

Course Form for PKU Summer School International 2020

Course Title	Venture Capital
	风险投资
Teacher	Drew Hession-Kunz, Professor of the Practice, Boston College
First day of classes	June 29, 2020
Last day of classes	July 10, 2020
Course Credit	3 credits *Classes are arranged for 0900-1200 from Monday to Friday, plus fieldtrips/classroom discussions for 2 or 3 times a week in the afternoon for 1300-1700 (in total of 20 hours of fieldtrips /classroom discussions) intended to include VCs and local venture funded startups
Course Description	
Objective:	
This course introduces Venture Capital, with a focus on how to manage a portfolio investing in this asset class. The course will cover portfolio company identification, selection, valuations, as well as some coverage of private equity and IPOs as exit opportunities, as well as being an effective member of a board of directors.	
Pre-requisites /Target audience	
Prior knowledge of simple accounting will be required. No other pre-requisites.	
Proceeding of the Course	
The course will include lectures on the principles, demonstrations of the process of Term Sheets and valuation, and students will build a sample portfolio based on a thesis for investment.	
Assignments (essay or other forms)	
The key assignments will include analyzing a portfolio of private companies, projecting how a company will perform, as well as valuations, preparing for fundraising from Limited Partners, and preparing for making investments via term sheets.	
Evaluation Details	
Evaluation will be via the assignments plus midterm quiz and an exam covering the concepts of the course.	
Text Books and Reading Materials	
Book will be “Mastering the VC Game” by Jeff Busgang; reading materials will include blogs, news items, and online resources.	

Academic Integrity (If necessary)	
Fundamental to the course is that students will be expected to study, complete assignments, and complete assessments, in a responsible manner. The purpose of the course is to learn, not only to get credits and a grade.	
CLASS SCHEDULE (Subject to adjustment)	
Session 1: <i>Introduction to Venture Capital</i>	Date: June 29
【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) INTRODUCTION to Venture Capital as investment management, investing in the alternative investment class of small private companies. Lectures on the venture and entrepreneurial ecosystems, how hyper-growth startups become successful, how that differs from traditional companies. Students will learn the principles of raising a fund, as well as finding, investing in, and exiting great companies.	
【Questions】 What makes a company successful? What does outside funding change in a company? Why do Venture Capitalists require an exit? How do we structure a successful growth path?	
【Readings, Websites or Video Clips】 Readings will include the first several chapters of the textbook (to be purchased by students), and Chapter 1 of Seraf Guide to Venture Investing (provided no charge by instructor)	
【Assignments for this session (if any)】 Prior to this session students should prepare and study the readings.	
Session 2: <i>Fundraising, Thesis, and Portfolios</i>	Date: June30
【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Building a portfolio on the basis of a thesis; the numbers for a portfolio; how to fundraise as a VC;	
【Questions】 How large should the fund be? What types of theses succeed? How many companies in a portfolio?	
【Readings, Websites or Video Clips】 Students will reach Chapters 3 and 4 of Mastering the VC Game	
【Assignments for this session (if any)】 Additional work in portfolio analysis - in class exercises and homework	
Session 3: <i>Deal Flow</i>	Date: July 1
【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Lectures covering deal flow, sourcing deals, and initial process;	

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Afternoon visit to an area VC	
【Questions】 How do VCs get deal flow? How do they analyze thousands of companies to make a single investment?	
【Readings, Websites or Video Clips】 Students will read Chapter 5 of the text and Chapter 3 of Seraf Venture Investing	
【Assignments for this session (if any)】 Students will continue their portfolio construction analysis	
Session 4: <i>Early round funding</i>	Date: July 2
【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Lectures, and a visit to a successful startup company in the capital (afternoon)	
【Questions】 What makes a successful startup?	
【Readings, Websites or Video Clips】 Students will read Chapter 6 of the textbook.	
【Assignments for this session (if any)】 Students will analyze success rates that lead to various outcomes	
Session 5: <i>Valuation and Midterm Exam</i>	Date: July 3
【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) The session will begin with a review of material so far, and a Midterm exam. Following the exam, a lecture on Valuation	
【Questions】 How do we determine an accurate Valuation of a portfolio company	
【Readings, Websites or Video Clips】 Students will read Chapter 7 in the textbook.	
【Assignments for this session (if any)】 Study for the Midterm	
Session 6: <i>Negotiations and Valuation</i>	Date: July 6
【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Lecture on Negotiations, and the mathematics of the Term Sheet. Afternoon: Visit to a VC firm	
【Questions】 How do we make money? What does an exit look like?	
【Readings, Websites or Video Clips】 Students will read Chapter 8 in the textbook and Chapter 4 in Seraf Venture Inv.	
【Assignments for this session (if any)】	

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Session 7: <i>How to manage a Disaster - economic or company specific</i>	Date: July 7
<p>【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Lecture and discussion of how to manage a Disaster- if your portfolio companies are failing.</p>	
<p>【Questions】 What are your duties and obligations? Can you rescue value?</p>	
<p>【Readings, Websites or Video Clips】 Students will read Chapter 11 of the textbook, and articles on Theranos, a Silicon Valley startup that failed.</p>	
<p>【Assignments for this session (if any)】</p>	
Session 8: <i>Assessing needs of portfolio companies through growth</i>	Date: July 8
<p>【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Lecture on sustaining growth, resources needed, syndication; Afternoon visit to a Private Equity firm</p>	
<p>【Questions】 How do I find syndication partners? Is it diversification or reduced return?</p>	
<p>【Readings, Websites or Video Clips】</p>	
<p>【Assignments for this session (if any)】 Blog posts on PE, IPOs</p>	
Session 9: <i>Exits and Private Equity</i>	Date: July 9
<p>【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Lecture on Private Equity, IPOs, and alternatives</p>	
<p>【Questions】 Which exit choice is best?</p>	
<p>【Readings, Websites or Video Clips】 Students will read Chapter 12 of the textbook</p>	
<p>【Assignments for this session (if any)】 Prepare for the Final</p>	
Session 10: <i>Final Exam and Careers discussion</i>	Date: July 10
<p>【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.) Final Exam and discussion of careers, career paths, and how to become involved with venture and Private Equity</p>	
<p>【Questions】 How do I become an entrepreneur? How do I become an investor?</p>	

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【Readings, Websites or Video Clips】
【Assignments for this session (if any)】