

## Venture Capital Module 3, 2023

### Course Information

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**Instructor: Yifei Zhang**

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Office Hour: by appointment

**Classes:**

Lecture time: Monday & Thursday 13:30-15:20

Venue: PHBS Building, Room to be assigned

**Course Website:**

[cms.phbs.edu.cn](http://cms.phbs.edu.cn)

### 1. Course Description

#### 1.1 Overview

**Course overview:** Venture capital is a type of private equity financing that investors provide to young and innovative entrepreneurial companies. It is crucial for economic growth, technology innovation, and job creation, leading to the birth of many top high-tech companies. As a result, Venture capital has become a popular class topic in numerous business schools in the United States and Europe.

I will present an academic perspective on venture capital in this course, outlining fundamental ideas, concepts, and theories, as well as some new frontier knowledge. Regarding the frontier, due to the limitation of my knowledge, I will focus more on corporate venture capital and climate innovation financing in VC. In addition, some knowledge about the Chinese VC industry (including its short history and recent statistics) will be offered. In summary, I want students to understand how venture capital works and the latest trends in VC. Furthermore, I will present my research about corporate venture capital and green VC to students.

Hope this will be an exciting class to students.

## **1.2 Textbooks and Reading Materials**

1. Da Rin, M. and Hellmann, T., 2020. Fundamentals of entrepreneurial finance. Oxford University Press.
2. Lerner, J. and Nanda, R., 2020. Venture capital's role in financing innovation: What we know and how much we still need to learn. Journal of Economic Perspectives, 34(3), pp.237-61.
3. Lerner, J., 2012. The architecture of innovation: The economics of creative organizations. Harvard Business Press.
4. Metrick, A. and Yasuda, A., 2021. Venture capital and the finance of innovation. John Wiley & Sons.

## **2. Details of the Course**

### **2.1 Course Plan**

Note: The schedule is subject to further changes.

<b>Week</b>	<b>Covered Topic</b>
Week 1	General introduction of the class: roadmap and some statistical tools
Week 2	Introduction to venture capital: a big framework
Week 3	Evaluating venture opportunities and start-ups
Week 4	Ownership, return, and venture valuation (basic theory)
Week 5	Stage financing, venture exit, and corporate governance
Week 6	Topic: Corporate Venture Capital

Week 7	Topic: Climate Innovation and Venture Capital
Week 8	Topic: Chinese VC industry: history and recent statistics
Week 9	Student presentation

## **2.2 Assessment/Grading Details**

The grading has three parts: The first part is about attendance and class participation (asking questions), and it covers 10%. The second part consists of two take-home exercises, each with 30% grading (60% in total). The final one is an in-class presentation, accounting for 30%. No exam in this class.

## **2.3 Academic Honesty and Plagiarism**

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.