

A PRACTICAL FRAMEWORK FOR STRATEGIC PLANNING:
AN ENTREPRENEUR'S GUIDE TO ORGANIZATIONAL STRUCTURE

by

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HONORS THESIS

Submitted to Texas State University
in partial fulfillment
of the requirements for
graduation in the Honors College
December 2022

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2022

DEDICATION

This thesis is dedicated to the entrepreneurs in our society. May you all continue to take and manage risks successfully to make this world a more efficient and better place. The world has yet to see the great things you can accomplish when provided with all the necessary resources.

ACKNOWLEDGEMENTS

I would like to acknowledge and thank all the people that made this work possible. To my supervisors, for providing all the guidance and advice that led me through the development of this project and its contents. Your comments and suggestions ensured this work became its best possible version.

As well, I would like to thank all the entrepreneurs who spent their precious time sharing with me a little of their success; your impact will go beyond what you will ever realize. Your mentorship has inspired me greatly, and it was essential to generate resources for many generations to come.

Last, I would also like to give special thanks to my family and friends for their continuous support. All your encouraging words and prayers have uplifted me throughout this process and the struggles I faced.

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ABSTRACT

The number of entrepreneurs is increasing in the United States. Nevertheless, despite more entrepreneurs and more businesses being started, many ventures do not survive long term due to a number of factors including the risks entrepreneurs attempt to manage as their businesses grow. In fact, a common obstacle that entrepreneurs face when developing or revising their strategy and its implementation relates to the venture's organizational structure. This research aims to provide first-time entrepreneurs with a practical framework for developing organizational structure once the firm is established. A review of the literature suggests that entrepreneurs often face challenges with organizational structure and, further, that a gap exists in the resources available to assist with strategic planning implementation and organizational structure. The results were obtained from conducting interviews with entrepreneurs and business leaders from the Austin, Texas, area. Based on the findings, a practical framework is developed to assist first-time entrepreneurs in creating an organization with a refined structure and, ideally, more longevity. Additionally, suggestions for further research related to organizational structure and strategic planning are offered.

INTRODUCTION

The number of entrepreneurs is increasing in the United States. In fact, a recent study finds that the nation has experienced a 29% increase in the number of entrepreneurs (Entrepreneur Statistics, 2022). Strategic planning is essential to the success of entrepreneurs. The formulation and implementation of long-term plans set the tone for the effective management of opportunities and threats while taking into consideration the organization's strengths and weaknesses. First-time entrepreneurs typically exhibit an informal and unsystematic planning style given that their experience is often in a non-business area, which translates into struggles when attempting to grow their venture after launch (Ghanbari & Ziaabadi, 2021). In fact, studies show that emerging firms with strategic plans are twice as likely to perform above the industry average (Kuratko, 2020).

The success of an organization relies on acquiring and implementing knowledge regarding its strategic planning, developing responses to potential obstacles, and targeting growth goals (Lorenzetti et al., 2020). By engaging in strategic planning, leaders can systematically identify issues that may arise in the future and consider appropriate responses, which enhance the competitive advantage of the organization. More importantly, this thought process must highlight what role everyone in the organization performs to successfully carry out the plan.

Given the constantly changing environment in which many new ventures exist, the need to have a strategic plan is important for the venture's survival. Due to the importance of organizational structure, this research attempts to provide practical guidelines for first-time entrepreneurs that helps incorporate organizational structure in the formulation and implementation of the strategic plan.

Throughout the study, the terms “strategic planning” and “organizational structure” are referenced. It is important to, first, understand the definitions used in this study when developing the practical framework for first-time entrepreneurs. To better understand the terminology, these core terms are defined below.

What is Strategic Planning?

Strategic planning is broadly defined as a management tool used to establish the strategies to achieve an organization’s vision and mission (Lorenzett et al., 2020). This planning goes beyond establishing a sustainable competitive advantage and financial operational goals; it needs to simultaneously highlight organizational structure with standard processes that must be followed appropriately. In addition, strategic planning is a process important for entrepreneurs as it is useful for generating improvements in the new venture and its goals (Kich & Pereira, 2011).

