

NAME OF THE COURSE		Alternative sources of funding																																			
Code	ECS510	Year of study	2.																																		
Course teacher	Associate professor Marija Šimić Šarić, PhD Associate Professor Sandra Pepur, PhD	Credits (ECTS)	6																																		
Associate teachers		Type of instruction (number of hours)	L	S	E																																
			26		26																																
Status of the course	Mandatory subject	Percentage of application of e-learning	40%																																		
COURSE DESCRIPTION																																					
Course objectives	The aim of the course is to provide students with the knowledge about the venture capital as an alternative way of financing and companies' investing, both from the aspect of venture capitalists and from the aspect of entrepreneurs.																																				
Course enrolment requirements and entry competences required for the course	Basic knowledge of financial management.																																				
Learning outcomes expected at the level of the course (4 to 10 learning outcomes)	<p>The course learning outcome:</p> <p>Identify key aspects of venture capital as an alternative way of companies' financing.</p> <p>Specific learning outcomes:</p> <p>Individually classify sources of corporate financing in its different life stages. Show graph / diagram of alternative investments and compare them. Apply different techniques of equity value of potential venture-backed company. Present venture capital investments in the world.</p>																																				
Course content broken down in detail by weekly class schedule (syllabus)	<table border="1"> <thead> <tr> <th colspan="2">Lectures</th> <th colspan="2">Exercises</th> </tr> <tr> <th>Topic</th> <th>Hours</th> <th>Topic</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>Introductory lecture</td> <td>2</td> <td>Introductory exercises - agreement on mode, seminars and other obligations that students need to fill on the course</td> <td>2</td> </tr> <tr> <td>Types of financing</td> <td>2</td> <td>Independent assignment / Seminar / Presentation and Discussion: Possibilities of financing business in Croatia</td> <td>2</td> </tr> <tr> <td>Formal venture capital</td> <td>2</td> <td>Independent assignment / Seminar / Presentation and Discussion: Formal venture capital</td> <td>2</td> </tr> <tr> <td>Informal venture capital</td> <td>2</td> <td>: Independent assignment / Seminar / Presentation and Discussion: Informal venture capital</td> <td>2</td> </tr> <tr> <td>The process of investing in private equity</td> <td>2</td> <td>Numerical tasks: Management fees, committed capital and invested capital</td> <td>2</td> </tr> <tr> <td>Venture capital investment process</td> <td>2</td> <td>Numerical tasks: Clawback</td> <td>2</td> </tr> </tbody> </table>					Lectures		Exercises		Topic	Hours	Topic	Hours	Introductory lecture	2	Introductory exercises - agreement on mode, seminars and other obligations that students need to fill on the course	2	Types of financing	2	Independent assignment / Seminar / Presentation and Discussion: Possibilities of financing business in Croatia	2	Formal venture capital	2	Independent assignment / Seminar / Presentation and Discussion: Formal venture capital	2	Informal venture capital	2	: Independent assignment / Seminar / Presentation and Discussion: Informal venture capital	2	The process of investing in private equity	2	Numerical tasks: Management fees, committed capital and invested capital	2	Venture capital investment process	2	Numerical tasks: Clawback	2
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	Venture capital investment criteria	2	Reiteration	2		
	Techniques of equity value of potential venture-backed company – Net present value	2	Cost of capital and NPV method	2		
	Techniques of equity value of potential venture-backed company – Venture capital method	2	Independent assignment / Seminar / Presentation and Discussion: Entrepreneurial activity	2		
	Company valuation by applying the VC method	2	: Independent assignment / Seminar / Presentation and Discussion: Business angels networks	2		
	Crowdfunding	2	Independent assignment / Seminar / Presentation and Discussion : Crowdfunding platforms	2		
	Venture Capital in Croatia	2	Independent assignment / Seminar / Presentation and Discussion : VC funds in Croatia Venture capital investments in the World	2		
	Venture capital around the World	2	Independent assignment / Seminar / Presentation and Discussion : Venture capital investments in the World			
Format of instruction	X lectures <input type="checkbox"/> seminars and workshops X exercises <input type="checkbox"/> <i>on line</i> in entirety X partial e-learning <input type="checkbox"/> field work		X independent assignments X multimedia <input type="checkbox"/> laboratory <input type="checkbox"/> work with mentor X presentation (other)			
Student responsibilities	The condition for attaining a signature and taking an exam is 50% attendance (total of lectures and exercises) and positively graded seminar presentation on a specific topic. Students work individually or in small groups, as defined by the teacher. The presentation is graded according to five criteria. Additionally, a requirement for attaining a signature is active participation on exercises. Active participation on exercises includes participation on discussions in a week topic and/or solving numerical tasks (minimum 50% of activities on exercises, namely minimum 6 out of total 12 activities).					
Screening student work (name the proportion of ECTS credits for each activity so that the total number of ECTS credits is equal to the ECTS value of the course)	Class attendance	1	Research		Practical training	
	Experimental work		Report		Presentation	1
	Essay		Seminar essay		(Other)	
	Tests	4	Oral exam		(Other)	
	Written exam	4	Project		(Other)	
Grading and evaluating student work in class and at the final exam	During the semester there are two mid-term exams and the final exam. Mid-term and final exams consist of theoretical questions (60%) and tasks (40%). In the final exams students that did not pass the midterm exams take part. The mid-term and final exams are carried out as written tests. The requirement for passing grade is the positive assessment of the presentation and 50 % points on					

