

Minnesota State University Moorhead

FINC 450: Entrepreneurial Finance

A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: 3

Lab Hours/Week: 0

OJT Hours/Week: *.*

Prerequisites:

This course requires the following prerequisite
FINC 441 - Advanced Financial Management

Corequisites: None

MnTC Goals: None

Entrepreneurs like the adrenaline generated by managing a new business opportunity. Examples of new business opportunities are the following: 1) the development of a new product or service, 2) the management of a franchise, and 3) the optimization of an existing company with problems. However, one of the areas where entrepreneurs have fewer skills is financial management which includes basic accounting, fundraising and cash management. Entrepreneurial Finance is a comprehensive course that not only reviews finance specific concepts but also introduces new financial concepts that are important to the entrepreneur, including how to take into consideration in the valuation process the managerial flexibility that comes with the incremental uncertainty the entrepreneur faces.

B. COURSE EFFECTIVE DATES: 02/01/2015 - Present

C. OUTLINE OF MAJOR CONTENT AREAS

1. The Entrepreneur and Finance
2. Stages of New Venture Financing
3. The Business Plan (Financial Aspects of the Business Plan)
4. New Venture Strategy
5. Developing Business Strategy Using Simulation
6. Methods of Financial Forecasting
7. Assessing Financial Needs
8. New Venture Valuation
9. Valuation: The Investor's Perspective
10. Valuation: The Entrepreneur's Perspective

D. LEARNING OUTCOMES (General)

1. Recall the effects of the high ownership concentration in the hands of the entrepreneur and the difficulty of forecasting expected financial performance in the valuation process of the business or venture.
2. Identify the minimum financial aspects to incorporate in a business plan and understand the financial plan is a dynamic tool to monitor the value and risk of the business.
3. Develop business strategies and valuing these strategies using Decision Trees and Simulation.
4. Understand how timing of searching for external capital affects the potential ownership share of the entrepreneur.
5. Apply valuation methodologies from the entrepreneur's and investor's perspective and why these two values are going to be different.
6. Explain what makes entrepreneurial finance different from corporate finance.

E. Minnesota Transfer Curriculum Goal Area(s) and Competencies

None

F. LEARNER OUTCOMES ASSESSMENT

As noted on course syllabus

G. SPECIAL INFORMATION

None noted