Many businesses apply some form of strategic planning to be able to adapt in a context that is constantly changing; thus, to remain viable, it is important for entrepreneurs to be familiar and comfortable with this process. Overall, utilizing strategic planning as a management tool is widely applied in business, supported and studied by many researchers, and taught in business schools worldwide.

What is Organizational Structure?

Organizational structure serves as a framework that establishes responsibility, communication systems, and authority for individuals in the organization (Hrebiniak, 2006). This element is essential to properly manage internal systems, ensuring that the organization’s mission and vision remain part of the backbone of the organization. Organizational structure is necessary to ensure that the individuals within the

organization are prepared to carry out its planned strategies while following a hierarchical structure (Cruz, 2008).

Entrepreneurs' Planning Statistics

Many companies that lack proper strategic planning tend to be established and run by entrepreneurs (Lorenzett et al., 2020). In addition, the baseline reasoning for entrepreneurs not to engage in strategic planning is due to their focus on business or industry specialization (Rodrigues, Santos & Batista, 2011). Strategic planning consists of more complex processes than merely stating that an organization has a “plan”. For a plan to be considered strategic, it must include a thorough analysis, discussion, and well-constructed communication method for the dissemination of plan information to the entire company. It must also establish a method of implementing those strategies and monitoring progress in achieving them over time.

Entrepreneurs can experience management problems due to their limited administrative background or education, and this may result in a struggle to establish a competitive structure (Lorenzett et al., 2020). For first-time entrepreneurs, technical-skill development is often their top priority in preparation for their venture, with entrepreneurial and managerial-skill development considered a secondary priority (Ghanbari & Ziaabadi, 2021). Strategic planning can be a major challenge for first-time entrepreneurs when the changes in strategy result in the top management team formulating strategic changes, which then become difficult to implement successfully. Nevertheless, when utilized, strategic planning typically results in a stronger organization with better-prepared individuals working towards the same strategic ends (Ghanbari & Ziaabadi, 2021).

PURPOSE STATEMENT

This study explores an existing gap between entrepreneurship and human resources management research. More specifically, it seeks to fill the gap between strategic planning and the incorporation of organizational structure. There is extensive literature regarding the importance of both of these areas, but few resources are available for first-time entrepreneurs seeking to incorporate organizational structure in their business development. To address this gap, the specific research question explored here is:

What are the primary components that support the organizational structure of a business, and in what ways can they be useful for first-time entrepreneurs seeking to professionalize their firms?

Fundamentally, this study sets out to assist first-time entrepreneurs by developing a practical framework for strategic planning that offers new entrepreneurs a guide to organizational structure. Additionally, this study highlights other areas where research can further advance the development of resources that allow entrepreneurs to engage in more effective strategic planning and organizational-structure development

LITERATURE REVIEW

In order for strategic planning to be effective, management needs to be the first entity within the organization to be convinced of the need for planning and aware of the benefits (Kich & Pereira, 2011). Strategic planning is not entirely inadequate in the practice of many first-time entrepreneurs, but it often displays a deficiency in sophistication and application (Panić, 2019). Many entrepreneurs engage in a short-term exploration of strategy—deemed more operational than strategic—and of an intuitive and

informal nature (Panić, 2019). When assessing functional areas (e.g., production, marketing, finance), entrepreneurs may not address organizational structure in their planning due to their often intuitive-based management approach (Panić, 2019).

The presentation of a formal structure in the organization should ideally be presented utilizing flowcharts with the objective of developing and conveying organizational relationships, establishing responsibilities, and dictating standardized procedures and operations in the organization (Cruz, 2008). It is crucial for all employees to have a clear understanding of these in order for them to successfully advance an organization's chosen strategies and accomplish its goals. For this to happen, management must share and communicate the rules and procedures, including doing so in writing.

