practices, they often failed to attribute many of these activities (on the job training, informal learning, and employee development) to the human resource development function (p. 369). Rowden highlights this concern stating, "failure to credit human resource development with supporting the success of a company is common" (p. 369). Despite the failure to recognize human resource development, these companies benefit from human resource development activities that contribute to the business' unique or competitive market niche, through the development of knowledge, skills, and attitudes among its employees. In most cases, this was accomplished through by human resource development coordinating on-the-job training for employees that was facilitated by skilled and experienced employees (p. 364-365).

Human resource development is a driving force in the organization's culture. Human resource development is a proponent of hiring practices that result in finding and hiring employees who fit both the organization's culture and the job requirements (Rowden, 1995, p. 365). Once hired, human resource development is responsible for the integration of the new employee into the companies' work practices (p. 366). This involves ensuring that new employees receive coaching, guidance, instruction, and are given informal or formal on-the-job training (p. 366). Lastly, human resource development activities were employee focused, with a drive for employee satisfaction, employee flexibility, employee development, and employee input (p. 367-369). The result of these employee focused activities was an enhanced quality of life for employees in these organizations (p. 369).

Rowden in his 2002 study developed a Small Business Workplace Learning Survey, a six page six-point Likert-type survey instrument. This instrument was based on a combination of Rowan's 1995 qualitative study and the Job Satisfactory Survey created by Spector (1997). The resulting questionnaire measured workplace learning (formal, informal, and incidental) and job satisfaction. His sample included 794 employees in twelve firms that had at least 10 years of experience and employed less than 200 people. Workplace learning factors all rated high, indicating both informal and formal learning is prevalent in small businesses (Rowden, 2002, p. 420). Rowden found workplace learning (incidental, informal, and formal) correlated with employee satisfaction (p. 422). He concluded that "a significant portion of the job satisfaction [measured in this study] can be attributed to workplace learning" (p. 423).

DISCUSSION

The breadth of the topic does not allow for a comprehensive discussion of all the points of interest raised by the literature reviewed. As such, there are three areas in which further discussion and action are needed that will be covered in this section. These include: a review of the theoretical foundations for strategic planning, a discussion on the need for a shared definition of small business and at least one method to accomplish that, and a discussion of the implications of small business that do not strategically plan.

Theoretical Foundations

The most commonly referenced theory by the researchers in this review is Resource Based Theory. This theory is rooted in accounting for and maximizing resources in large often global businesses. Resource Based Theory is described as providing “a basis for addressing some key issues in the formulation of strategy for diversified firms” and as a “strategy for a bigger firm involves striking a balance between the exploitation of existing resources and the development of new ones” (Wernerfelt, 1984).

Wernerfelt credits Prahalad and Hamel (1990) as “single-handedly responsible for the diffusion of the resource based view into practice” (1995, p. 171). The companies included, in Prahald and Hamel (1990) operate on a global scale and include such companies as GE, Chrysler, Honda, and Motorola. The primary premise of the article is to encourage large businesses to view their company as more than just a decentralized "portfolio of businesses", and to recognize and incorporate a "portfolio of core competencies" into their planning processes (p. 81). In other words, they are encouraging major businesses not to view the businesses that they manage as distinct unrelated silos, but as having in combination a rich selection of resources that the business can tap to be profitable. This is only applicable if the business is large enough to support multiple businesses or product lines under an umbrella agency. Both Wernerfelt (1984) and Prahald and Hamel (1990) discuss growth in terms of mergers and acquisitions and diversification as providing increased control over product lines, which are strategies less frequently associated with small businesses who are often forced to outsource or purchase key components of their goods or services.

Considering, that according to the SBA Office of Advocacy, 99.62% of private sector firms are small businesses, it is important that our theoretical foundation for SHRM of small businesses is solid. As such, researchers need to review the evidence and decide if Resource Based Theory, as it currently stands, is the best relevant theory for research involving small businesses. If not, a concerted effort is justified in defining a theoretical basis that reflects the current research findings regarding small businesses and strategic management practices including SHRM.

