



Date		Credits	3 Credits
Course Title	Finance	Course Number	FIN 2220
Pre-requisite (s)		Co-requisite (s)	None
Out of Class work Assignment Hours	45 Hours	Lecture Hours	45 Hours

Class Meeting Place and Time:

San Ignacio University
3905 NW 107 Avenue, Suite 301
Miami, FL 33178

Instructor's Name and Contact Information:

Book required:

(San Ignacio University recognizes the use of the textbook in the classroom as part of the educational methodology and learning strategy. The textbook is part of the curriculum and is used to achieve effective student learning in the classroom. Every student is expected to acquire and use the textbook).

Strategic Entrepreneurial Finance – From Value Creation to Realization

Author: Darek Klonowski
Routledge 2015, ISBN: 978-0-415-63355-0

Classroom expectations for students:

Attendance Policy:

Students are expected to attend all scheduled classes for the courses that they are registered for and to achieve the goals set forth by each class instructor. Attendance is taken daily. Enrolled students are permitted no more than **2** "free" absences in one term. Students missing **2** classes over the course of the term will receive a one-letter grade deduction from their final course grade; missing more than **3** classes will result in failure of the course regardless of grade average. It is the student's responsibility to arrange to make up work missed because of an absence.

Student Tardiness Policy:

A student is considered tardy/late if he/she comes to class 15 minutes late. With 3 tardiness the student accumulates one full absence. If the student misses half of the class period, it is considered a full absence. When a student has been late 3 times or more, the instructor will contact the San Ignacio University Coordinator of Student Services and Academic Department and request an intervention session with the student. The goal of the intervention session is to develop and implement an intervention program to help students learn new ways to save and manage time. It is at the Instructors discretion whether or not the instructor will allow the student to enter class and participate in activities. The grade for the day however, will still remain a zero and an absence.

Plagiarism Policy:

Plagiarism is defined as the use, without proper acknowledgment, of the ideas, phrases, sentences, or larger units of discourse from another writer or speaker. Plagiarism includes the unauthorized copying of software and the violation of copyright laws. Students who commit plagiarism will obtain a grade of “Failure” on their exam or assignment.

Course Description (must correspond exactly to Catalog description)

This class has a significant emphasis on entrepreneurial finance which is a discipline that studies financial resources mobilization, resource allocation, risk moderation, optimization in financial contracting, value creation, and value monetization within the context of entrepreneurship.

This course will introduce students into the finance discipline by providing the knowledge for different financial forums. The intricate practice of entrepreneurial value creation is captured in this textbook through a four stage steps: value creation, value measurement, value enhancement, and value realization.

Learning Objectives

Upon successful completion of this course, students should be able to:

- Understand how to manage risk in the area of finance
- Understand the role of financial markets and financial intermediaries
- Describe the role of investment bankers
- Define security markets, its composite transactions, and competitions in the securities markets
- Explain the role of the Federal Reserve and its structure
- Understand foreign currencies and the rate of exchange
- Solve time value problems using financial calculators
- Analyze financial statements
- Understand the features of stock, stock valuation and long-term debt-bonds

Homework Assignments

Note that each chapter has a corresponding homework assignment AND there may be additional assignments issued during specific classes. It is imperative that each student completes ALL assignments. Note that the homework assignments must be completed in handwriting NOT typed.

Proposed Class Agenda

Class number	Chapter	Title of chapter
1	1	An Introduction to strategic entrepreneurial finance
2	2	The value creation model for entrepreneurial firms
3	3	Determinants of value creation in entrepreneurial ventures
4	4	Preparing financial projections for entrepreneurial firms – Quiz I
5	5	Venture capital financing and value creation
6	6	Models of entrepreneurial finance
7	7	Financial analysis of entrepreneurial firms
8	8	Valuation of entrepreneurial firms – Midterm Exam
9	9	Valuation of intellectual property
10	10	Value enhancement through financial decision making
11	11	Entrepreneurial growth – Quiz II
12	12	Value enhancement through corporate governance
13	13	Realizing value from entrepreneurial firms
14	14	Entrepreneurial succession, perpetuation, and philanthropy
15	Not applicable	Final Exam

