

# COURSE OUTLINE

COURSE TITLE	<b>ENTREPRENEURIAL FINANCE</b>	CODE:
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YEAR OF STUDY	<b>III</b>	SEMESTER	<b>2</b>	COURSE STATUS (C-COMPULSORY/O-OPTIONAL/E-ELECTIVE)	<b>C</b>
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NUMBER OF HOURS PER WEEK				TOTAL NUMBER OF HOURS PER SEMESTER	TOTAL NUMBER OF SELF-STUDY HOURS	CREDITS	TYPE OF ASSESSMENT (MT-MID-TERM, O-ORAL EXAM, M-MIXED)	LANGUAGE OF TEACHING
C	S	L	Pr.					
2	1			42	108	5	M	EN

COURSE COORDINATOR	ACADEMIC TITLE, FIRST NAME, LAST NAME	DEPARTMENT
	PROF. UNIV.DR. MIHAELA ONOFREI	BUSINESS ADMINISTRATION

PREREQUISITE COURSES	FINANCE, FINANCIAL MANAGEMENT
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COURSE OBJECTIVES	<p><b>Main objective:</b> The main objective of this course is to provide an understanding of the tools and concepts involved in financial decision-taking in various phases of firm's life cycles. The course will integrate the challenges facing entrepreneurs and investors involved in business start-up, venture capital, and private equity investment activities.</p> <p><b>SPECIFIC OBJECTIVES: <u>KNOWLEDGE</u>, <u>ABILITIES</u> AND/OR <u>COMPETENCIES</u></b></p> <p>i) <u>Cognitive competencies (knowledge)</u> The students of this lecture should be able to :</p> <ul style="list-style-type: none"> <li>- to understand the concepts of entrepreneurial finance and its difference to traditional corporate finance;</li> <li>- explain how different financial resources of an entrepreneurial firm are managed and monitored;</li> <li>- demonstrate understanding and skills in issues related to the sale of an entrepreneurial firm.</li> </ul> <p>ii) <u>Functional competencies (abilities and competencies: applying knowledge to a particular context)</u> The students of this lecture should be able to :</p> <ul style="list-style-type: none"> <li>- determine the financing needs of an entrepreneurial firm;</li> <li>- build financial forecasts for an entrepreneurial firm;</li> <li>- use techniques that are needed to evaluate high-risk opportunities and structure appropriate investment transactions.</li> </ul> <p>iii) <u>Personal competencies</u> The knowledge and skills gained at this course are designed to assure the ability of the student to take the appropriate financial decisions.</p> <p>iv) <u>General competencies</u> The main objective for offering the course is to provide students with an integrated set of concepts and applications drawn from entrepreneurship and finance that will provide a higher understanding of the financial environment in which these firms exist.</p>
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COURSE OUTLINE	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%; border-bottom: 1px solid black;">NAME OF CHAPTER/ TOPIC</th> <th style="width: 20%; border-bottom: 1px solid black;">No. of hours</th> </tr> </thead> <tbody> <tr><td>1. INTRODUCTION TO THE FIELD OF ENTREPRENEURIAL FINANCE</td><td style="text-align: right;">2</td></tr> <tr><td>2. DETERMINING FINANCING NEEDS AND BUILDING FINANCIAL FORECASTS</td><td style="text-align: right;">4</td></tr> <tr><td>3. RAISING AND USING VENTURE CAPITAL FUNDS</td><td style="text-align: right;">6</td></tr> <tr><td>4. RAISING AND USING PRIVATE EQUITY FUNDS</td><td style="text-align: right;">6</td></tr> <tr><td>5. OTHER FINANCING SOURCES FOR ENTERPRENORIAL FIRMS</td><td style="text-align: right;">3</td></tr> <tr><td>6. VALUATION OF ENTERPRENORIAL FIRMS</td><td style="text-align: right;">4</td></tr> <tr><td>7. HARVESTING AND EXIT STRATEGIES</td><td style="text-align: right;">3</td></tr> </tbody> </table>	NAME OF CHAPTER/ TOPIC	No. of hours	1. INTRODUCTION TO THE FIELD OF ENTREPRENEURIAL FINANCE	2	2. DETERMINING FINANCING NEEDS AND BUILDING FINANCIAL FORECASTS	4	3. RAISING AND USING VENTURE CAPITAL FUNDS	6	4. RAISING AND USING PRIVATE EQUITY FUNDS	6	5. OTHER FINANCING SOURCES FOR ENTERPRENORIAL FIRMS	3	6. VALUATION OF ENTERPRENORIAL FIRMS	4	7. HARVESTING AND EXIT STRATEGIES	3
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SEMINAR/LAB TOPICS	<ol style="list-style-type: none"> <li>1. Estimate a company's future need for external financing.</li> <li>2. Prepare financial forecasts and cash budgets.</li> <li>3. Valuation the business opportunities using discounted cash flow and the venture capital method.</li> <li>4. Pricing and structuring a deal</li> <li>5. Analysis of a initial public offering (IPO).</li> </ol>
TEACHING METHODS	Lecture/ Interactive lecture

BIBLIOGRAPHY	<ol style="list-style-type: none"> <li>1. Benjamin G., Margulis J., <i>Angel capital : how to raise early-stage private equity financing</i>, John Wiley &amp; Sons, New York, 2005.</li> <li>2. Bruner R., <i>Case studies in Finance – Managing for Corporate Value Creation</i>, 5th edition, McGraw-Hill, 2007.</li> <li>3. Cornwall J., Vang D., Hartman J., <i>Entrepreneurial Financial Management</i>. Prentice Hall, 2004.</li> <li>4. Metrick A., <i>Venture Capital and the Finance of Innovation</i>, John Wiley &amp; Sons, New York, 2007.</li> <li>5. Meyers S., Brealey R., <i>Principles of Corporate Finance</i>, Ed. McGraw-Hill, 2000.</li> <li>6. Onofrei M, <i>Management financiar</i>, Editura C.H. Beck, București, 2007.</li> <li>7. Ross S., Westerfield R., Jordan B., Roberts G., <i>Fundamentals of Corporate Finance</i>, McGraw Hill, Toronto, 2007.</li> </ol>
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ASSESSMENT	TERMS	Class participation / Case report.
	CRITERIA	CLASS PARTICIPATION, MIDTERM EXAM, AND CASE STUDIES
	TYEPES	DISCUSSIONS, EXERCISES, AND CASE STUDIES
	FINAL GRADE FORMULA	50% ACTIVITY DURING THE YEAR + 50% THE FINAL EXAM

30.01.2009

Prof.Ph.D.Mihaela Onofrei