



Module Specification

Key Information			
Module title	Entrepreneurial Finance and Private Equity		
Level	7	Credit value	15
Lead College	QMUL	Notional study hours and duration of course	150
Module lead author/ Subject matter expert	Dr Lutao Ning		
Module co-author(s)	None		
Notice to students	None		

Rationale for the module

Entrepreneurial success requires the ability to both obtain finance and to manage it appropriately. Awareness of the characteristics of the various sources of funding is crucial to entrepreneurs seeking investment. Potential investors will want to be presented with a range of clear and detailed company financial information on which to base their investment decisions. Principal sources of funding may be oriented around developed countries but investors invest globally. The ability to critically analyse this information is also essential for entrepreneurs to identify and overcome risks and challenges that may face a company during its growth.

Aims of the module

Students learn the importance of financial information to entrepreneurial firms. They build an understanding of how a firm's financial information can be used for obtaining funding, to monitor a firm's growth, and to avoid some of the common pitfalls that entrepreneurial companies face. The module covers the wide variety of sources of finance available to entrepreneurs, together the process of seeking investment as well as the investment harvesting process. The module sits alongside the optional Venture Capital and Entrepreneurship module, which focuses on the operation of the professional venture capital industry.

Topics covered in this module:

1. Entrepreneurs and Finance;
2. Evaluating Entrepreneurial Projects;
3. Evaluating the Entrepreneurial Firm;
4. The Value of the Entrepreneurial Firm from the Entrepreneur's Point of View;
5. How to Finance an Entrepreneurial Firm;
6. The Informal Sources of Finance: Bootstrap and Crowdfunding;
7. The Formal Providers of Equity Business Angels and Venture Capitalist;
8. Debt Finance – Bank Lending Part 1;
9. Debt Finance – Bank Lending Part 2; and,
10. Exit Strategy

The topics covered may be revised to ensure currency and relevance. Students will be advised of any changes in advance of their study.

Learning outcomes for the module

A. Knowledge, Understanding and Cognitive Skills

By the end of this module learners will be able to:

1. Understand the importance of finance and financial data to the success of entrepreneurial firms
2. Describe the different methods by which a company is valued and the issues linked to start-up/entrepreneurial firm valuation when raising funds
3. Appraise balance sheets, income statements, cash flows and other firm financial information and be able to analyse and critically evaluate these in the context of an entrepreneurial firm seeking investment
4. Use real options as a tool to evaluate firm's choice and value
5. Analyse and compare possible sources of financing for an entrepreneurial firm including various types of private equity, debt financing and non-traditional sources
6. Identify some of the risks of failure of an entrepreneurial firm and consider how these can be prevented.
7. Consider exit strategies and explain the investment harvesting process

B. Practical, Professional and Key Skills

By the end of this module learners will have developed:

1. Numeracy and quantitative data skills (including the ability to interpret quantitative data from financial statements)
2. Effective written communication skills for formulating plans, strategies and outcomes
3. Time management skills (including working under time pressure)
4. Problem solving skills (e.g. analytical, problem-solving and decision making skills in entrepreneurial finance)
5. The ability to synthesise and use financial information and knowledge effectively in the entrepreneurial sector
6. Digital and information literacy skills

Learning and Teaching Strategy and Methods

In addition to the core principles of the learning & teaching strategy and methods for this programme provided in the Programme Specification, Regulations and programme induction, the learning resources for this module are designed by a team supporting the module author with instructional design, learning technology and project management skills.

All students receive comprehensive learning materials in a variety of e-formats for use with different electronic devices. Online learning activities and formative assessments are a key

feature of this framework and are linked to the online materials with a Student Progress Log illustrating the level of progress against learning outcomes and syllabus progress. Students can see their skills development through a 'Skills Portfolio', which evolves through the student's completion of formative and summative assessment.

Students will demonstrate their learning through a variety of activities. Moderated peer group exercises will help students demonstrate achievement of learning objectives from conceptual understanding to critical analysis. Students will demonstrate critical analysis skills through participation in discussions to review business models with which they were familiar and others of which they were unaware. Module tutors and programme Student Relationship Managers will be a useful resource for students looking for support with their online discussion and engagement.

Self-assessment exercises will provide students with the opportunity to gauge their learning against topic and module learning objectives as well as against confidence level in their own understanding. This will allow students to identify which content areas require further work on their part.

Learning materials are divided into topics of 10-12 hours of student effort to support student's time management and motivation for study. The learning content is a mixture of video, text, learning activities and formative assessments, with allocated time for preparation, revision and review relating to each item of summative assessment.

Assessment strategy, assessment methods

Pass Mark

The pass mark is 50% for each element of assessment.

Compensation between elements of assessment is available on this module for marginal fails between 45%-49%.

Assessment Elements

1. Coursework (30% weighting)

There is one item of coursework for this module which contributes to the final assessment mark for this module:

Coursework: an investment opportunity will be presented and students will need to provide a written piece of work evaluating how to proceed with it as well as discussing how to finance it in 2,500 words in length (maximum) (deadline – weeks 9–12)

The coursework is designed to check student progress, extend and reinforce concepts covered and also test individual performance.

2. Examination (70% weighting)

The final piece of assessment will be an unseen written examination of 2 hours' duration.

Learning resources

Learning materials

Learning activities and formative assessments for this module are designed and developed by the Lead Author/Module Leader and incorporate the following:

- Short videos
- Learning activities (including discussion forum activities)
- Formative assessments (multiple-choice and True/False quizzes, short answer self-assessments and matching exercises)
- Learning content

E-resources

All students can access to the e-resources of the University of London which includes a wide range of *business, entrepreneurship and finance journals*. Students will be directed to journals within each topic of study and given online resources to enhance their information literacy skills as part of the student induction.

Core text(s)

The learning content will be drawn from two key texts (see below).

Author Smith & Smith

Title *Entrepreneurial Finance*

Publisher Stanford University Press

Year 2011

Author Cumming

Title *The Oxford Handbook of Entrepreneurial Finance*

Publisher OUP

Year 2012

Other references

A number of other references, including journal articles, policy documents, online resources and online videos will be specified for each topic.