There are proven tools that can be utilized to incorporate organizational structure in the strategic planning process, making the organization's operations more effective. A key element that researchers suggest is part of this success relates to time management and internal communication. For instance, entrepreneurs can begin by "implementing agenda management processes to build cohesiveness among senior management, generating a collective approach to strategy formulation and implementation" (Eadie & Steinbacher, 1985, p. 426). In this way, organizational changes and their structure naturally develop from the implementation of strategy. Organizational resources such as management skills, time, and structure have limited strategic importance to first-time entrepreneurs, but these resources must be considered when strategic planning to assist in the longevity of the company (Eadie & Steinbacher, 1985). At the same time, there is a positive impact on a company's performance when strategic planning and organizational

structure remain stable over time (Thaher & Jaaron 2022). Thus, organizational structure can emphasize the turning point that cultural, political, and industry-related differences present in strategic planning (Thaher & Jaaron 2022). Moreover, research suggests that organizational structure facilitates the integration of formalization and standardization, which are important for the implementation of strategy (James & Jones, 1976).

METHODOLOGY

This research identifies a gap in previous research related to strategic planning and organizational structure. The study acknowledges the conclusion previous research makes, which suggests that integrating strategic planning and organizational structure are important. However, few resources exist that help entrepreneurs develop their organization's structure when engaging in strategic planning.

To address this gap, this study uses primary data generated by interviewing a total of five successful entrepreneurs and business leaders from the Central Texas area. These individuals were selected to be interviewed based on their success, which was determined by several factors that include the (1) age of their firm, (2) revenue generated by their firm, and (3) size of their firm. Table 1 offers more detail on these criteria. Further, Appendix B includes more details of the participants demographics.

These interviews focused on factors that are relevant for entrepreneurs who seek to transition from a start-up to a professionalized firm, ensuring systems are in place to effectively implement their strategic plans. The interviews focused on the methods of developing hiring practices, introducing hierarchy, avoiding micro-managing, reducing role overlaps, and communicating with employees (Appendix A). Thus, each participant

provided insights about how these areas were developed within their firm while discussing the importance of each area.

Table 1

Determination of Participants

Item	Minimum Requirement	Reasoning
Years in business	5 years	45% of businesses fail within their first 5 years (Entrepreneur Statistics, 2022).
Revenue generated in the last year	\$900,000-\$1,000,000	Small businesses in the US on average report revenue between \$1-\$40 million (Hait, 2021).
Company size	20 employees+	Approximately 30 million small businesses in the US have between 20-100 employees (Hait, 2021).

The data obtained from interviews were then analyzed to identify patterns following the work of Jaskiewicz et al. (2015). The study used a coding methodology in which common factors, issues, and concerns were identified based on the notes taken during each interview. First, primary codes aimed to identify similar concepts and terminology that emerged from the participants' responses to each of the questions. Second order codes were then identified, which focused on developing common themes and applications within the input from the interviews. Last, these were translated into the emerging areas for the practical guidelines developed. Thus, these emerging areas are discussed and explained for first-time entrepreneurs based on the feedback given by the majority of participants.

FINDINGS

First, all participants provided information on their methods of developing hiring and firing processes. Common findings included the financial nature of these decisions and procedures along with the expected company and industry changes in terms of growth. From the different inputs, the common trends established a pattern of having to evaluate options to create positions in-house or outsourcing the support needed. These decisions were often based on their financial impact.

Participants also provided insights into their approaches to introducing hierarchy. Three participants highlighted the importance of standard procedures and creating an organizational chart in order for employees to better understand command and the established workflow within the company. Although this seems like common knowledge in business, many small businesses often fail to generate these early on due to the small number of individuals that comprise their workforce. Three of the participants shared the importance of an organizational chart, noting how the charts proved to be more important than just a simple chain of command. Instead, the charts allow for a visual reference the top management team can use to evaluate the structure when implementing changes in strategy. An organizational chart also provides a necessary point of reference for middle management to, for instance, evaluate the potential addition of team members in any area of the company's operations, knowing who would need to approve the changes and assist in identifying needs and potential solutions.

