COURSE DESCRIPTION & OBJECTIVES

Of critical concern to new ventures is having enough capital until the venture gains traction in the market and is able to generate sufficient cash flow from operations to support emergence and perhaps even fund future growth. This course explores the funding and financial management of emerging ventures. Specifically, we will (1) investigate sources and structure of capital by business model, stage of development and owner objectives, (2) identify financial levers to enhance performance and metrics to monitor performance, and (3) study how to impact, capture, quantify and realize value. This course is designed to address these issues not only in the context of a standalone startup, but in established organizations as well.

The learning objectives of this course will enable you to do the following:

- Understand the different sources and structure of capital for emerging businesses
- Identify the appropriate sources and structure of capital based on the stage of development of the venture
- Analyze different patterns of business models and the optimal manner in which to fund these ventures based on the business model
- Understand how founder or owner objectives can impact the source and structure of capital
- Identify the financial levers that can be used by owners and founders to create a competitive advantage
- Design a dashboard of performance indicators to monitor performance during emergence, interpret key indicators and identify when a change in direction may be necessary
- Value an emerging business using multiple techniques and understand factors that enhance value or destroy value
- Identify and analyze exit strategies that enable the owners of emerging ventures to realize the value that has been captured by the organization.
- Communicate business concepts and defend findings or positions in a clear and concise manner drawing on concepts from other disciplines in the business
REQUIRED READINGS

The following textbooks contain the required readings. You may use the physical or electronic form of the textbook. (Assigned readings will be from the physical textbook and may differ slightly from the electronic version.)


The course will also draw from material from the following sources:

- @MooreSCVentures Twitter feed

REQUIREMENTS & GRADING

Your final grade in this course will be based on a 100-point scale as follows:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Points</th>
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<tbody>
<tr>
<td>A</td>
<td>90-100 pts.</td>
</tr>
<tr>
<td>B+</td>
<td>87-89</td>
</tr>
<tr>
<td>B</td>
<td>80-86</td>
</tr>
<tr>
<td>C+</td>
<td>77-79</td>
</tr>
<tr>
<td>C</td>
<td>70-76</td>
</tr>
<tr>
<td>D+</td>
<td>67-69</td>
</tr>
<tr>
<td>D</td>
<td>60-66</td>
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<tr>
<td>F</td>
<td>00-59</td>
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You will have the opportunity to earn all 100 points through the following assignments:

- Class Participation & Assignments 30pts.
- Midterm 30
- Emerging Venture Project (Team Grade) 40
All grades will be given as points in whole numbers.

**Class Participation:** Interaction in terms of class discussion, debate, sharing of observations and generation of new ideas is key. Your participation in this process is critical to the success of the class and your personal performance. Your grade will be based on the following: (1) attendance, (2) contribution to class discussion, (3) contribution as the session CIO, (4) Startup Simulation (May 16) and (5) periodic class assignments.

The first day of class you will be asked to sign up for a role as the Chief Information Officer (CIO). As CIO you will be responsible for recording key points raised during the class, as well as for conducting spot research of definitions, events or concepts during discussion. Your goal is to produce a list of bullet points or an outline that captures the key takeaways for each class session to share with the class. This will be due by within 24 hours from the end of class via email and will be posted on Blackboard before the next class.

**Entrepreneurial Simulation: The Startup Game** (Saturday, May 16, 9:00 am – 3:00pm):
You will have the opportunity to participate in an entrepreneurial simulation during the first PMBA Campus Day. This will allow you to experience and discuss the issues that arose as you attempted to seek investors for your startup, seek employment with a startup, or search for suitable investment opportunities in startups. We will be using the Startup Game developed by Ethan Mollick at the Wharton Business School. A course pack has been set up for registration for the simulation at Harvard Business School Publishing. Please go to the following link to register and review materials for your assigned role in the simulation: [https://cb.hbsp.harvard.edu/cbmp/access/37103080](https://cb.hbsp.harvard.edu/cbmp/access/37103080)

This PMBA on campus day will also serve as a chance for you to get to know your colleagues in the class and begin to discuss project possibilities and team formation for the team Emerging Ventures Project.

