

Articles

The Small Business Institute® and the University of Arkansas at Little Rock: Personal Reflections

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This paper provides personal reflections on our involvement with the Small Business Institute® (SBI). SBI has been very important to us both personally and professionally. This organization has become a large part of our academic lives – from course offerings to student projects, to research activities and even the service to our profession. This account shows how SBI has helped us grow as teachers and scholars, and created value for both the University of Arkansas at Little Rock and its students.

Introduction

Ken Huggins (deceased - Metropolitan State University of Denver) and Lynn Hoffman (at the time University of Northern Colorado) introduced me [Joseph Bell] to the Small Business Institute Directors' Association (now known as the Small Business Institute® (SBI)) back in 1998. I was rather new to academic entrepreneurship and a newbie to SBI. From the start, I always said SBI had a special personality, and if you know either of my indoctrinators, you know that personality and it continues to this day. SBI is more of a family than an academic organization, or annual meeting. Not even so much colleagues, but more friends for life. I start here because there is no better reflection of that sense of family than the consulting projects SBI supports, and our student take on.

In the past I have submitted student projects to the SBI Project of the Year (POY) competition and have even been honored to serve as a competition judge. But in all honesty, in sitting through the award ceremonies, I have always been in awe of the impact our students have on client businesses, and the reciprocal impact the projects have on our students. Sometimes lost in that equation, is the tremendous wisdom, leadership, guidance and emotional support imparted by the members of the SBI family. Year after year names like Ames, Matthews, Fernald, Pruchansky, Cook, Stephenson, Harris, Zamzow and others parade teams across the stage. Teams that truly made a difference in the client businesses they served. I apologize to so many others I neglected to mention that have provided outstanding leadership. Anyone that has had a team walk across the stage is a winner in so many ways. Even those like me that have tried but never reached the stage, learn and share in something very special.

Fast forward to 2015. Early in the semester, we tragically lost the faculty member that was teaching our Business Consulting course. Emails from the SBI family poured in and offers of support abounded. I was thrust into a course I had not taught in over 10 years. The events were extremely difficult on the students. But I watched as the semester

rolled on, the students coalesced and worked together, supporting each other, supporting other teams and keeping their eye on the ball to serve the businesses. I am not sure what may have occurred in other classes under the circumstance, but the “project” created a family network of support. I was never sure what caused the SBI to have that special personality, but the caring and collaborative work we cherish is infectious, not only for our SBI family, but also for the classroom families we create. And sometimes, I do believe, lifelong.

It has been my pleasure to act as my mentors, Ken and Lynn did with me, in bringing new colleagues into the SBI family. Without exception, they recognize the spirit of SBI and embrace the friendships and opportunities it so generously offers. They recognize the value projects present through collaborative and experiential learning and they now deliver that the opportunity through new eyes, styles, and enthusiasm. One of those is Joe Felan.

The Small Business Institute® (SBI) has been very important to me [Joe Felan], both personally and professionally, since 2015 when I attended my first conference. I have come to find SBI later in my academic career and it has been a wonderful experience for me. I have grown as a researcher and a scholar since becoming a part of this organization. Over the past six years, my research area relates to operations management and small and medium size enterprises (SMEs). I have also met and established some wonderful friendships with other academics from around the country, and around the globe, because of this organization. Here are some of my reflections of the Small Business Institute and how it has impacted my academic experience.

SBI's Impact on Research

I first attended the Small Business Institute® (SBI) conference in St. Pete Beach, FL in 2015. Mr. John Hendon, my colleague at the University of Arkansas at Little Rock, was the president of the organization at that time and encouraged me to attend. Another colleague, Dr. Joe Bell, also touted the benefits of SBI and invited me to attend. At the

time, Dr. Bell and I had been discussing working on a project that would combine his expertise in entrepreneurship and mine in operations management. As we continued to develop this research project, I decided that I should attend the 2015 SBI conference to find out more about the organization and entrepreneurship.