All five participants shared the importance of avoiding micromanaging and reducing overlap in roles or responsibilities. All five participants expressed the importance of allowing subordinates to carry out their assigned role with limited

interruption for a team to operate adequately and effectively complete assigned tasks. The participants emphasized that guidance and direction are necessary for employees, and it should be provided through proper training. Four out of five participants shared the need to set expectations and goals that provide the organization with direction while empowering employees to make decisions utilizing their training and talents to reach established objectives.

Last, four out of five participants highlighted the important role that effective communication methods play in relating strategic plans to employees. Communication is a necessary practice to ensure a strategic plan is pursued by all individuals in an organization. These participants emphasized the importance of decision making: when it occurs in the organization, the decisions should be properly communicated, in an appropriate way, to all relevant individuals for them to do their part. Fortunately, technological advancements allow entrepreneurs to access tools that are inexpensive and can be quickly introduced to their organizations, including mass messaging features, live document updates, updating data in real-time, as well as project management tools that can be utilized within smaller departments or project teams.

DEVELOPMENT OF A PRACTICAL FRAMEWORK

The findings from this study were used to develop a practical framework that new entrepreneurs can utilize to incorporate organizational structure into their strategic planning implementation. The framework consists of seven distinct areas. These areas directly emerged from the patterns found in the participants' answers as discussed in the methodology section and are discussed below.

Financial Evaluation and Role Creation

This area focuses on directing the entrepreneur to evaluate their current budgets and take into consideration potential income growth as three out of five participant firms shared that this can be a driving factor to create new positions. In order to determine headcount needs, middle management should identify the areas that need support, and they can assist in creating job descriptions.

For first-time entrepreneurs, all participants mentioned the need to differentiate between needing to prioritize activities as a manager and recognizing when it is the right time to hire more help. Three of the participants shared that if it is determined that additional hiring is required, further evaluation needs to take place to understand if the need can be solved through contracting or if a permanent position needs to be created. Ultimately, as shared by two participants from the technology industry, new entrepreneurs need to remember that talent needs to be hired proactively to achieve goals effectively and in a timely manner.

Create Organizational Flowcharts

Four out of five participants expressed that as the organization grows and new positions are created, the creation of flowcharts facilitates the understanding of internal operations. For instance, it is useful to visualize hierarchical relationships, establish responsibilities, and dictate standardized operations within the organization. Additionally, these flowcharts can be utilized to create an organizational chart for all individuals to understand their individual contributions to the organization. Furthermore, these flowcharts can help employees better understand the vision and allow management to create the best culture possible.

Training vs. Development

All participants expressed that the retention of talent is crucial to the success of the organization and the need to minimize employee turnover. Participants mentioned that employee turnover was often due to the lack of understanding of their position and the lack of the necessary training for their position. Proper and timely training will help to ensure employees are successful, thus making the organization successful too. A member's initial onboarding can include information and training regarding the organization's vision and mission along with its culture, product, and general operations. This onboarding should lead to a "30-60-90"-day expectation that sets the tone for the employee's performance and integration. Ultimately, highlighting and sharing the review procedures that will be in place to evaluate if the employee is meeting the expectations at each interval—and where they might need further assistance and training—is necessary.

When the right talent is hired and obtains the proper training, the same employees can be developed to meet future organizational needs and changes through growth. This can be achieved through other ways to promote employee development, such as continuing education, providing basic training in other areas of the organization, and encouraging self-advocacy. This way, employees can speak up regarding their position's needs or the needs of the organization.

Evaluate Management Style and Micromanaging Prevention

People and teams within an organization will always need direction and guidance, but the organization should aim to remain collaborative and avoid company paralysis when a single member is absent. Four out of five participants expressed that to do this, managers must establish expectations and delegate tasks while ensuring all employees are

given the right tools to perform. Then, managers should be able to empower subordinates to make decisions and carry on their roles confidently. For this to happen smoothly, all individuals must have similar core incentives, which should be to accomplish the organization's main goal. These can aid in determining where additional support might be needed and how a solution can be developed.

