

Syllabus

Course description

Course title	Entrepreneurial Finance and Venture Capital
Course code	25560
Scientific sector	SECS-P/09
Degree	Master in Entrepreneurship and Innovation
Semester and academic year	2. Semester academic year 2023-2024
Year	1 st study year
Credits	6
Modular	No
Total lecturing hours	36
Total lab hours	Not foreseen
Total exercise hours	18
Attendance	suggested, but not required
Prerequisites	The prior attendance of the course “Foundations of the Entrepreneurship” is highly desired but not required. General finance knowledge would be an advantage, but is also not required.
Course page	Course Offering - enrolled from 2022 / Free University of Bozen-Bolzano (unibz.it)
Specific educational objectives	The course refers to the typical educational activities and belongs to the scientific area of Economics. The education objectives of the course are to teach students to thoroughly understand the range of financing alternatives available to small business and to be able to choose the most suitable ones for each case.
Lecturer	Florian Kiesel Office E2.04 Phone 0471 013041 Email: florian.kiesel@unibz.it https://www.unibz.it/en/faculties/economics-management/academic-staff/person/46474-florian-kiesel
Scientific sector of the lecturer	SECS-P/09
Teaching language	English
Office hours	please refer to the lecturer’s web page
Lecturing assistant	Not foreseen
Teaching assistant	Not foreseen
Office hours	18, please refer to lecturer’s timetable
List of topics covered	Sources of financing, Financial Planning, Firm valuation (DCF and comparable firms, VC method), Capital Structure, Private equity and venture capital market, Crowd financing, Token financing / ICOs, SPACs, IPOs,

Teaching format	Financing for business plans/Budgeting forecast Frontal lectures, case studies, exercises, presentations
Learning outcomes	<p>Knowledge and understanding: The course provides knowledge on the main financial issues of young ventures, such as funding, raising money, valuation, and exiting. The course introduces the key actors in entrepreneurial finance, the preparation of a business plan and financial forecasting, the mechanics of financing rounds; financial management of SMEs; and the exit process.</p> <p>Applying knowledge and understanding: The student should be able to apply modern techniques of entrepreneurial finance and venture capital. This includes firm valuation, preparing and pitch business ideas using financial forecasting and planning, discuss funding alternatives, and how to identify suitable exit strategies.</p> <p>Making judgments: Students should be able to estimate the financial value of new ventures, whether the business plan can be successful or not using cashflow analysis, and what are good financing sources to establish the business successfully.</p> <p>Communication skills: The aim is that students collaborate to finalize business strategies, that they can pitch business plans in short and efficient ways and that they learn to negotiate with investors in different stages of the venture using the same definitions and terminologies.</p> <p>Learning skills: The course provides students a framework for (financial) decision making, to solve problems, learn to find information, make assumptions, and present solutions.</p>
Assessment	<p>All students (attending and non-attending students): Individual case study (firm evaluation) submission prior to the final exam.</p> <p>The final exam is an individual written test at the end of the semester. The test will have some general questions and a small case study in which the student has to develop a suitable financing decision. A Mock exam will be presented in the last class of the lecture.</p>
Assessment language	English

<p>Evaluation criteria and criteria for awarding marks</p>	<p>There are two written parts (case study and final exam). For the case study, students have to evaluate an existing start up and provide a market value of the firm. The case study is evaluated based on the assumptions made by the student, the level of detail and the final presentation of the results.</p> <p>The final exam consists of questions related to real cases, entrepreneurial finance theory as well as exercises. To pass the exam students must obtain a positive evaluation on both parts, otherwise the test is considered failed. Threshold for the final exam is (18 out of 30+ points), while the case study is either fail or pass.</p>
<p>Required readings</p>	<p>Metrick and Yasuda, <i>Venture Capital and Finance of Innovation</i>, 3rd Edition (2021), Wiley Leach and Melicher, <i>Entrepreneurial Finance</i>, 7th Edition (2020), Cengage</p>
<p>Supplementary readings</p>	<p>Berk and DeMarzo, <i>Corporate Finance</i>, 5th Edition (2020), Pearson. Further readings will be defined before the start of the course.</p>