My educational background is in operations management. I have a Ph.D. in operations management from the University of South Carolina. When you consider some of the main issues in operations, such as quality, capacity, scheduling, supply chains and logistics, most people (myself included) think of large organizations. The larger and more successful organizations are the focal point of many academic studies in operations. Many articles, studies and classroom examples focus on companies such as Amazon, Walmart, General Motors, Toyota, Ford, FedEx, UPS and Procter & Gamble, to name a few (Fine, 1998; Fisher, 1997; Kopczak & Johnson, 2003). I have also been guilty of this same myopic thinking when it comes to operations management. Ergo, in 2015, with the help of my colleagues, I started spending more time examining small and medium size enterprises (SMEs) and their use of the operations function.

As I started to delve into the area of operations and SMEs, several interesting topics emerged in this intersection. One area that was of particular interest to me was supply chains related to small businesses. Hätönen and Eriksson (2009) examined 30 years of research in the area of supply chain management, and they came to several interesting conclusions as it relates to SMEs. One area of focus was on outsourcing. In contrast to large firms, SMEs face different challenges in outsourcing management, as stated by the CEO of a small software firm (Hätönen & Eriksson, 2009):

“For a small firm outsourcing really does provide distinct challenges. When you are small your volumes are small also. Outsourcing with small volumes, even with good rationales, is sometimes unprofitable. Also, when you are small, you create only little business for the much larger outsourcing providers. You really do not have the negotiating power towards vendors as you might have with larger firms.”

As we look at SMEs, it become apparent that unlike larger organizations, SMEs often outsource entire functional areas such as finance, or more on point for operations, the shipping or even entire manufacturing process. I viewed this as an opportunity to both produce some unique research and at the same time, offer a perspective and knowledge base to my student learners. But what triggers that decision to leap and what role might outsourcing play?

As I further investigated this area of research, I started to develop a stream of research in this area. For the 2015 and 2016 conference, I focused on the construct of outsourcing and SMEs. As this work continued to progress, I began to work with others at my university. I started working with Dr. Joe Bell and Dr. Vess Johnson. We also involved a graduate student to help with our project, Ms. Sadiksha Upadhyay. Our project began to grow and has expanded in several directions over the past few years. Here are a few of the questions we have had and that have guided our research

endeavors:

1. What factors (economic, environmental, legal, etc.) create **more** opportunities for SMEs success? What factors create an individual tipping point to launch an entrepreneurial endeavor? How do these factors weigh into the ultimate tipping point decision?
2. How are entrepreneurs within individual states and/or regions influenced by these factors? How are they similar or how do they differ? Which states or regions perform better than others? What opportunities are there for underperforming states or regions?
3. What data do we need to answer these questions? And how do these factors weigh into the ultimate tipping point decision?
4. Finally, what roles do outsourcing opportunities or the availability of external expertise play in the ultimate decision to launch?

We eventually decided that the data provided by the Kauffman Foundation, reported as the Kauffman Startup Activity Index (KSAI), would be a valuable source of information to try to answer these questions (Morelix et al., 2017). The KSAI is a comprehensive indicator of new business creation in the United States, integrating several high-quality sources of timely entrepreneurship information into one composite indicator of startup activity. The KSAI captures business activity in all industries and is based on both a nationally representative sample size of more than a half million observations each year and on the universe of all employer businesses in the United States—which covers approximately five million companies. This allows us to look at both entrepreneurs and the startups they create. The Kauffman Foundation has been calculating and reporting this index value since 1996.