Three participants highlighted the importance of evaluating their meeting schedules and agendas to ensure they remain efficient and clear. To achieve this, the model proposes they aim to conduct meetings with a highlighted purpose, identifying at least three things that need to be addressed, and allowing for question-and-answer time for attendees to obtain any necessary clarifications. These techniques can assist in developing and generating documents that employees can reference in the future when they need assistance.

Project Management Tools

Four out of five participants stated entrepreneurs must implement communication systems that allow for constant dialogue among members of the organization, providing feedback to management on needs and achievements. Communication should remain frequent and happen in various forms to ensure engagement among members of the organization. This can be achieved by creating documents that are updated in real-time and accessible by all members of the organization. Also, this can be achieved through integrating automation through tools like Asana, Trello, Canva, Slack, Notion, etc. Another tool that can enhance organizational management and dynamics is the introduction of employee resource groups. These groups can assist members with their

needs while allowing them to discuss common interests aside from their specific roles or positions in an organization.

A tool shared by two of the participants that can assist first-time entrepreneurs in developing a core guidance is implementing V2MOM (Vision, Values, Methods, Obstacles, & Measures). This suggestion was shared by participants in the technology industry; therefore, this could be an industry specific resource that may be further explored within businesses in other industries. By sharing these items and approaches with the members of the organization, the goals become clear, and it serves as a reference point over time for all departments in an organization.

Introduce Reward Processes

Entrepreneurs can utilize different forms of reward systems to ensure their employees remain engaged in achieving the organization's goals. There are several options beyond the common reward systems, which often include bonuses. For example, employees can be rewarded by pursuing organization-sponsored continued education or be given wellness packages. Furthermore, the organization can turn these into incentives to acquire additional training that can assist in developing talent to achieve the organization's goals. One participant in the food industry shared interesting rewards systems such as entering raffles for attending further training. This participant also noted the difficulties and time it took for their employees to be receptive but confirmed the positive effects after that transition period.

The implementation of performance appraisal methods in the organization can help create an environment of higher motivation levels and goal alignment among members of the organization. Some appraisal methods are well known for incentivizing

employees and can enhance the culture of the organization. More importantly, employees can encourage other employees to take advantage of the available rewards and by so doing, encourage everyone to perform their role efficiently to obtain other potential rewards.

Organizational Review Process

To evaluate the state of organizational structure within a firm, there must be an evaluation process in place. The first step to achieve this is to establish a system for individual reviews and reviews of management. Depending on the organization's size, it could be highly beneficial to implement a 360° review approach. Moreover, it is necessary to allocate time to review the 30-60-90-day expectations set in previous onboarding and training, discussing whether these were met, or identifying areas of improvement. It is also suggested the review process be conducted by an HR department, or if unavailable a management consultancy, and done anonymously to obtain honest results.

It is also necessary for reporting and reviewing to take place when conducting a review process. Middle management can take charge of sharing the results, highlighting to the organization what generated positive outcomes and areas for improvement. It is important that, as part of the review process, there is sufficient time allocated for feedback to take place in order to ensure that there will be an understanding of what changes need to be made.

DISCUSSION OF THE PRACTICAL FRAMEWORK

This model is intended to assist new entrepreneurs with growing companies or start-ups in tackling a lack of business experience, technology, or business knowledge and transition from a start-up with inevitable overlap in responsibilities to a professionalized firm with a well-developed organizational structure. Furthermore, it attempts to provide a better understanding of role creation, generating flowcharts, training, management tools, and implementing performance appraisal methods.

The implementation of this model may vary for entrepreneurs based on their different growth goals, stages of their venture, or even the industry of their business. Even so, by drawing conclusions from common trends among the majority of the participants in the study, the results of this research suggest first-time entrepreneurs can utilize this model to evaluate and develop organizational structure when implementing the organization's strategy. Concurrently, this model can serve as an evaluation tool for ventures that have already started to assess their current strategic planning methods and appraise whether they have successfully incorporated organizational structure. Existing entrepreneurs can also benefit from the model's stages in several ways, providing them with material and an opportunity to make the adjustments they deem necessary.

The model breaks down essential areas that entrepreneurs can analyze and incorporate to ensure they are integrating organizational structure into their strategic planning. Each of these areas can (and should) be revised over time to adapt to their growth as needed, while continuously incorporating organizational structure as a factor in the firm's strategic planning.

OVERVIEW OF THE PRACTICAL FRAMEWORK

To assist new, first-time entrepreneurs in their ventures, this research has translated the findings into a practical form, demonstrating the model can be easily utilized to accomplish the goals of its application. Entrepreneurs who decide to apply this model can utilize all or some of the reference materials created for each of the model's stages based on their specific needs and entrepreneurial goals. (See Appendix C.)

The provided reference materials can be used by entrepreneurs in their strategic planning. These materials additionally serve the purpose of becoming a visual reference for the firm's progress and may be a tool for evaluation and monitoring. The development of these materials was relevant to the purpose of this research as the materials assist in the practical application of the model created. Furthermore, these materials facilitate and encourage entrepreneurs to utilize the results from this research and apply them in their own business operations.

Last, the purpose of creating materials for each of the stages allows for entrepreneurs in more advanced stages to be able to implement the material to their venture. Therefore, the reference materials overcome a potential limitation of being useful only to new entrepreneurs and new ventures. The material can also be used by entrepreneurs and small businesses that desire a change in industry or aim to establish a new path for their growing business.

LIMITATIONS & FUTURE RESEARCH OPPORTUNITIES

There are acknowledged limitations to this study. Due to limited time and resources, this study focused on future first-time entrepreneurs and did not explore its extension to small-business CEOs and their top management teams. However, further

research will likely benefit from investigating the application of findings to these individuals. Ideally, the results should be applicable to these individuals, but the study did not extend the investigation to them.

The materials generated from the study present a limitation. The study goes as far as developing the model and generating reference materials, but due to time and resource constraints it did not test the outcomes of applying these materials. The next step to evaluate the efficacy of the results discussed is to monitor and analyze the influence of these materials in an organization's performance. Thus, this is a limitation, but also a route to further research and improvement of these materials and results.

Last, one of the other major limitations from this study is the participants' backgrounds. The study does not provide specific insight into any industry, nor can it serve as guidance for a particular organization size. For the purpose of developing a model and materials that were useful to many, the study did not focus on one particular industry or organization's size, ultimately making the results of the study broad. This should encourage researchers to further the study of entrepreneurship and organizational structure by narrowing the lens by industry and/or the size of the firm. Additionally, the number of participants was five, which reduces the generalizability of the results. While a limitation, this creates opportunities for research to replicate and extend these findings.

CONCLUSION

The results of this study suggest that there is a need for organizational structure to be incorporated into strategic planning, especially to ensure entrepreneurial success. An assessment of current insights, which was conducted through the literature review, was enhanced with data obtained from primary sources. The overall approach used was intended to be functional and practical for future entrepreneurs by providing materials that first-time entrepreneurs can incorporate in their strategic planning. The insights produced are expected to be beneficial to small businesses when incorporated into their strategic planning.

Ultimately, this study presents relevant results and information to better understand the need for timely development of organizational structure to support current and future goals. Moreover, this content contributes to the literature in entrepreneurship, expanding the information on strategic planning for entrepreneurs and small business operations by generating a reference model for the incorporation of both items within the firm's operations. It encourages further exploration and the creation of more materials to aid in the success of future entrepreneurial ventures, which can ultimately positively impact our society and economy.

The main goal of this study is to provide new entrepreneurs with supportive material for their strategic planning. At the same time, it serves as educational material with a combination of information in strategic planning and organizational structure for entrepreneurs to utilize and learn. The study has provided information regarding the importance of exploring the incorporation of organizational structure in strategic planning

with the intention that entrepreneurs will utilize the resources to create value for their organizations.

