

BUS C143: ENTREPRENEURIAL FINANCIAL STRATEGIES

Item	Value
Curriculum Committee Approval Date	11/17/2023
Top Code	050640 - Small Business and Entrepreneurship
Units	3 Total Units
Hours	54 Total Hours (Lecture Hours 54)
Total Outside of Class Hours	0
Course Credit Status	Credit: Degree Applicable (D)
Material Fee	No
Basic Skills	Not Basic Skills (N)
Repeatable	No
Grading Policy	Standard Letter (S), • Pass/No Pass (B)

Course Description

This course examines managing the financial aspects of a business start-up. This includes start-up cost, unit cost, operational costs, and a revenue estimate. Students will be introduced to concepts of an income statement, a balance sheet, the sales forecasting process, and financial risk analysis. The course provides a survey of start-up funding options. In addition, students will be introduced to technical aspects of business finance to build and strengthen financial competence. ADVISORY: BUS C141; students are encouraged to complete Introduction to Entrepreneurship before taking this course. Transfer Credit: CSU.

Course Level Student Learning Outcome(s)

1. Describe the various sources of financial funding for small businesses.
2. Read, understand, analyze, and draft pro-forma financial statements: balance sheet, profit and loss statement, and start-up cost estimates.
3. Perform a breakeven analysis, considering the cost per unit of production and the fixed costs to run the business.

Course Objectives

- 1. Review relevant business finance terminology.
- 2. Analyze operational costs to identify risk and opportunities.
- 3. Compare and contrast different business funding mechanisms.
- 4. Describe the financial statements used by businesses.
- 5. Define the general concept of working capital management.
- 6. Describe the asset categories that are included in working capital management.
- 7. Determine the cost per unit of production for a product/service.
- 8. Project future operational revenue and expenses.
- 9. Explore different financial and operational strategies for business profitability.
- 10. Calculate the breakeven point for a product/service provided by the business

Lecture Content

Considerations for Starting Your Business Identify Products and Services Identify Customers Identify Prices and Margins Identify Cash Determine Working Capital Needs Determine Your Return Legal and Your Business Legal Structure Licenses and Permits Protecting Intellectual Capital Contracts Accounting and Your Business Determine Fiscal Year Cash and Accrual Accounting Accounting Software and Systems Taxes and Your Business Income Taxes Payroll Taxes Sales Taxes Finding Money to Start and Operate Your Business Your Money Family and Friends Small-Business Lenders Outside Investors and Venture Capitalists Crowdfunding Starting Your Business Setting Up the Business Building Sales Volume Positive Cash Flow How Much Money Does a Business Need. Profit and Loss Statement Basics Profit Is an Estimate Understanding the Profit and Loss Statement Examining the Profit and Loss Statement Difference between Cash and Profit Asset and Financing Activity Timing Profit without Cash Cash without Profit Evaluating Profitability Gross Margin Operating Margin Net Margin Analyzing Your Margins Return on Assets Return on Equity Working Capital and Operational Efficiency Working Capital Efficiency Ratios Efficiency at Boutique Handbags Analyzing Your Efficiency Managing Collection and Payment Periods Planning and Budgeting Growth Understanding Projections First-Year Operations Growing Uptown Chiropractic How Fast Should You Grow. Sales Projection Analysis Speaking Economics Break-even Volume Break-even Amount Realism in Sales Projections Cost-Benefit Analysis Analyzing Investments and Capital Expenditures Return on Investment Payback Period Break-even on Investment Limitations of Cost-Benefit Analysis

Method(s) of Instruction

- Lecture (02)
- DE Online Lecture (02X)

Instructional Techniques

This course may be taught using multiple methods of support including classroom, video, audio, multi-media, correspondence, and online strategies. Instructors utilize learning strategies, including lectures; cooperative learning groups; written homework assignments; self-paced independent study using textbooks, video lessons, audio segments, computer software, or online systems; demonstrations or discussions; presentations by students to software or online systems; demonstrations or discussions; presentations by students to the instructor or for class presentation; research projects; journals; and various types of assessment by quiz and exam, including open-ended, close-ended, multiple choice, and essay.

Reading Assignments

Students will read assigned textbooks, current events articles, periodicals, etc., to be prepared to participate in class discussions, complete assignments, and post responses to peers.

Writing Assignments

Students will complete a financial plan for a business. This plan may include start-up cost estimates, fixed cost estimates, a proforma income statement, a proforma balance sheet, revenue projections, and a break-even analysis.

Out-of-class Assignments

Students will be required to research and analyze the financials of their business, similar businesses, their chosen industry, etc.

Demonstration of Critical Thinking

Quiz questions that evaluate students ability to formulate arguments to plausible scenarios may be used. Demonstrations may include written critical thinking analysis/project related to text material or as workbook supplements. Primary/secondary research, presentation, organization, and online data search/manipulation may be included.

Required Writing, Problem Solving, Skills Demonstration

Students will complete financial sections of a complete business plan and business plan summary assignments may be included.

Eligible Disciplines

Business: Masters degree in business, business management, business administration, accountancy, finance, marketing, or business education OR bachelors degree in any of the above AND masters degree in economics, personnel management, public administration, or Juris Doctorate (J.D.) or Legum Baccalaureus (LL.B.) degree OR bachelors degree in economics with a business emphasis AND masters degree in personnel management, public administration, or J.D. or LL.B. degree OR the equivalent. Masters degree required. Business education: Masters degree in business, business administration, or business education OR bachelors degree in any of the above AND masters degree in vocational education OR the equivalent. Masters degree required. Management: Masters degree in business administration, business management, business education, marketing, public administration, or finance OR bachelors degree in any of the above AND masters degree in economics, accountancy, taxation, or law OR the equivalent. Masters degree required. Accounting: Masters degree in accountancy or business administration with accounting concentration OR bachelors degree in business with accounting emphasis or business administration with accounting emphasis or economics with an accounting emphasis AND masters degree in business, business administration, business education, economics, taxation, or finance OR the equivalent. Masters degree required. (NOTE: A bachelors degree in accountancy or business administration with accounting concentration, with a CPA license is an alternative qualification for this discipline)

Textbooks Resources

1. Required Laverty, M. and Littel, C. Entrepreneurship , 1 ed. Houston, TX: OpenStax, 2020 2. Required Hettinger, W. S. and Dolan-Heitlinger, J.. Entrepreneurial Finance, 2.0 ed. Boston, MA: FlatWorld, 2019

Other Resources

1. Coastline Library 2. Current business magazine and newspaper articles pertaining to business. 3. Other OER resources that may include: Y Combinator: <https://www.ycombinator.com/library/> Open Text Library - University of Minnesota: <https://open.umn.edu/opentextbooks/> EdX Business Course Videos: <https://www.edx.org/learn/business-administration>