We (Felan, Bell, Upadhyay and Johnson) recently had a manuscript accepted for publication in the *Journal of Research in Marketing and Entrepreneurship* entitled “Economic Factors and the Kauffman Startup Activity Index,” (Felan et al., 2021). This initial research is a direct result of my involvement with SBI and offers an opportunity to further examine the role outsourcing, and more broadly operations, plays in the SME arena. Over the past few years, we have presented this information in different forms and have received numerous questions, ideas and feedback from fellow members of SBI. This manuscript would not have come to fruition if it were not for the valuable advice and support we received from SBI. And, we are continuing our work in this area and hope to have future publications from this research stream, targeting the two journals sponsored by SBI, the *Journal of Small Business Strategy* and the *Small Business Institute Journal*.

SBI’s Impact on Teaching

We had some changes take place to our department in the 2015-16 academic year and, given my interest and exposure to the entrepreneurship area, I was asked to teach our business consulting class. This was a new and exciting challenge for me. With help from my colleagues and others that I met in SBI, I taught the business consulting class for the first time in the spring of 2016. Several of my colleagues of-

ferred their syllabi and other materials that were instrumental in developing this course. The textbook I decided on using was “The Experiential Learning Process: A Guidebook for Students, Clients & Instructors”, 4th edition, Cook, Bellevue & Campbell, 2012. This book has been quite helpful to my students and me, serving as a guide through the experiential process. The book is authored by long time SBI contributors and members.

A major part of the business consulting class is the idea of experiential learning. Though I have used some experiential learning in previous classes, I have never designed the entire class around a large experiential project. Again, my colleagues with SBI helped me to find information related to this type of learning. I was provided several excellent examples of experiential learning. One example is Chapman et al. (1995), where they have provided a list of characteristics that should be present in order to define an activity or method as experiential. These characteristics include:

1. Mixture of content and process: There must be a balance between the experiential activities and the underlying content or theory.
2. Absence of excessive judgement: The instructor must create a safe space for students to work through their own process of self-discovery.
3. Engagement in purposeful endeavors: In experiential learning, the learner is the self-teacher, therefore there must be “meaning for the student in the learning.” The learning activities must be personally relevant to the student.
4. Encouraging the big picture perspective: Experiential activities must allow the students to make connections between the learning they are doing and the world. Activities should build in students the ability to see relationships in complex systems and find a way to work within them.
5. The role of reflection: Students should be able to reflect on their own learning, bringing “theory to life” and gaining insight into themselves and their interactions with the world.
6. Creating emotional investment: Students must be fully immersed in the experience, not merely doing what they feel is required of them. The “process needs to engage the learner to a point where what is being learned and experienced strikes a critical, central chord with the learner.”
7. The re-examination of values: By working within a space that has been made safe for self-exploration, students can begin to analyze and even alter their own values.
8. The presence of meaningful relationships: One part of getting students to see their learning in the context of the whole world is to start by showing the relationships between “learner to self, learner to teacher and learner to learning environment.”
9. Learning outside one’s perceived comfort zones: “Learning is enhanced when students are given the opportunity to operate outside of their own perceived comfort zones.” This does not refer just to physical environment, but also to the social environment. This could include, for instance, “being accountable for

one’s actions and owning the consequences” (Chapman et al., 1995, p. 243).

SBI has also been helpful in providing other types of course material. On the organization’s website (smallbusinessinstitute.org), you can find course related materials under the *professional development* heading. The organization also created a shared drive this past year as we were all trying to transition to online classes. This past year was quite stressful as we tried to offer and complete our consulting projects completely online. The information and resources available from SBI have been quite helpful for me in offering and enhancing this course over the past several years and transitioning the experiential learning experience to an online/hybrid environment.

Collaboration with the ASBTDC and a description of student projects

Our MGMT 4365 – Business Consulting class is offered once a year in the spring semester. I have had the opportunity to consult with a number of small businesses over the years (typically we have four companies per semester). We have had quite a variety of small businesses; from restaurants, specialty foods and a couple of fresh food markets to graphic design, used car sales, a pharmacy, physical therapy, drone surveillance, waterless toilets and feminine hygiene products. We are privileged to have a close working relationship with the Arkansas Small Business and Technology Development Center (ASBTDC). The lead center for the ASBTDC is housed in our School of Business on the University of Arkansas – Little Rock campus. And, quite fortunate for me, it is just down the hall from my office. They have been quite helpful in providing clients and support for my consulting class over the years.