**Team Emerging Venture Project (EVP):** During the semester you will have the opportunity to dive deeper into a particular topic we’ve covered, investigate a relevant topic we will not cover in class or apply what you’ve learned to a real situation in a team format. Teams will be limited to 3-4 members. I will present some options for projects during the **PMBA on campus day on May 16** from **9AM-6PM**. However, I encourage you to identify your own project topics. Projects not on the suggested list will require my approval.

For example, your team may conduct an in-depth case analysis of a new product launch in your company, examining how it was executed, what worked and what did not work. Last year, one team received approval of the CEO of a company to evaluate what went wrong with a product launch. The analysis and recommendations of the team were so compelling that the CEO was willing to consider a re-launch of the product.

If doing a project for a founder or outside sponsor, you will need to negotiate a specific deliverable that may be different from what is required for class. The paper for class will
be a 4-page max paper plus one page for references and additional pages for appendices that contain support for the body of the approach, analysis and recommendation described in the paper. Details on the requirements for the paper will be established later in the semester and tailored for your team’s specific project. The paper should be formatted using 1” margins, 12 pt. font, single-space text, double space between paragraphs.

The assignment also includes a 20-minute oral presentation by the team to the class. Teams will be limited to a maximum of 8 slides for this presentation. The oral presentation will be followed by a 15-minute Q&A led by the Advisory Panel. Each team will be assigned a presentation during which they will serve as an Advisory Panel to evaluate and lead a discussion of the other team’s presentation, approach and results.

Each team is also encouraged to develop an exercise for the class based on their project that can be conducted just prior, during or after their presentation. The objective of the exercise will be to help with the class understand the topic, brainstorm a solution or to simply facilitate learning about the topic. The exercise should be no longer than 15 minutes.

EVP presentations will occur on the second PMBA on campus day on Saturday, June 20th. The paper and the presentation slides will be due the day before.

Building a cohesive team will be critical to the success of this project. As some of you have already experienced, working on a team can be messy...just as some entrepreneurial ventures are. Everyone must have an active role in this assignment. Relying on one or two ‘workhorses’ to complete and present the project is not consistent with the spirit of the assignment. Identify and utilize the talents, skills and knowledge of each team member. Communication among members and identification of problems early in the process will be important. If you are not able to resolve conflicts within the team or, if as a team, you aren’t sure what to do next to complete the assignment, ask for my assistance.

Entrepreneurship does not occur in a silo...it involves a network of experts and resources. Use resources available to you online or in the library. Seek expertise and advice from anyone in your network, including colleagues at work, peers, family members, faculty members and other entrepreneurs. The only requirement when seeking external help, is that you list external sources, including individuals (and their contribution to your project), in your list of references.

Finally, please note there will be no final exam.

**POLICIES AND PROCEDURES**

You are expected to attend all scheduled classes, which means being on time and being prepared to make a positive contribution. Personal and professional obligations may pose obstacles to your academic pursuits, so please notify me via email if you are not able to make class. It will be your responsibility to learn the material from missed classes. The notes provided by the CIOs should be helpful.
All assignments are due at the date and time noted on the Course Outline. Unless I have granted prior approval in writing, late assignments will receive no credit.

As a participant in this class, you are expected to practice the highest possible standards of academic integrity. Therefore, it is your responsibility to review and live the University’s Honor Code “to adhere steadfastly to truthfulness and to avoid dishonesty, fraud, or deceit of any type.” Scholastic dishonesty will not be tolerated. Violations of the University’s Honor Code, including but not limited to unauthorized use of materials and information and use of another person’s work or ideas without proper acknowledgement, will be referred to the Office of Academic Integrity for investigation (http://www.sc.edu/academicintegrity) and may result in academic penalty and disciplinary action.

To reduce distractions and interruptions during class, I ask that all mobile phones be turned off at the beginning of class and out of sight for the duration of class.

Every effort will be made to deliver course material and provide assignments that appeal to different styles of learning. If you have a documented disability or special needs, be your own best advocate and ask for help. Reasonable accommodations are available for students with a documented disability. If you wish to enact certain accommodations for documented disabilities or special needs, please let me know by the second week of class.