Topical Outline and Schedule

DATE	WEEK 1
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Describe the individual fields of financial management, strategic management, and entrepreneurship ▪ Define the field of study termed strategic entrepreneurial finance ▪ Discuss the concept of value at the intersection of finance, strategy, and entrepreneurship ▪ Define value in entrepreneurial firms
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 1 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE	WEEK 2
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Understand the importance of the processes used in various business disciplines ▪ Describe the four components of the C-MER value creation model ▪ Illustrate the major themes within each component of the C-MER model ▪ Discuss differences in value creation for different types of entrepreneurs
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 2 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE	WEEK 3
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Discuss the major building blocks of the 'six component' model ▪ Estimate the market size for products and services ▪ Identify the characteristics of visionary management teams ▪ Understand the importance of the leader and his or her contributions to venture success ▪ Understand the various architectures for developing a business model ▪ Illustrate operational business models
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 3 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE	WEEK 4
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Appreciate the process of developing financial projections ▪ Recognize the importance of financial projections to an entrepreneurial venture ▪ Understand the complexities of developing revenues and cost forecasts ▪ Comprehend the need for developing different sets of financial projections for various financiers ▪ Summarize the advantages and disadvantages of the main source of financing for an entrepreneurial venture
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 4 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p> <p>Quiz I Chapters 1 through 3</p>

DATE	WEEK 5
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Describe the main characteristics of venture capital ▪ Compare venture capital to other forms of financing for entrepreneurial firms ▪ Outline the key terms common to venture capital contracting ▪ Understand the advantages and disadvantages of venture capital financing for entrepreneurial firms ▪ Discuss with venture capitalists the key aspects of an effective presentation
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 5 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE	WEEK 6
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Describe all the models of available entrepreneurial finance ▪ Discuss the advantages and disadvantages of the different modes of entrepreneurial finance from the point of view of the entrepreneurial firm ▪ Outline key bootstrapping strategies across various business-functional areas ▪ Differentiate between venture capitalists and business angels ▪ Describe crowdfunding as an innovative mode of entrepreneurial finance
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 6 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE	WEEK 7
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Identify the key steps for financial analysis of entrepreneurial firms ▪ Understand the main tools of financial analysis ▪ Discuss the main components of financial statements ▪ Conduct a comprehensive analysis of an entrepreneurial firm ▪ Differentiate between traditional methods of financial analysis and cash-flow-based approaches ▪ Recognize the divergence between free cash flow and net profit ▪ Use comparative analysis for evaluating the financial performance of entrepreneurial firms
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 7 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE	WEEK 8
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Outline the reasons for performing business valuation ▪ Discuss the major valuation methods ▪ Identify the main approaches used to determine a discount rate ▪ Describe the steps of the discounted cash flow method ▪ Understand the principles of the multiplex method ▪ Be able to construct a valuation approach for any entrepreneurial venture
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 8 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p> <p>Midterm Exam: Chapters 1 through 7</p>

DATE	WEEK 9
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Define the concept of intellectual property ▪ Explain the importance of intellectual property for entrepreneurial firms ▪ Describe the most important legal forms of intellectual property protection ▪ Illustrate the major methods of valuing intellectual property ▪ Discuss the complexities of intellectual property valuation
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 9 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE	WEEK 10
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Identify the time value of money principles and be able to apply them ▪ Describe different types of incremental cash flows in capital budgeting ▪ Conduct an evaluation of capital budgeting project using four main techniques ▪ Understand the advantages and disadvantages of capital budgeting evaluation techniques ▪ Understand and be able to apply the concept of real options in strategic considerations
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 10 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 6</p>