The findings may encourage researchers, as well as other new entrepreneurs, to continue exploring the importance of organizational structure in entrepreneurial success while igniting research in other areas that might also influence this success. Although further development of models will be necessary as society evolves and businesses need to quickly adapt to remain competitive the resources produced from this study offer initial resources that entrepreneurs may be able to use to enhance the success of their organization.

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APPENDIX A

Interview Prompts



THESIS TOPIC BREAKDOWN

- **Context & Inspiration:**
 - Strategic Planning: The formulation of long-range plans for the effective management of environmental opportunities and threats considering a venture's strengths and weaknesses.
 - Most entrepreneurs' planning is informal and unsystematic
 - Entrepreneurs struggle to adapt with increasing operations and personnel size.
 - Firms with strategic planning are 2 times more likely to perform above industry average.
- **Goals**
 - To provide guidance to other entrepreneurs with the following:
 - Balance the lack of experience and lack of technological/business knowledge.
 - Transition from a start-up with inevitable overlap in responsibilities, to a firm with organizational sustainability.
 - Have a better understanding of reward systems and when are they necessary.
 - Understanding the need of developing a team on time to support current and future goals.
 - To provide training materials useful to Human Resources departments in rapidly growing companies, or start-ups

THESIS – RESEARCH PHASE

Discussing the topic with entrepreneurs

DISCUSSION & QUESTIONS

These are some leading discussion points to guide the conversation, however, these questions may not fit every entrepreneur's industry/company. Any information is welcome and useful

1. How did you hire and developed a team that would successfully support you for future plans?
2. What procedures did you set in place to reduce overlap, finally transitioning into specific roles/positions, or departments?
3. How did you introduce hierarchy (if at all) to your company?
 - How was the transition like?
 - And what was the response across the company?
4. Do you have a reward system in place for employees?
 - If so, when did you determine it was needed?
 - How did you put it in place?
 - What was the response across the company?
5. How do you avoid micro-managing? What recommendations can you give to rising entrepreneurs to avoid micro-managing?
6. How do you communicate strategy to employees? What communication systems do you have in place?
 - If you have had different communication systems before, what were they and why/when did you see the need to change it?

Overall, the goal is to have a better understanding of how your company transitioned from a 'start-up' or small business into a larger firm (organization wise). How did you create structure, set policies in place, and obtained organizational sustainability to adapt to the firm's growth?

APPENDIX B

Participant Demographics

Company A: Service Industry

Number of Employees	Revenue	Year Established
 86	 \$50M +	 1993

Company B: Quick Service Restaurant

Number of Employees	Revenue	Year Established
 50	 \$900K +	 2007

Company C: Technology Services

Number of Employees	Revenue	Year Established
 500+	 \$1M+	 2011

Company D: Software Services

Number of Employees	Revenue	Year Established
 20	 \$1M+	 2015

Company E: Manufacturing

Number of Employees	Revenue	Year Established
 20	 \$1M+	 1965

APPENDIX C

Diagram of Model Created

Strategic Planning + Organizational Structure Model



Financial Evaluation and Role Creation

- Evaluate budgets and expected income growth
- Create job descriptions and establish headcount needs
- Contracting vs. Hiring options
- Hire talent proactively



Flow Charts

- Visualize hierarchical relationships
- Standardized procedures and operations
- Understanding individual contribution
- Identify internal vs. external factors/needs



Training vs. Development

- People, a team, need direction and guidance
- People leave due to lack of training. Retention is crucial
- Continuing education, basic training, self-advocacy
- Understand when things need to be proactively vs. reactively done



Evaluate Management Style

- Meeting schedules and agendas
- Core incentive and knowledge
- Documents for reference
- Avoid company paralysis = collaborative company
- Empower people to make decisions



Project Management Tools

- Over Communicate = no secrets
- V2MOM (Vision, Values, Methods, Obstacles, & Measures)
- Automation
- Employee Resource Groups



Organizational Review Process

- Personal review, review of management
- Anonymous, through HR
- Reporting/Reviewing
- Measures, what work and what did not
- Feedback time allocation



Reward Processes

- Quarterly options
- Seasonal options
- Education and Wellness
- Incentives to acquire additional training
- Hitting Milestones, revenue = rewards = accountability environment

APPENDIX D

Reference Materials

Financial Evaluation & ROLE CREATION

 Are you evaluating and doing the following? 