Audio and/or video recording of any class lecture or presentation is **not permitted** without my prior written approval. In addition, sharing and posting of audio and/or video of class lectures and presentations is not permitted.

**COMMUNICATION**

Office hours can be conducted in person, via conference call, or Skype. However, the days and times I am available will vary. Therefore, please schedule an appointment via email. For this purpose and all other communication, my Moore School address is the address I monitor on a continuous basis: juliana.jarossi@moore.sc.edu. Please use the following format in the subject line: lastname.section#: purpose (ex. Smith.300: Week 4 Reading) when communicating with via email.

Blackboard will be used as the general mode of communication for this course. Please make sure that the address you monitor continuously is the address attached to Blackboard. I will post weekly announcements, grades, assignments, CIO class notes, changes in the syllabus, as well as other relevant course material to Blackboard.

**AMENDMENTS TO THE SYLLABUS**

Modifications to the syllabus, including assignments and the grading scheme, are subject to change. Feedback from the class, availability of guest speakers, as well as my own assessment of the ease with which course material is processed by the class may
precipitate a change in plan. If that is the case, we will discuss the change in class and a new syllabus will be made available.

### CALENDAR OF TOPICS AND ASSIGNMENTS (subject to change)

<table>
<thead>
<tr>
<th>CLASS</th>
<th>DATE</th>
<th>TOPIC</th>
<th>WHAT'S DUE TODAY</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>May 12 (T)</td>
<td>(1) Introductions &amp; Course Overview&lt;br&gt;(2) The Entrepreneurial Process and Models of New Venture Emergence&lt;br&gt;(3) The Lean Startup</td>
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<tr>
<td>2</td>
<td>May 16 (S)</td>
<td>(1) Entrepreneurial Simulation: The Startup Game&lt;br&gt;<a href="https://cb.hbsp.harvard.edu/cbmp/access/37103080">https://cb.hbsp.harvard.edu/cbmp/access/37103080</a>&lt;br&gt;(2) Emerging Ventures Project Orientation</td>
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<tr>
<td>3</td>
<td>May 19(T)</td>
<td>Creating a Competitive Advantage: Business Models&lt;br&gt;The Business Model Canvas</td>
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<td>May 22 (F)</td>
<td>Due: EVP Team and Project Selection @ noon via email</td>
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<td>4</td>
<td>May 26 (T)</td>
<td><strong>Conversation with a Founder:</strong>&lt;br&gt;Dave Maness, CEO/Founder, Cactus LLC (Charleston)&lt;br&gt;Creating a Competitive Advantage: Business Model Grid &amp; Financial Levers</td>
<td>Mullins &amp; Komisar Introduction, Chapters 3 - 8</td>
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<td>May 30 (S)</td>
<td>Due: Financial &amp; Operating Levers @ midnight via email</td>
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<td>5</td>
<td>June 2 (T)</td>
<td><strong>Conversation with a Founder:</strong>&lt;br&gt;Sara Gates, CEO/Founder, Wisegate&lt;br&gt;(1)Protecting the Competitive</td>
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Advantage

(2) Aquiring Talent: Comp & Benefit Schemes
(3) Monitoring Emergence: Metrics, Milestones, Dashboards & Data Visualization

6  June 9 (T)  Funding New Ventures: Sources and Structure of Capital

Midterm Posted on Blackboard

June 13 (S)  Due: Midterm @ midnight via email

7  June 16 (T)  (A) Assessing Financial Needs

(B) Strategic Alignment of Capital: Business Model, Founder Objectives, Stage of Development

(C) Assessing Investability & Readiness for Outside Capital & Preparing the Cap Table

June 19 (F)  Due: EVP Paper & Presentation Slides & Class Exercise due @ noon via email

8  June 20 (S)  
9:00AM-6PM
DMSB Rm TBD  Group Presentations, Exercises and Advisory Panels

9  June 23 (T)  Conversation with an Expert: Michael Blake, Director Valuation Services, habig, Arogeti & Wynne, LLP

(A) Valuation: Drivers, Methods & Critical Issues
(B) Exiting...or Shutting Down