Every year in the fall semester, I meet with someone from the ASBTDC who is assigned as the contact person for the business consulting project. The contact person begins discussing with the small business clients whether they would be interested in working with a student consulting group. Many of the small business clients are interested and willing to work with the students. Often, we will have companies ask about the student groups because they have heard about our consulting work from other businesses. We will usually have between 10-15 companies per year from which the students can select. At the beginning of the consulting class, the ASBTDC representative comes to class and presents a summary of each potential client. The student groups provide me with their top three choices, and I select the companies based on this information. This process has worked very well for us as well as the clients and the ASBTDC.

The following is a discussion of some of our past clients and how they have progressed since their involvement with the business consulting class.

Restaurants and Specialty Foods

Since 2015 we have had eight different types of restaurants or specialty food type establishments. Two of those has since gone out of business and I do not believe that is any reflection on the consulting class (or the professor). As

you are well aware, the past year has been difficult for many small businesses, particularly food services. However, that are several others in this sector that are doing performing quite well. One larger restaurant now has several locations. The analysis perform by the consulting class was focused on growth into offering catering services. Over the past year, they have had to move from catering to offering take-out services. This company has been successful in pivoting to offering more take-out services and they continue to be successful in the Little Rock and surrounding areas.

Two of the specialty food businesses continue to be successful – one makes cheesecakes and the other makes Italian ice (and other sweets). Both started small and were working out of a food truck (for the cheesecakes) and a small trailer (for the Italian ice) when they worked with our teams for the consulting projects. A few months ago, the cheesecake company moved into a brick-and-mortar location in Little Rock. They now have a few more employees and are doing quite well. The Italian ice company now has a few more employees and is currently searching for a physical facility for their business.

Two of our previous companies were food markets that sell locally grown products. One of the companies has a hydroponic farm where they grow many of their own fruits and vegetables. The main issue concerning both of these companies was in trying to do too many things (and carrying too many products) for their customers. Both companies are now more focused in their offerings and are having some success. The second main issue related to these companies (and is also true of many companies we have worked with and many other small businesses) is marketing and communicating with their client base. These companies are not familiar with or are not sure how to use new technologies and social media as a method of communicating with potential and existing customers. Many times, students work on a marketing and social media strategy for the companies.

Physical Therapy

The physical therapy facility is another example of a company in need of marketing and name recognition in the area. The students made a recommendation for the company to try different types of social media and a way to coordinate posts across different social media platforms. Since working with the student consulting team, this company has performed very well. They have added three new positions and they are searching for a new location, because they have outgrown their current location.

Green Toilets

One of our more successful clients is a company that has developed and produces a green toilet system. This company produces and sells self-contained, evaporating toilets that reduce waste to neutralized ash and require no plumbing. This product has many applications –in residential construction, commercial facilities, recreational vehicles, disaster relief and military applications. Our consulting team concentrated on a smaller product that is designed for use in small houses, boats and recreational vehicles. This area of their business has seen significant growth over the past few years. The company recently received the Gov-

ernor's Award for Excellence in Global Trade and Sustainability sponsored by the Arkansas District Export Council and has also been featured on the Discovery Network. The company continues to see increased sales and are very appreciative of the recommendations offered by our consulting team.