- > **budget and potential income growth**
- > **determine headcount needs with managers**
- > **creating job descriptions with other managers**
- > **consider contracting vs. hiring options?**
- > **hiring talent proactively**





Organizational FLOWCHARTS

Have you created flowcharts?
Do they do all of the following?

Visualize

- Hierarchical relationships, responsibilities, and standardized procedures and operations
- Internal and external factors

Understand

- Understand vision, set up the right culture
 - Employee understanding individual contribution
- 



Training vs. DEVELOPMENT

TRAINING

- Retention is crucial. Ensure all your members have the proper tools and training
- Initial onboarding should include culture, product, operation
- Establish 30-60-90 day expectation and provide resources

DEVELOPMENT

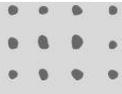
- People, a team, need direction and guidance
- Help your managers and subordinates understand when things need to be proactively vs. reactively done
- Schedule reviews and assist each member as needed to better perform in the future



Management STYLE

EVALUATE MANAGEMENT STYLE

- ✓ Are you delegating when necessary?
- ✓ Are subordinates receiving the training needed?
- ✓ Are there areas that display further need for training?
- ✓ Are you efficiently planning meetings and agendas?
- ✓ Are you allowing for Q&A after meetings/announcements?
- ✓ How can you develop reference documents to empower others to make decisions?



Project Management TOOLS



V2MOM

Vision

- Have you established your organization's vision?
- Has the vision been shared with every individual in the organization?
- How are you reminding everyone over time of this vision?

Values

- Have you established your organization's values?
- Have the values been shared with the organization?
- How are you reminding everyone over time of these values?

Methods

- What steps will you take to ensure you are directed towards your vision?
- How are you preparing the organization and the individuals to assist you in carrying on your vision?

Obstacles

- Have you identified potential obstacles to carry on your vision or share your values?
- How do you plan to overcome these obstacles?
- Does the organization have the tools needed?

Measures

- How are you tracking the organization's results and progress towards the vision?
- How are you sharing with the organization the obtained results?

Documents Sharing

- Create "living, breathing" documents
- Ensure employees have access to information and data updated in real time
- Attempt incorporating automation within tasks when possible
 - Consider tools like (Asana, Trello, Canva, Slack, Notion)



Communication

- Ensure that communication happens frequently and in various forms. *Overcommunicate*
 - Provide opportunity for community engagement
 - Employee Resource Groups to support employee interests within the organization
- 



Organizational REVIEW PROCESSES

Individual and Management Reviews

- Can you conduct the organization's reviews anonymously?
- Can you conduct the reviews with a 360° approach?
- Can feedback be shared/provided outside of these opportunities?



Reporting and Reviewing

- Are you sharing what has worked and what has not worked within the organization?
 - Are you allocating time to share feedback with your subordinates?
 - Are you allocating time to share feedback with management?
- 



Reward SYSTEMS

Quarterly

Consider providing quarterly bonuses.

These can be determined based on revenue or employee specific performance. The bonuses could be given as additional pay, or other items such as PTO, paid meals, or paid team activities for further employee engagement,

Seasonal

Bonuses based on holidays

Consider sharing rewards around Thanksgiving, Christmas, start of Summer, etc.

These could be additional bonuses in a financial form, or by providing events that the organization prepares for employees around those times.

Wellness

Education and Wellness

The organization can encourage employees to pursue continued education to excel within the organization. Additionally, the organization can promote physical and mental wellness by providing gym memberships, healthy snacks/meals, etc

Reaching milestones/revenue

=

Rewards

=

Accountability Environment

