



# STOCKHOLM SCHOOL OF ENTREPRENEURSHIP

## Course Overview

### FINANCE FOR STARTUPS SPRING 2024

**Course Code:** KTH: ME2825, SSE:8088, KI: 2XX045, SU: FE6609

**ECTS Credits:** 7.5

**Head of Course:**

Associate Professor Tor Brunzell  
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**Course Assistant:**

Gaurav Singh  
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Duration: 2024-01-16 – 2024-03-05

Credits: 7.5 ECTS

Language: English

Grading: A-F (or transferred to the actual system for individual students)

Location: All classes are at SBS, SU evening from 17:15.

## COURSE DESCRIPTION

The primary objective of the **Finance for Startups** course is to provide an understanding of the concepts and institutions involved in entrepreneurial finance. This course addresses key questions, that challenge all entrepreneurs: how much money can and should be raised; when should it be raised and from whom; what is a reasonable valuation of the company; and how should the funding be structured. During the course, challenges in a variety of industry settings and stages of venture development will be examined both from the entrepreneur's and from the investor's standpoints.

The course will provide participants with practical insights on a number of issues related to entrepreneurial financing, including:

- Evaluation of business plans
- Financial analysis and evaluation of key measurements
- Sources of funding
- Valuation
- Structuring deals
- Exit options

After the course, the participants are expected to have a broad understanding of the following:

- Concepts and terminology related to entrepreneurial financing
- Various financial sources available to different types of entrepreneurial businesses
- How to conduct a basic analysis of financial statements and projections
- How to conduct a basic financial valuation of a startup firm
- How terms and conditions between entrepreneurs and external investors may be structured
- Exit possibilities for start-up companies

Also, students initially having limited knowledge about finance and financial statements are welcome to participate in the course.

## ASSESSMENT CRITERIA

Assessment criteria are designed as overall assessments, combined with qualitative descriptions of what the student is expected to do in order to demonstrate how well the course's learning outcomes are achieved. The assessment criteria are based on the general abilities as expressed in the course objectives. The list of abilities below is a compilation of these objectives. To pass the course (grade E) students should demonstrate general ability to:

- recall, understand, and explain course content, the course subject, and its scientific basis and methodology;
- apply course content;
- critically analyze course content;
- problematize course content;
- orally and in writing, present and discuss course content;
- assess course content in terms of scientific, social, and ethical aspects;
- relate course content to current social issues;
- meet standards of written presentation and formal accuracy.

## ASSESSMENTS

Assessment for the course will be continuous and is carried throughout the different course activities. Each assessment task is weighted in relation to its importance in the overall assessment of the course. The student's results from the different assessment tasks are added up to a total course score that will then translate into the final grade for the course.

### **Active participation, individual (20% of total grade)**

The pedagogy of the course is based on active learning and much of the knowledge is created through participation in the exercises and cases. For this reason, individual participation will be noted and graded. Credits for active participation arrive from: (i) attendance, based on filled-in attendance lists, and (ii) active participation, based on activity during lectures and seminars, overall engagement, and passion.

### **Group assignment (50% of total grade)**

The students are, in groups of five, expected to write two assignments. One for a company seeking Seed funding, and one for a company seeking Series B funding. The details of the assignment will be handed out during the course. Both assignments will be presented in groups. Assignment 1 will correspond for 20% and Assignment 2 will correspond for 30 percent of the total grade, i.e. together 50% of total grade.

### **Written test, individual (30% of total grade)**

There will be a written test based on the literature. The test will emphasize understanding rather than mere factual repetition, which points to the importance of consistent attendance and active class participation. All students are expected to write the test at the assigned time. One written re-examination possibility will be planned for.

## SUBMITTING ASSIGNMENTS

**Submitting Assignments.** Assignments must be submitted as PDFs in the SSES CourseWeb before 23:59 (11:59 p.m.) on the due date (ideally *earlier*). The CourseWeb sends confirmation emails when you submit assignments (keep those) and automatically flags late assignments.

**Late Assignments.** Late assignments result in no points. You assume total responsibility for submitting assignments on time, with no excuses. Submit assignments early to avoid problems. (If there is a technical glitch with the CourseWeb, which is rare, document everything—keep email confirmations, screenshots, etc., and email me and the Course Assistant immediately.)

## GRADING

After completion of the course, students will receive grades on a scale related to the intended learning outcomes of the course. Passing grades are A, B, C, D and E. Failing grades is F.

A course comprises 0–100 course points. Receiving a final passing grade requires  $\geq 50$  course points. The scale for the final grade is tied to fixed score intervals: A: 90-100; B: 80-89; C: 70-79; D: 60-69; E: 50-59; F:  $< 50$ . The grades correspond to the total score points a student obtains (over a total of 100) for all the weighted assessment tasks combined as part of the continuous assessment for the course. Each assessment task is awarded 0–100 points. The score for a single assessment task is the number of points multiplied by its percentage weight, and the combined total of score points for all

weighted assessment tasks for the course are added up to a final score between 0 and 100 which then translates into a corresponding final course grade between A and F.

If you are a student from KI, Konstfack, or admitted after fall 2016 at Handelshögskolan, you are listed to another scale of grading. Your grades will be transferred accordingly in line with regulations at your home university

### **LOCATION**

The sessions take place at SBS Stockholm University. Campus Albano, House 4, Lecture Hall 3.  
Visit address: Albanovägen 18.

The session take place from 17.15 to 19.00. An extra hour is added for individual discussion with the teacher. Tuesdays and Thursdays (see below details in the schedule).

### **ATTENDANCE**

The attendance is mandatory. The students are graded on their performance in class.  
The lectures will be given live on campus.

### **SSES COURSE WEB**

Downloads of course materials as well as news regarding the course will be posted on the SSES course web continuously. Thus, we expect students to pay close attention to new material published on the web. To register on the website, please contact the course assistant.

### **HAND-IN DEADLINES**

The following hand-ins are expected in the course, whereof the business plan is compulsory in order to pass the course. For the other assignments, late hand-ins will receive a grade of zero. For detailed instructions, see separate assignment instructions on the course web.

<b>Deadline</b>	<b>Type</b>	<b>Assignment</b>	<b>Hand-in</b>
2024-01-26 23.59	Group assignment	Business Pitch for Seed Funding	Upload to course web
2024-02-18 23.59	Group assignment	Business Pitch for Series B Funding	Upload to course web