Emergency Feminine Hygiene Kits

Another company that has been quite successful is a company that provides convenient, sustainable, emergency feminine hygiene kits for menstruating women. The motivation for the business came from a personal experience of starting her menstrual cycle while traveling. No one in her group of travel companions had any feminine hygiene products and they did not want to buy a large quantity of products while on vacation. The idea of an emergency pack was born. These packs are small and discrete and easy to carry in a purse, car or travel bag. The consulting team analyzed the travel and hospitality industry, specifically looking into hotels, resorts, airlines, airports cruise lines and theme parks. The consulting group also discussed other potential markets, such as the military, Federal Emergency Management Agency (FEMA) and the Red Cross. This product and company recently (June 2021) won first place in a state-wide Shark Tank-style pitch competition. This competition is sponsored by The Venture Center (VC) and the ASBTDC. The Venture Center is an entrepreneur support organization in Little Rock. The VC uses a world-class team of mentors, intensive programming and links to the investor community to serve as an engine for economic growth in Central Arkansas and beyond. This is a prestigious win for this entrepreneur, and it gives her more visibility in the state and beyond.

Collaboration with Engineering Technology and Student Projects

Being involved with SBI has also provided me with some ideas to branch out with the student consulting projects. Over the years, I have also collaborated with the College of Engineering and Information Technology (EIT) at our university. We have worked specifically with the Engineering Technology department and students majoring in mechanical engineering technology. These students are required to take Senior Project I and Senior Project II during their last two semesters in the program. The students must develop and design a product for the marketplace. The engineering students must also work through the manufacturing process and costs associated with production. The consulting students start with the original engineering concept and preliminary design of the product. From there, the students develop a market and feasibility analysis. This analysis includes looking into competitors and potential competitors in the market. They also include some financial analysis, including estimates on operating costs and potential sales. At the end of the semester, their results are presented to the engineering students and faculty directing the senior projects. Some examples of senior projects used in the consulting course:

1. Alternative Fishing Method – similar to a “yo-yo” reel

and an indicator light come on with mechanism is released.

2. Wearable Fishing Box – lightweight and you can wear around your waist. The offers storage and can be used as a table for small tasks.
3. Portable Laptop Stand – lightweight and portable, this stand also offers docking and storage capabilities.
4. Outboard Electric Motor – lightweight and for use with small boats or kayaks.
5. Electric Automobile Jack – small, lightweight jack that is powered by the car battery.
6. Small Appliance Elevator – a lift system that can be used in kitchens (and other places in the home) to help store and retrieve heavier items (useful for people with physical disabilities).

Every year, during the fall semester, I am invited by the EIT faculty to attend the presentations for the senior projects. This gives me an opportunity to understand the types of products being developed by the students. The engineering students and faculty have been very receptive to working with the consulting students. We have approximately 6-8 projects per year from which the consulting teams can select. I have received many positive comments from the EIT faculty regarding the student interaction. The faculty are appreciative of the business viability information that our students are able to share. The process helps the engineering students obtain a better understanding of the business side of their work.

Impact on Service

Over the years, The University of Arkansas at Little Rock has been quite involved with SBI. We have had numerous paper submissions, presentations and round table discussions propagated by faculty and students from our univer-

sity. We also have two current faculty members, Dr. Joseph R. Bell and Mr. John Hendon, who are past presidents and SBI fellows. So, to continue this tradition from our university, I submitted my name for consideration and was elected as Vice President of Programs – Elect this past year. This means that I will be the Vice President of Programs next year and the person that will coordinate the SBI national conference in 2023. I have enjoyed my work with SBI in the past and I am looking forward to serving as an officer in the coming years.

Conclusion

You can see that my academic career has taken quite a turn since becoming involved with the Small Business Institute[®]. My university colleagues, as well as those at SBI, have helped open my eyes to the intersection of operations and entrepreneurship. This work with business consulting has also provided me with an opportunity to walk across our campus and create collaborative opportunities for both myself and my student learners.

This organization has become a large part of my academic life – from my course offerings to student projects, to research activities and even the service to my profession. On a more personal level, I have made some new friendships while being involved with SBI. The organization proved to be welcoming, supportive and engaging, even for someone “outside” the discipline. I am so very grateful that my colleagues invited me to be a part of this organization back in 2015 and I hope to be a part of this organization for many years to come.

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