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each mid-term exam or the final exam (whereby it is necessary to accomplish minimum of 50% on theory-related questions and minimum of 50% on numerical tasks).

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The final evaluation is determined as follows:

0-49 insufficient (1)  
 50 - 65 sufficient (2);  
 66 - 79 good (3);  
 80 - 89 very good (4)  
 90 - 100 excellent (5).

Presentation carries 10% of the total grade. The number of students in the group is determined by the teacher.

The exam is passed if the student:

- achieves at least 50% points on each mid-term exam or the final exam (whereby it is necessary to accomplish minimum of 50% on theory-related questions and minimum of 50% on numerical tasks).
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- achieves at least 50% points from the presentation.

The final grade is formed as a sum:

- the number of points achieved through mid-term exams/final exam multiplied by a weight of 0.9 and
- the number of points achieved through the presentation multiplied by the weight 0.1.

If the student does not pass the written mid-term exams, he/she is obliged to take the final exam.

	Title	Number of copies in the library	Availability via other media
Required literature (available in the library and via other media)	Authorized lectures and teaching materials on Moodle	0	Moodle
	<u>Mettrick, A., Yasuda, A.: Venture capital and the Finance of Innovation, 3rd Edition, Wiley, 2021.</u>	1	

Optional literature (at the time of submission of study programme proposal)

*Books:*

Demaria, C.: Introduction to Private Equity, Debt and Real Assets: From Venture Capital to LBO, Senior to Distressed DEbt, Immaterial to Fixed Assets, 3rd Edition, Wiley, 2020.

Mettrick, A., Yasuda, A.: Venture Capital & the Finance of Innovation, second ed., Wiley, 2011

Cvijanović, V., Marović M. i Struk, B.: Financiranje malih i srednjih poduzeća, GIPA d.o.o., Zagreb, 2008.

Fraser- Sampson, G.: Private equity as an asset class, second ed., Wiley, 2010.

Vidučić, Lj., Pepur, S., Šimić Šarić, M. Financijski menadžment, 9. Izdanje, RRIIF, Zagreb, 2015.

*Papers:*

Šimić Šarić, M (2017).. Does a Venture Capital Market Exist in the Countries of Former Yugoslavia?, EBEEC Conference Proceedings, The Economies of Balkan and Eastern Europe Countries in the Changed World, KnE Social Sciences,

Vladović, L., Vela, V., Šimić Šarić, M. (2017).. Promjene na neformalnom tržištu rizičnog kapitala u Europi, Financije na prekretnici: Imamo li snage za iskorak) In memoriam prof. dr. sc. Ivo Sever, (ur. Prof. dr. sc. Helena Blažić, prof. dr. sc. Mira Dimitrić, prof. dr. sc. Mario Pečarić), EFRI, Rijeka.

