

BUS 443 – Entrepreneurial Finance
On-line Course Syllabus
Course Syllabus

Instructor:

Phone:

Email:

Office: online

Office Hours: By appointment only

Class Meets: Entirely On-line

Credit: 3 semester hours

Course Description from College Catalog: This course focuses on sound financial management practices showing how and where to obtain the financial capital necessary to run and grow a venture. The most important financial issues that entrepreneurs face, particularly the stages of financing, business cash flow models, and strategic positioning of the early-stage company will be explored. Knowledge will be gained to interact successfully with financial institutions and the regulatory agencies that are central to financing ventures as they grow and ultimately look for liquidity for their investors. Cases and engaging entrepreneurial ventures lifted from the latest headlines will be used to emphasize concepts such as valuing a company, preparing for and executing an initial public securities offering, selling out, acquisitions, venture capital funds, institutional investors, strategic alliances, and bankruptcy. (Prerequisites: BUS 307, MAT213)

Required textbook:

Leach/Melicher, (2012) *Entrepreneurial Finance*. (4th edition) Belmont, CA: Cengage Learning ISBN: 10 0538478152

Course Learning Outcomes.

Each student will be required to understand & apply the following objectives:

1. Create and develop the financial plan section of a business plan for that firm's optimal operation and profit maximization given an entrepreneurial opportunity either by starting a business or purchasing an existing one.
2. Determine, measure cash flows, and estimate financial requirements using financial ratios according to various legal forms of business organization and their income tax consequences.
3. Analyze, evaluate, and measure financial performance given an entrepreneurial firm either existing or start up.
4. Using a firm's accounting statements, manage its working capital, cash flow, accounts receivable and payable, inventory, and implement its capital budgeting process.
5. Using the time value of money concept and discounted cash flow techniques to determine which proposed projects should be undertaken according to a firm's capital budgeting needs.
6. Determine the various sources of available financing and the most important factors in obtaining financing for a particular entrepreneurial firm.
7. Identify and analyze exit strategies – the harvesting of the investment for a successful entrepreneurial firm.
8. Identify and classify its risks and select methods to manage those risks – risk management and insurance for a successful entrepreneurial firm.

Other Requirements:

Jenzabar (my.ncwc.edu)

Jenzabar will be used for this course. Therefore, students should check the announcement site daily for additional information regarding course requirements, unannounced quizzes, class meetings, assignments, and other pertinent information. In addition, grades for this course will be posted via the online grade book and thus are accessible to the student at all times.

In addition the course will require extensive research as you will analyze cases, complete a research project and your resources will consist of books, journals (refereed, popular and trade) such as the *Journal of Finance* or the *Journal of Finance and Accountancy*, and websites from reputable/professional sources.

CALCULATOR

Each student must purchase a financial calculator. Many of the problems involve complex algebraic and financial calculations -- and a financial calculator is necessary to solve them. The Texas Instruments BA-II Plus (TI BA-II Plus) is the most economical and will perform the basic calculations including present/future value calculations. The Texas Instrument does not perform linear regression or standard deviation calculations. You may choose to use one of the HP calculators, either the HP-10B or HP12C. Some calculators can be down loaded on your Smart Phone for and this will be less expensive.

The ability to use a financial calculator is critical to your success in this class. You are responsible for learning how to operate your calculator -- and it is crucial that you are familiar with your calculator by the time we begin Chapter 4.

Though not required, students with access to a personal computer are encouraged to experiment with solving problems using spreadsheet software. Make use of basic computational abilities and learn the many pre-programmed financial macros provided by standard spreadsheet software. Present/Future value calculations, linear regression and standard deviation calculations are easily done with Microsoft Excel software.

Attendance:

Punctual attendance is required for every class except in cases of illness, unavoidable circumstances, or college extracurricular activities as approved by the Provost. Attendance records will be maintained by the instructor. Once a student has had three hours (the equivalent of one week's worth) of unexcused absences for this course, the instructor will notify the student in writing that additional absences may result in immediate course withdrawal. If additional absences occur, the instructor has the option of an administrative withdrawal of the student from the course, and must give written notification to the student of a withdrawal. An administrative withdrawal from a course may be appealed by the student in writing to the Provost within two business days of the instructor's written notification. It is the student's responsibility to communicate with the instructor about absences and any extenuating circumstances because absences are not automatically assumed to be approved or excused.

Disability Support Services:

North Carolina Wesleyan College seeks to fully comply with the Americans with Disabilities Act (ADA). *Students with disabilities who believe that they may need accommodations in this class are encouraged to contact the Office of Counseling & Disability Services at 985-5369 as soon as possible to coordinate and implement accommodations in a timely fashion. Their office location is 110A Hardee's Building (across from the cafeteria.)* Students requesting accommodations based on a covered disability must go to the Counseling & Disability Services Office to verify the disability before any accommodations can occur. This is the student's responsibility.