Small Business Definitions

The lack of a substantive definition of small business in research limits the potential effectiveness, reliability, generalizability, etc. of the research. The definition of the basic concept creates a foundation upon which general and shared understanding is essential. It is important that research that is by its nature targeted to a specific population (e.g. small seasonal restaurants on college campus) utilize the best sample to represent that population. However, researchers who desire to have a broader appeal impacting a large audience of small businesses need to ground their research in a clear definition of what a small business is. If this definition is grounded in theory and provides ready means to justify its use, then the possibility of it being widely accepted is greater. By promoting a unified definition or set of definitions, researchers can create a body of knowledge that can readily scaffold together creating a strong foundation of research in the field.

The easiest solution would be to adopt the SBA Office of Advocacy definition of a small business, which is "an independent business having fewer than 500 employees" (SBA-OA, 2011b). However, as this definition applies to over 99% of the businesses in the United States, it may be too broad to for many research studies (BLS, 2011). The definition needs to be representative of the population and as such not only is there a need for a general definition of small businesses, but also for subgroups of small businesses. It would be easy, to identify subgroups through a simple breakdown of the percentage of small business. This method is unlikely to be as fruitful however as a definition of the subgroups based on shared characteristics. These subgroups would provide more cohesive groups for research, as well as groups that could be monitored for trends.

Ardichvili et al. (1998) argue, based on their findings and the model of organizational growth presented by Flamholtz (1990), that there are three distinct sizes (or phases) of small business growth (Ardichvili et al., 1998, p. 59). These sizes are measured based on sales volume and have separate thresholds for manufacturing firms (less than \$1,000,000, \$1,001,000 - \$10,000,000, and more than \$10,000,000) and service firms (less than \$300,000, \$301,000 - \$3,000,000, and more than \$3,000,000) (p. 59). While this model provides some basis for grouping small businesses into potentially more relevant subgroups, there are inherent problems with a model that is reliant on economic markers (e.g. annual sales, financial assets of an organization, annual profits etc.). Such markers fluctuate and change rapidly based on a number of economic variables (e.g. the value of the dollar/inflation, market stability, interest rates, market share, etc.). However, what is most important is that any researcher in this field needs to provide their definition of small business and clear justification for the group of business focused on. While this seems very basic, many of the researchers included in this review provided vague definitions and few provided a justification for the population they choose.

Failing to Plan

Studies examining the prevalence of strategic planning found that between 60- 86% of small businesses in the United States utilize strategic business plans (Arkelsberg & Arlow, 1985; Baker et al., 1993; Rue & Ibrahim, 1998; Ibrahim et al., 2004). The inference is that between 14%-40% of small businesses do not have strategic business plans. If you extrapolate this out against the 27.5 million small businesses that existed in the United States in 2009, these findings would imply that between 3.85 million and 11 million small businesses do not have a strategic plan. Ibrahim et al. (2004) utilized a definition in line with that of the SBA Office of Advocacy. Of the sample in Ibrahim et al, 80.5% utilize strategic planning which infers that 19.5% did not. Based on this sample, you could estimate that in 2009, 5.4 million small businesses did not utilize a strategic plan. This population of business would not only fail to gain the benefits research has substantiated come from strategic planning, they would also fail to gain the benefits of SHRD.

CONCLUSION

The research illustrating the effectiveness of SHRD practices are promising. As such it is important that educators, practitioners, and researchers promote quality training and education for human resource management, human resource development, and management fields, focused on the strategic planning process including SHRD. Human resource management and human resource development practitioners need to examine their business for weaknesses in strategy and knowledge regarding strategic planning, and ensure that critical knowledge and skills regarding strategic planning are recognized and represented in their companies.

Researchers have been able to demonstrate empirically the value of strategic business planning and SHRD plans in small businesses. The value of SHRD includes increases in performance measures (e.g. return on investment, profit, and sales), increased innovation and job satisfaction, and the development and maintenances of a competitive advantage. It is essential to the strength of our small business sector and to the profession of human resource management that we continue to expand upon and utilize our increasing understanding of SHRD in small businesses.

AUTHORS' NOTE

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