DATE	WEEK 11
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Understand the importance of growth for entrepreneurial firms ▪ Distinguish between two broad orientations of entrepreneurial growth ▪ Discuss the advantages and disadvantages of internal and external growth methods ▪ Point to the key reasons behind failures in acquisitions ▪ Define the concept of financial and operational synergy ▪ Use differential analysis to understand the value of acquisitions
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 11 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p> <p>Quiz II Chapters 8 through 10</p>

DATE	WEEK 12
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Define the concepts of corporate governance and social responsibility ▪ Outline the most important components of corporate governance and how these evolve over an entrepreneurial firm's life cycle ▪ Understand the main paradigm of social responsibility ▪ Identify the ways by which entrepreneurial firms can improve their corporate governance structures
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 12 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>

DATE		WEEK 13
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Describe the most common methods of value realization for entrepreneurial firms ▪ Outline the key steps in a trade sale and initial public offering ▪ Discuss the involvement of entrepreneurial in firms acquired by strategic investors ▪ Overview tax consequences related to the disposal of shares and assets 	
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 13 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>	

DATE		WEEK 14
SPECIFIC LEARNING OBJECTIVES	<ul style="list-style-type: none"> ▪ Define entrepreneurial succession and describe its major components ▪ Identify key challenges in entrepreneurial succession in family and non-family entrepreneurial firms ▪ Understand the model of entrepreneurial perpetuation ▪ Define entrepreneurial philanthropy and depict its major systematic steps 	
OUT OF CLASSWORK ASSIGNMENT, & ASSIGNED READINGS	<p>Read: Chapter 14 - thoroughly</p> <p>Homework assignment: Questions to consider 1 through 5</p>	

DATE		WEEK 15
SPECIFIC LEARNING OBJECTIVES		
TOPIC (S)	This class is specifically assigned to the final exam of the course. There are no new topics/issues introduced.	
	Final Exam (it is comprehensive – will include ALL 14 chapters)	



Instructional Methods

- *Classes will led by presentations from the teacher and student participation through class discussions and completion of assignments.*
- *Active participation is sought using techniques such as transparencies, videos and guest speakers.*
- *Students are required to read the indicated textbook material before each class.*
- *Throughout the course, at the teacher’s discretion, unannounced quizzes may be given during first 30 minutes of class. These evaluations cannot be made up in the case of tardiness or unjustified absence.*
- *New knowledge, using cooperative and dynamic activities to achieve learning goals.*

Additional Instructional Materials and References

Financial Management websites

Bloomberg – www.Bloomberg.com

Government Finance Officers Association - www.gfoa.org

Small Business Administration – www.sba.gov

Accounting tools - www.accountingtools.com

Finance

The entrepreneur - www.entrepreneur.com

Accounting tools - www.accountingtools.com

Wharton University of Pennsylvania - fnce.wharton.upenn.edu/research-listing

The balanced score card – www.balancescorecard.org

Accounting tools - www.accountingtools.com

Assessment Criteria and Methods of Evaluating Students

96– 100%	→ A
90 – 95%	→ A-
87 – 89%	→ B+
83 – 86%	→ B
80 – 82%	→ B-



77 – 79%	→ C+
73 – 76%	→ C
70 – 72%	→ C-
67 – 69%	→ D+
63 – 66%	→ D
60 – 62 %	→ D-
< 59%	→ F

Do not count on a curve!

Generally, the grades “A” through “C-” are considered passing grades. Grades “W” and “I” indicate that no grade was earned for the course. A “W” grade indicates that the student withdrew from the course. An “I” grade indicates that the student was passing the course, but failed to complete all the required course work. The instructor, in his/her discretion may grant an “I” grade instead of an “F”, pending completion of the course work by the student within a specified time arranged by the instructor and told to the student. It is the student's responsibility to follow-up with the instructor to complete the course work. If the course work is not completed by the arranged time, the “I” grade becomes an “F”.

Distribution of Grade Elements

Quizzes (2 @ 7 ½% each)	15%
Homework assignments (each chapter has a corresponding assignment)	15%
Midterm exam	25%
Class participation	10%
Final exam	35%

Date Syllabus was last Reviewed: **04-23-2016**