Academic Honesty:

The instructor and students share responsibility for the integrity of the academic process. The definition of cheating is "giving or receiving of information illicitly with intent to deceive the instructor in his or her effort to grade fairly any academic work," and the definition of plagiarism is "to take and use as one's own the thoughts, writings, or inventions of another" (Oxford English Dictionary). It is plagiarism when one uses direct quotations without proper credit and appropriate quotation marks, and when one uses the ideas of another without proper credit. The penalty for academic dishonesty is severe. (Refer to the college catalog, pp. 73-74.)

Evaluation:

Requirement	Point Value	% of Final Grade
Attendance & Class Participation	100	10%
2 Case Analyses @ 100 points each	200	20%
Mid-term exam	200	20%
Research and Presentation with PowerPoint on Research Topic	300	30%
Final Exam	200	20%
TOTAL	1000 Points	100.0%

Letter Grade Determination:

A	93 to 100%	A-	90 to 92%	B+	87 to 89%
B	83 to 86%	B-	80 to 82%	C+	77 to 79%
C	73 to 76%	C-	70 to 72%	D+	67 to 69%
D	63 to 66%	F	62% and below		

RESEARCH PAPER

Each student will select an entrepreneurial subject for which an in-depth analysis will be prepared. The student can choose from subjects of interest in entrepreneurial finance with prior approval. See Appendix A for the grading rubric for this paper.

This research paper will be submitted at the last session. This paper will be required to follow APA format with a minimum of 5 references. The paper should be a minimum of 8-10 pages (i.e., financial statements, calculations, graphs, etc. should be included as appendices and do not count toward the 10-15 page count.). The paper is expected to be in the general format discussed in the attached grading rubric.

The student is expected to research his or her topic through the appropriate channels: library, getting information from companies, various on-line sources, etc. Methods for locating company and industry information will be discussed thoroughly during class. Skills required to perform the analysis will be developed as the class progresses.

The research paper assignment counts 300 points or 30% toward the. The research paper will be presented to the class during the a designated meeting and that presentation counts 100 points or 10% of the 300 points available. Note, the exclusion of any major component will result in point deductions as itemized in the grading rubric.

CLASS PRESENTATION OF PAPER

On-line students will simply submit a Power Point presentation and upload it to myncwc.

Each student will present the results of his or her research and analysis (see above). The presentation will count 100 points or 10% toward the final average.

Guidelines for and Frequently Asked Questions about the presentation:

When is presentation?

The last week of our class.

How long should presentation take?

Approximately 10 minutes per student. Spend the majority of the time talking about the financial analysis.

Should we have visuals?

Yes. You should prepare slides to present the main issues.

What if one of a student must be absent for the last class?

If possible, all students will present during the final week. If a student must miss the final week, then he or she may present during a preceding week. The main value of this assignment is the presentation of the material, so you must actually present to get full credit.

What key information should you cover during your presentation?

- cursory overview of the researched topic.
- Results of your analysis
 - What are the particular financials of importance.
 - What is the supporting research. Were peer reviewed journals used in the research?
 - Your final thoughts on the subject and the importance of the research and information.

HOMEWORK (as a component of your grade)

It is assumed that the student has read the Chapters for the class meeting and has attempted to work the problems assigned *for* those chapters. As a measure of the student's preparation, the professor will review the student's assigned homework for a brief period near the beginning of class to check whether the homework has been attempted. (Note, "Assigned Homework" means the homework that is specifically listed in each week's preparation/reading assignment. The professor may also override the default assignment during the class.) The homework does not have to be typed or organized in any set pattern, but it should show that the student has attempted to master the chapter material. If you miss a class, you are responsible for showing the facilitator the attempted homework for the missed class at the next class meeting to get credit for the missed week's homework. The homework will be a part of the participation and attendance grade.

Schedule

Week, CLO's, and Topics	Readings and Class Preparation	Activities and Assignments
Weeks 1&2 Week 1 ASPIRE CLO's 1, 2 Entrepreneurial Finance Overview and Case Analyses/Research Paper	Chapter 1: Introduction and Overview Chapter 2: From the Idea to the Business Plan	Research Paper Case Analyses Assigned Assigned Problems and Discussion Questions
Weeks 3&4 Week 2 ASPIRE CLO's 3, 4 Financing the Business	Chapter 3: Organizing and Financing A New Venture Chapter 4: Measuring Financial Performance <ul style="list-style-type: none"> • Research Topic Finalized • Cases Finalized 	Research Paper Cases Finalized Assigned Problems and Discussion Questions
Weeks 5&6 Week 3 ASPIRE CLO's 2, 3 4 Financial Performance Evaluation	Chapter 5: Evaluating Financial Performance Chapter 6: Financial Planning: Short Term and Long Term	Research Paper Case 1 Assignment Due Assigned Problems and Discussion Questions
Weeks 7&8 Week 4 ASPIRE CLO's 4, 5 Financial Capital Mid-term Exam	Chapter 7: Types and Costs of Financial Capital Mid-term Exam(Chapters 1-7)	Course Project Mid-term Exam
Weeks 9&10 Week 5 ASPIRE CLO's 5, 6 Obtaining Venture Capital	Chapter 8: Securities Law Considerations When Obtaining Venture Financing Chapter 9: Valuing Early Stage Ventures	Course Project Research Paper Assigned Problems and Discussion Questions
Weeks 11&12 Week 6 ASPIRE CLO's 4, 5, 6 Analyzing Venture Capital	Chapter 10: Venture Capital Valuation Methods Chapter 11: Professional Venture Capital	Research Paper Case 2 Assignment Due Assigned Problems and Discussion Questions