*Šimić, M., Atraktivnost Hrvatske u privlačenju ulagača rizičnog kapitala, Ekonomska misao i praksa, god. XXIV., br. 1., 2015.*

*Šimić, M., Investment criteria set by venture capitalists, Econviews: Review Of Contemporary Business, Entrepreneurship and Economic Issues, VOL. XXVIII, No. 2/2015.*

*Šimić Šarić, M., Did the Private equity and Venture capital market in CEE recovered after the financial crisis? Case of Poland, Hungary and Czech Republic, Economic and Social Development (Book of Proceedings), 11th International Scientific Conference on Economic and Social Development – Building Resilient Society, Zagreb, Croatia, 17-18 December 2015, (Ed. by Ante Vuletić, Rebeka Danijela Vlahov, Igor Pihir), full text on CD-ROM.*

*Šimić, M., Fondovi za gospodarsku suradnju kao izvor financiranja malog gospodarstva u Hrvatskoj, u knjizi Financije nakon krize: Forenzika, etika i održivost (urednici: izv. prof. dr. sc. Marijana Ćurak, doc. dr. sc. Ana Kundid i doc. dr. sc. Josip Visković), Sveučilište u Splitu, Ekonomski fakultet, 2014.*

*Šimić, M., Latentni ulagači, u knjizi Financije nakon krize: Forenzika, etika i održivost (urednici: izv. prof. dr. sc. Marijana Ćurak, doc. dr. sc. Ana Kundid i doc. dr. sc. Josip Visković), Sveučilište u Splitu, Ekonomski fakultet, 2014.*

Šimić, M., Poslovni anđeli- neformalni riziko kapital, Zbornik radova, Svezak I. – znanstveni radovi, Računovodstvo i menadžment, 13. Međunarodna znanstvena i stručna konferencija, Zagreb, Hrvatska, 14.-16. lipnja, 2012., (glavnik urednik: Vinko Belak).

Šimić, M., Ćurak, M., Private equity ulaganje i moderna portfelj teorija, u knjizi: Mala i srednja poduzeća – Financijska politika i ekonomsko-financijski okvir podrške, (urednica: prof. dr. sc. Ljiljana Vidučić), Ekonomski fakultet Split, Split, 2012.

*Other sources:*

Themed videos from Youtube.com channel  
Business cases and news from the portal European business angel network (<http://www.eban.org/>)

	<p>Business cases and news from the portal Croatian business angel network (<a href="http://www.crane.hr/">http://www.crane.hr/</a>)</p> <p>Business cases and news from the portal Invest Europe (<a href="https://www.investeurope.eu/">https://www.investeurope.eu/</a>)</p> <p>Business cases and news from the portal Kickstarter (<a href="https://www.kickstarter.com/">https://www.kickstarter.com/</a>) i Indiegogo (<a href="https://www.indiegogo.com/">https://www.indiegogo.com/</a>)</p> <p>Business cases and news from the portal CEPOR (<a href="https://www.cepor.hr/">https://www.cepor.hr/</a>)</p>
<p>Quality assurance methods that ensure the acquisition of exit competences</p>	<ul style="list-style-type: none"> <li>• Class attendance records and documentation about students' results in fulfilling their obligations (lecturer)</li> <li>• Class management surveillance (Vice-dean for education).</li> <li>• Study efficacy analysis of all study courses (Vice-dean for education).</li> <li>• Student poll on lecturer and class efficacy for each study course (University of Split, Quality Improvement Centre)</li> <li>• All course learning outcomes are to be verified by the course teacher during the exam. Exam content is being validated on regular basis in order to evaluate the appropriateness of means of examining the learning outcomes (Vice-dean for education).</li> </ul>
<p>Other (as the proposer wishes to add)</p>	