COURSE DETAIL

VENTURE & DEVELOPMENT CAPITAL
Country Italy
Host Institution University of Commerce Luigi Bocconi
Program(s) Bocconi University
UCEAP Course Level Upper Division
UCEAP Subject Area(s) Business Administration
UCEAP Course Number 120
UCEAP Course Suffix
UCEAP Official Title VENTURE & DEVELOPMENT CAPITAL
UCEAP Transcript Title VNTR&DVLPT CAPITAL
UCEAP Quarter Units 6.00
UCEAP Semester Units 4.00

Course Description

This course develops an in-depth knowledge of the venture capital (VC) industry in order to get students be able to carry out an investment analysis in a proper way, taking into consideration all the specific terms and features that affect a VC deal from the investor's perspective. Moreover, students who attend the course should be able to enter in touch with a real VC deal, to embrace the investor's angle and to put in practice the know how learnt during the course. The course is split in two parts. The first part is focused on financial features that mark target companies for VC, the VC industry characteristics and the management of VC companies. The second part devotes attention to carry out a comprehensive analysis of an investment opportunity from the VC investor's point of view. Topics covered include: what is VC and why it exists; what differs entrepreneurial finance from corporate finance; why are VC target firms special, and why and when are they not able to raise capital in the debt market; which are the solutions offered by venture capitalists to the firm's financial needs, and the relationships between the entrepreneur (the firm) and the outside investor (the VC company); how to read and analyze a business plan from a target company, and business models and revenue forecast; how to invest: organizational framework, strategies, and investment vehicles; investor categories who place funds in the VC industry (financial institutions and pension funds, family offices, corporations, government and local authorities, and informal investors); how to regulate the relationship between general and limited partners ring fenced in investment schemes: disclosure and accountability, incentives schemes, and how to share returns between parties; investment criteria and investment styles (round-financing, milestones, venture debt, portfolio leverage, and exit way); investment valuation: valuation criteria, relevant cash flow, and cost of capital measures; investment valuation: valuation model, and explicit and implicit values; how to put valuation model in practice; and investment decision process: terms of the deal, share price, expected IRR, and investment recommendation. The course recommends students have a background in Financial Mathematics, Accounting, and Corporate Finance as a prerequisite.

Language(s) of Instruction

English

Host Institution Course Number
30186

Host Institution Course Title
VENTURE AND DEVELOPMENT CAPITAL

Host Institution Course Details
https://didattica.unibocconi.eu/ts/tsn_anteprima.php?IdPag=6164&anno=2023&cod_i...

Host Institution Campus
Bocconi University

Host Institution Faculty

Host Institution Degree

Host Institution Department
Finance

Course Last Reviewed
2022-2023

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