	Chapter 12: Other Financing Alternatives	
Weeks 13,14&15 Week 7 ASPIRE CLO's 7, 8 Determining Enterprise Value, Possible Exit Strategies	Chapter 13: Security Structure and Determining Enterprise Value Chapter 14: Harvesting the Business Venture Investment Chapter 15: Financially Troubled Ventures Turnaround Opportunities	Research Paper Due Final Presentation of Research Topic
Week 16 Week 8 ASPIRE All CLO's	Final Exam	

Research Paper

Written Assignment Grading Form for Research Project

Content	<i>Points Available</i>	<i>Points Earned</i>	Additional Comments:
50 Percent	<i>150</i>	<i>X/150</i>	
<ul style="list-style-type: none"> ○ Paper evaluates factors involved in a viable entrepreneurial topic ○ Paper analyzes factors for a chosen entrepreneurial topic ○ Content is supported and validated using research from peer reviewed journal articles ○ Paper demonstrates an understanding of entrepreneurial finance 			
Oral Presentation	<i>Points Available</i>	<i>Points Earned</i>	Additional Comments:
33.33 Percent	<i>100</i>	<i>X/100</i>	
<ul style="list-style-type: none"> • Student presented an organized review of the chosen topic 			
Organization / Development	<i>Points Available</i>	<i>Points Earned</i>	Additional Comments:
6.67 Percent	<i>20</i>	<i>X/20</i>	

<ul style="list-style-type: none"> • Paper is a minimum of 10 pages of content • Paragraph transitions are present, logical, and maintain the flow throughout the paper. • The introduction provides sufficient background on the topic and previews major points. • The conclusion is logical, flows, and reviews the major points. 			
Mechanics 10 Percent	<i>Points Available</i> 30	<i>Points Earned</i> X/30	Additional Comments:
<ul style="list-style-type: none"> • Formatting or Layout (font, spacing). • Rules of grammar, usage, and punctuation are followed, and spelling is correct. • Sentences are complete, clear, and concise. • Sentences are well constructed, strong, and varied. • APA guidelines are followed with at least 4-5 references used to support analysis from peer reviewed journals. 			
	Total Available	Total Earned	
	300	/300	

Case Analysis Requirements

Objective: The purpose of the cases is for the student to analyze and review the particular subject presented in the assigned cases and apply concepts learned in the course.

Written Report: Prepare a case study using a case assigned. The case study should be 3-6 typed, double-spaced pages, plus a cover sheet, appendix and reference list. APA format should be followed. The cover sheet should include your name, the case study name and the date. Please include any additional material you develop, such as graphs, charts, and diagrams.

Case studies should include:

Introduction

Problem (issue) identification

Identify central problem(s) and/or advertising issues

List any important secondary problems/issues

Alternative Development

Develop a minimum of 3 comprehensive alternatives. This means that each alternative must deal with both your stated central problem/issue and any listed secondary problems/issues.

Fully develop each alternative so that the reader can understand exactly what you are suggesting.

Choice and Justification

State which alternative listed is best, restating briefly that alternative.

Then offer justification; tell why this alternative is best.

Implementation Strategy

This section should outline specifically what tasks and responsibilities are necessary to effectively implement the alternative chosen.

Implementation strategy must include discussion of a timetable for completion of the various tasks and some mention of who will be responsible for those tasks.

Conclusion

Grading Rubric for Case Analysis

Content 60 Percent	<i>Points Available</i> 60	<i>Points Earned</i> X/60	Additional Comments:
<p>Case includes the following sections discussed with good content and form:</p> <ul style="list-style-type: none"> • Introduction • Problem (issue) identification • Alternative Development • Choice and Justification • Implementation Strategy • Conclusion 			
Organization / Development 30 Percent	<i>Points Available</i> 30	<i>Points Earned</i> X/30	Additional Comments:
<ul style="list-style-type: none"> • The paper is 4-5 pages in length. • Paragraph transitions are present, logical, and maintain the flow throughout the paper. • The introduction provides sufficient background on the topic and previews major points. • The conclusion is logical, flows, and reviews the major points. 			
Mechanics 10 Percent	<i>Points Available</i> 10	<i>Points Earned</i> X/10	Additional Comments:
<ul style="list-style-type: none"> • Formatting or layout and graphics are pleasing to the eye (font, colors, spacing). • Rules of grammar, usage, and punctuation are followed, and spelling is correct. • Sentences are complete, clear, and concise. • Sentences are well constructed, strong, and varied. • APA guidelines are followed. 			
	Total Available	Total Earned	
	100	X/100	