

## Module description

**Field of study** HES-SO Business, Management and Services  
**Degree course** Master of Science in Business Administration

### 1 **Title of module** **Entrepreneurial Finance** **2022-2023**

<b>Code</b> E.MScBA.390.OE32.E.22	<b>Type of course *</b> <input type="checkbox"/> Bachelor's <input checked="" type="checkbox"/> Master's <input type="checkbox"/> MAS <input type="checkbox"/> EMBA <input type="checkbox"/> DAS <input type="checkbox"/> CAS <input type="checkbox"/> other
<b>Level</b> <input type="checkbox"/> Basic module <input type="checkbox"/> Further studies module <input checked="" type="checkbox"/> Advanced module <input type="checkbox"/> Specialised module	<b>Description</b> <input checked="" type="checkbox"/> In the case of definitive failure in a module defined as compulsory for successfully completing the course profile in question, the student shall be excluded from the degree programme, or from the faculty, if this is provided by the course regulations in accordance with Article 32 of the Regulations relating to first-cycle and second-cycle degrees (Bachelor's and Master's) at the HES-SO
	<b>Type of module</b> <input checked="" type="checkbox"/> Main module <input type="checkbox"/> Module linked to main module <input type="checkbox"/> Optional or subsidiary module
	<b>Time schedule</b> <input type="checkbox"/> Module over 1 semester <input type="checkbox"/> Module over 2 semesters <input type="checkbox"/> Spring semester <input checked="" type="checkbox"/> Autumn semester <input type="checkbox"/> Autres

### 2 **Organisation**

<b>ECTS Value</b> 5	<b>Language</b> <input checked="" type="checkbox"/> English <input type="checkbox"/> English - Chinese <input type="checkbox"/> English - Russian <input type="checkbox"/> French <input type="checkbox"/> French - English <input type="checkbox"/> French - German <input type="checkbox"/> French - German - English <input type="checkbox"/> German <input type="checkbox"/> German - English
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### 3 **Prerequisites**

- The following module(s) must have been validated
- The following module(s) must have been attended
- none
- other

#### **Other prerequisites**

### 4 **Skills to be gained / general learning objectives**

The objective of the module is to provide an understanding of entrepreneurial finance.

At the end of the course, the student shall be able:

- Explain the link between corporate finance and corporate strategy of founding companies.
- Describe finance-relevant themes when founding a company.
- Assess funding sources and financial instruments.
- Compare equity financing by the entrepreneur, Business Angels, and state equity capital.
- Demonstrate features of venture capital financing.
- Analyse venture capital as startup financing.
- Develop financial planning as preparation for injection of financial resources for founding companies.
- Describe finance-relevant themes in financing growth.
- Assess funding sources and financial instruments.
- Analyse mezzanine and loan financing, leasing, factoring, private equity and financing through the stock exchange.
- Demonstrate solutions to problems arising from information asymmetry between investors and entrepreneurs.
- Know and propose ways of financing in a digital economy.

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## 5 Teaching and content

### Corporate Finance (General)

- The basics of risk and return
- The determinants of Free Cash Flows
- Investment projects and selection criteria
- Capital budgeting and capital structure
- WACC and adjusted Net Present Value
- Cost of Capital estimation in practice

### "SME & Growth"

- Integrated Controlling Systems
- Management Accounting Systems (Normal, Plan, Process)
- Definition of Value Drivers (financial/non-financial)
- Value Based Management
- Balanced Scorecard/Strategy Maps
- Contemporary Planning (Forecasting, beyond budgeting)
- Capital Budgeting
- Cashflow/Liquidity Planning

### "Capital Market & VC"

- Introduction to Capital Markets
- Participants and Information sources
- Valuation metrics for equities, most relevant KPI
- Fundamental Stock Analysis in general, the history and the main models
- Piotroski Score - quantitative and accounting based
- Technical Analysis
- Portfolio Management

### Introduction to Venture Capital

- Source of Finance during lifecycle
- Definition of funding needs
- Internal Finance from Cashflow
- Debt Finance (incl. all sub-categories)
- Equity Finance (IPO, Private Equity etc.)
- Pecking Order and cost of debt vs. Cost of Equity
- The quantitative part of the Pitch Deck – how to get what form of capital
- Valuation – technique, models and application
- Pre-/Post Money Valuation and Dilution
- The process and the relevant legal documents

### "Raising Capital"

- Understanding The Venture Capital Industry
- Understanding The Venture Funding Landscape
- Fund Raising The Right Way - How To Approach Investors
- Understanding Capitalization Tables
- Valuation / Dilution
- Pitching To Investors
- Various Real World Case Studies: Why VC Money Is Good / Bad
- From Practice - How To Go From Zero To Millions (Personal Case From The Founder Institute Silicon Valley ([www.fi.co](http://www.fi.co)) Where Prof. DaSilva Is Director)

### "Finance and Digitization"

- Finance, technology and the sharing economy
- Capital Structure and Firm Valuation
- Funding sources and Funding process
- The case of crowdfunding
- Cryptocurrencies, tokens and cryptoassets
- Pros and cons of ICO, IEO and STO

## 6 Assessment and validation methods

Written exam at the end of the semester.

In case of a remediation exam, the module head informs early enough the student about the form of the exam, which can be different than the original one.

## 7 Reassessment requirements \*

- reassessment possible
- no reassessment
- other (please specify below)

**other reassessment modalities**

## 7a Reassessment requirements (if module is repeated) \*

- reassessment possible
- no reassessment
- other (please specify below)

## 8 Remarks

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9 **Bibliography**

Damodaran, A. (2014): Applied Corporate Finance, 4 ed., John Wiley & Sons.  
Kawasaki, G. (2004): The Art of the Start: The Time-Tested, Battle-Hardened Guide for Anyone Starting Anything, Portfolio  
Cornwall J. R.; Vang, D. O.; Hartman, J. M.(2004): Entrepreneurial Financial Management: An Applied Approach, 2nd  
Edition, John Wiley & Sons.  
Mollick, E. (2012): The Dynamics of Crowdfunding: Determinants of Success and Failure, The Wharton School of the University of Pennsylvania, July 25.  
Sundareasan, S. (2008): Mircofinance - Emering Trends and Challenges, Cheltenham.  
Gibbons G.E.; Hisrich R.D.; Marques Da Silva C. (2015): Entrepreneurial Finance: A Global Perspective  
Kaplan, R. S. & Norton, D. P. (1996): The Balanced Scorecard, HBR, Boston

10 **Teaching staff**

**Name of head of module \***

Nils Tuchschnid & Raphaël Gaudart

**Description validated on \***

22.08.2022

**Description validated by \***

Raphaël Gaudart