

FINANCE FUNDAMENTALS FOR START-UPS

Course code	<i>FIN132</i>
Compulsory in the programmes	<i>Entrepreneurial Finance</i>
Level of studies	<i>Undergraduate</i>
Number of credits	<i>6 ECTS (48 in-class hours + 2 consultation hours + 2 exam hours, 110 individual work hours)</i>
Course coordinator (title and name)	<i>Dr. Massimo Prezioso</i>
Prerequisites	<i>Principles of Finance or Equivalent</i>
Language of instruction	<i>English</i>

THE AIM OF THE COURSE:

This elective course provides students with the essential theories, knowledge and skills needed to adequately make financial decisions of entrepreneurial firms in different maturity stages.

The starting up of innovative and sustainable ventures as well as their growth toward maturity and equity markets not only require financial and accounting knowledge & tools, but also lead to issues that are specific for them. This course therefore deals with various topics like assessing enterprise opportunities with embedded scale potential, understanding the organizational issues which need to be solved, preparing scalable and flexible (financial) business models, assessing a venture's (financial) performance through Key Performance Indicators (KPIs), selecting and structuring the right funding sources, valuing business ventures for growth investors, financial transitions (post pivoting) & exit strategies.

The course provides theoretical and practical knowledge of (financial) management practices followed by successful entrepreneurs. It also helps students to learn financial management tools and techniques that are specifically used in innovative and scalable business ventures. Students are trained to collect and analyze financial information for scaling a venture.

Students who aspire to set up a new venture in future or work in young and technology-based businesses or consultancy firms will greatly benefit from this course.

MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Degree level learning objectives (Number of LO)	Assessment methods	Teaching methods
CLO1. Comprehend and describe different topics and issues related to entrepreneurial finance	BLO1.1, ELO1.1	Final exam, group work	Lectures, seminars, self-study
CLO2. Comprehend and analyze available alternatives to organize, finance and assess the value of a new venture	BLO1.1, ELO1.1 BLO1.2, ELO1.2	Final exam, group work	Lectures, seminars, self-study
CLO3. Analyze and apply best practices on how to finance the scaling up (growth) of a company and resolve (related) financial distress, and reach a successful exit	BLO1.2, ELO1.2 BLO2.1, ELO2.1 BLO3.1, ELO3.1 BLO4.2, ELO4.2 BLO4.3, ELO4.3	Final exam, quizzes, group work	Lectures, seminars, self-study
CLO4. Analyze and reflect critically on Entrepreneurial Finance based on recent news, readings, case studies and relevant research in entrepreneurial finance	BLO1.2, ELO1.2 BLO2.1, ELO2.1 BLO3.1, ELO3.1 BLO4.2, ELO4.2	Final exam, group work	Lectures, seminars, self-study

	BLO4.3, ELO4.3		
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ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

COURSE OUTLINE

Topic (Lectures and Seminars)	In-class hours	Readings
Introduction to course and Entrepreneurial Finance	4	[1]
Funding sources	8	[1], [2]
Funding process	8	[1], [2]
Growing the Venture	8	[1], [2]
Restructuring	8	[1], [2]
Harvesting	8	[1], [2]
Impact Investing	4	[1], [2]
	Total: 48 hours	
CONSULTATIONS	2	
FINAL EXAM	2	

FINAL GRADE COMPOSITION

Type of assignment	%
Group Components	40
Written Group Project	30
Presentation of Group Project	10
Individual Components	60
Final Examination	60
Total:	100

DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

Group work

There will be one formal group work during the course that counts towards 40% of the final grade. Each group (3-5 people) turns in a single copy of its work with the names of all contributing members listed and then presents it to the entire class (according to a schedule agreed during the course). The presentation should take 20 minutes and will be followed by questions and discussion.

Assessment requirements, procedures, and other important regulations may be communicated verbally during lectures. Failure to attend a lecture where such information **is provided does not exempt the student from the responsibility to comply with these requirements.**

Examinations

There will one written examination (at the end of the course) that count towards 60% of the final grade. Final examination consists of open questions and/or multiple-choice questions (both theory-qualitative and quantitative) that cover the contents of the whole course.

NB: You must obtain at least 5.0 points (out of 10.0) for *each* assignment to be counted for the total score.

RETAKE POLICY

Students are allowed to retake the exam in order to pass. The retake covers all course material and its weight is 60%. Group work cannot be rewritten / retaken but its evaluation (if positive) is not annulled.

ADDITIONAL REMARKS

Positive contributions to class are encouraged and rewarded. Consistent positive contributions will help you if you are on a grade border at the end of the course.

READINGS AND COURSE MATERIALS

All necessary readings, including research papers, articles and lecture notes will be distributed in class or via eLearning.

Recommended readings/textbooks:

- [1] Alemany, L. and Andreoli, J.J., Entrepreneurial Finance - The Art and Science of Growing Ventures, 1st Edition, Cambridge University Press, 2018
- [2] Additional reading materials like reports and research papers will be added to E-Learning.

ANNEX

DEGREE LEVEL LEARNING OBJECTIVES

Learning objectives for the Bachelor of Business Management

Programmes:

*International Business and Communication,
Business Management and Marketing, Finance,
Industrial Technology Management,
Entrepreneurship and Innovation*

Learning Goals	Learning Objectives
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

Learning objectives for the Bachelor of Social Science

Programmes:

*Economics and Data Analytics,
Economics and Politics*

Learning Goals	Learning Objectives
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper