

IB395-15 Entrepreneurial Finance Markets

26/27

Department

Warwick Business School

Level

Undergraduate Level 3

Module leader

Johannes Kleinhempel

Credit value

15

Module duration

10 weeks

Assessment

20% coursework, 80% exam

Study location

University of Warwick main campus, Coventry

Description

Introductory description

During the module we will look at issues affecting finance markets for new ventures and small firms. These 'entrepreneurial' firms are typically informationally opaque and therefore face greater challenges in accessing finance than established firms. We will look at issues affecting the supply of entrepreneurial finance, e.g., credit rationing and equity gaps, and issues affecting demand, e.g., control aversion and entrepreneurial over-optimism.

There are three key stakeholder groups in entrepreneurial finance: entrepreneurs who want money to fund their ideas; finance providers (venture capitalists, angels, and banks) who want to make money from funding entrepreneurs; and governments, who want entrepreneurs to create jobs and introduce innovation. The module therefore approaches entrepreneurial finance issues from the perspectives of entrepreneurs, finance providers, and governments.

This is an elective module available for WBS and non-WBS students. To find detailed availability and to apply for this module, log in to my.wbs.ac.uk using your normal IT login details and apply via the my.wbs module application system. Once you've secured a place on my.wbs you should apply via your home department's usual process, which usually takes place via eVision.

Note that you do not require the module leader's permission to study a WBS module, so please do

not contact them to request it.

[Module web page](#)

Module aims

(1) Broaden and deepen students' understanding of entrepreneurial finance markets, integrating theoretical frameworks (e.g., signaling theory) with empirical evidence and case studies from diverse international contexts.

(2) Equip students with skills to evaluate entrepreneurial finance challenges from multiple stakeholder perspectives: entrepreneurs raising finance, investors screening opportunities, and policymakers designing interventions.

(3) Enable students to critically evaluate different sources of funding (from family funding to venture capital and crowdfunding), financing strategies, and exit strategies.

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

1. Introduction to Entrepreneurial Finance Markets
2. The Role of SMEs in Contexts of Economies
3. Financing and its Role in the Entrepreneurial Journey
4. Signals in Entrepreneurial Finance
5. On the Role of Banks and Governments in SME Financing
6. Inequalities in SME Financing Markets
7. Venture Capital, Business Angels and Private Equity: On the Players in the Game
8. Alternative Forms of Venture Financing
9. Exits (e.g. IPOs, M&A, management buyouts, liquidation).
10. Summary, Recap, and Reflection

Learning outcomes

By the end of the module, students should be able to:

- Discuss and evaluate the relevance of different sources of finance for the creation and performance of new ventures.
- Explain the relevance of entrepreneurial ventures for low-, middle- and high-income economies.
- Identify sources of finance available e.g. crowdfunding, bank loans, venture capital and

business angels and critically evaluate these.

- Recognise and question inequalities in venture financing and employ strategies to address them.
- Apply theoretical frameworks and empirical evidence to evaluate case studies of entrepreneurial finance challenges.
- Recall and select relevant information.
- Demonstrate analytical and logical reasoning abilities.
- Evaluate information and draw a valid conclusion.
- Examine issues from different perspectives.

Indicative reading list

[Reading lists can be found in Talis](#)

Research element

Students critically engage with empirical research throughout the module, and apply research-based insights to case studies in the seminars. The group presentation requires original research, e.g., on specific funding sources, with data-driven financial projections.

Interdisciplinary

The module's principal disciplinary foundation are management and finance. We draw on economics (e.g., signaling theory, information asymmetries), psychology and sociology (e.g., role of cognition, network effects, inequalities), and development studies (cross-country comparisons) to develop a holistic understanding of entrepreneurship and entrepreneurial finance markets.

International

The module adopts a comparative international perspective throughout, examining entrepreneurial finance markets across low, middle, and high-income economies. We will consider, for example, cross-country variations in entrepreneurship rates and types and entrepreneurial finance ecosystems.

Case studies feature ventures and finance providers from diverse international contexts, enabling students to understand how institutional, cultural, and economic contexts shape entrepreneurship and entrepreneurial finance markets.

Subject specific skills

- Analyse and evaluate the theory, evidence and practice relating to new venture financial markets.
- Demonstrate a deep analytical understanding of how new venture financial markets operate.
- Compare and consider how firms in the various financial sectors screen and evaluate new

ventures for loan and equity applications.

- Apply this specific knowledge and utilise these specialist skills in a direct and practical manner.

Transferable skills

- Demonstrate written, mathematical and verbal communication skills.
 - Utilise and develop numeric and non-numeric skills.
 - Convey their understanding using an array of these forms of communication.
 - Design, evaluate and present entrepreneurial a financing strategies based on the concepts/content/research discussed in the lecture.
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Study

Study time

Type	Required
Lectures	11 sessions of 1 hour (7%)
Seminars	9 sessions of 1 hour (6%)
Online learning (independent)	10 sessions of 1 hour (7%)
Private study	47 hours (31%)
Assessment	73 hours (49%)
Total	150 hours

Private study description

Private Study.

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Assessment group D6

	Weighting	Study time	Eligible for self-certification
Assessment component			
Group Presentation	20%	15 hours	No
Slide Deck (1500 word equivalent) + Presentation (10 mins)			

Reassessment component

Individual Presentation			Yes (extension)
Slide Deck (1500 word equivalent) + Video Presentation (10 mins)			

Assessment component

Centrally-timetabled examination (on-campus)	80%	58 hours	No
<ul style="list-style-type: none"> • Answerbook Pink (12 page) • Students may use a calculator 			

Reassessment component is the same

Feedback on assessment

Feedback via My.WBS.

[Past exam papers for IB395](#)

Availability

Courses

This module is Optional for:

- Year 4 of UIBA-NN02 BSC International Management with Marketing
- Year 3 of UIBA-NN01 BSC Management with Marketing
- Year 4 of UIBA-NN03 BSC Management with Marketing (With Placement Year)
- Year 4 of UECA-L1N3 BSc Economics and Management with Placement Year
- UIBA-N20B BSc in Management
 - Year 3 of N20B Management

- Year 3 of N20B Management
- Year 3 of N23K Management with Accounting
- Year 3 of N234 Management with Digital Business
- Year 3 of N235 Management with Entrepreneurship
- Year 3 of N232 Management with Finance
- Year 3 of N252 Management with Marketing
- Year 3 of N23L Management with Strategy and Organisation
- Year 3 of UIBA-N400 Undergraduate Accounting and Finance
- UIBA-N404 Undergraduate Accounting and Finance (with Foundation Year and Placement/Undergraduate Partnership Programme)
 - Year 5 of N4N7 Accounting and Finance (Foundation Year and Intercalated)
 - Year 5 of N404 Accounting and Finance (Foundation Year and Placement)
 - Year 5 of N405 Accounting and Finance (Foundation Year and UPP)
 - Year 5 of N403 Accounting and Finance (with Foundation Year)
- Year 4 of UIBA-N403 Undergraduate Accounting and Finance (with Foundation Year)
- UIBA-N401 Undergraduate Accounting and Finance (with Placement Year/Undergraduate Partnership Programme)
 - Year 4 of N401 Accounting and Finance (Placement)
 - Year 4 of N402 Accounting and Finance (Undergraduate Partnership Programme)
- Year 3 of UCSA-I1N1 Undergraduate Computer Science with Business Studies
- Year 4 of UCSA-I1NA Undergraduate Computer Science with Business Studies (with Intercalated Year)
- Year 1 of UIOA-EEU Undergraduate EU Exchange
- Year 3 of UECA-L1N2 Undergraduate Economics and Management
- Year 4 of UGEA-RN21 Undergraduate German and Business Studies
- Year 3 of UIPA-L8N1 Undergraduate Global Sustainable Development and Business
- Year 4 of UIPA-L8N2 Undergraduate Global Sustainable Development and Business Studies (with Intercalated Year)
- UIBA-N20F Undergraduate International Management
 - Year 4 of N20F International Management
 - Year 4 of N20F International Management
 - Year 4 of N20S International Management (with Accounting)
 - Year 4 of N20T International Management (with Chinese)
 - Year 4 of N20P International Management (with Entrepreneurship)
 - Year 4 of N20M International Management (with Finance)
 - Year 4 of N20U International Management (with French)
 - Year 4 of N20L International Management (with Marketing)
 - Year 4 of N20V International Management (with Spanish)
 - Year 4 of N20W International Management (with Strategy and Organisation)
 - Year 4 of N20N International Management with Digital Business
 - Year 4 of N20E Management (with Foundation Year)
 - Year 4 of N234 Management with Digital Business
- UIBA-N220 Undergraduate International Management (with Foundation Year)
 - Year 5 of N220 International Management (with Foundation Year)
 - Year 5 of N221 International Management with Accounting (with Foundation Year)
 - Year 5 of N226 International Management with Chinese (with Foundation Year)

- Year 5 of N223 International Management with Digital Business (with Foundation Year)
- Year 5 of N224 International Management with Entrepreneurship (with Foundation Year)
- Year 5 of N222 International Management with Finance (with Foundation Year)
- Year 5 of N227 International Management with French (with Foundation Year)
- Year 5 of N225 International Management with Marketing (with Foundation Year)
- Year 5 of N228 International Management with Spanish (with Foundation Year)
- Year 5 of N229 International Management with Strategy and Organisation (with Foundation Year)
- UIBA-N20J Undergraduate Management (with Foundation Year and Placement Year/Undergraduate Partnership Programme)
 - Year 5 of N20J Management (Foundation Year and Placement)
 - Year 5 of N20K Management (Foundation Year and UPP)
 - Year 5 of N23H Management with Digital Business (with Foundation Year and Placement Year)
 - Year 5 of N23J Management with Entrepreneurship (with Foundation Year and Placement Year)
 - Year 5 of N23G Management with Finance (with Foundation Year and Placement Year)
 - Year 5 of N255 Management with Marketing (with Foundation Year and Placement Year)
- UIBA-N20E Undergraduate Management (with Foundation Year)
 - Year 4 of N20E Management (with Foundation Year)
 - Year 4 of N23N Management with Accounting (with Foundation Year and Placement Year)
 - Year 4 of N23M Management with Accounting (with Foundation Year)
 - Year 4 of N23E Management with Digital Business (with Foundation Year)
 - Year 4 of N23F Management with Entrepreneurship (with Foundation Year)
 - Year 4 of N23D Management with Finance (with Foundation Year)
 - Year 4 of N252 Management with Marketing
 - Year 4 of N254 Management with Marketing (with Foundation Year)
 - Year 4 of N23P Management with Strategy and Organisation (with Foundation Year)
- UIBA-N20C Undergraduate Management (with Placement Year/Undergraduate Partnership Programme)
 - Year 4 of N20M International Management (with Finance)
 - Year 4 of N20B Management
 - Year 4 of N20D Management (Undergraduate Partnership Programme)
 - Year 4 of N20C Management (with Placement Year)
 - Year 4 of N20Q Management with Accounting (with Placement Year)
 - Year 4 of N236 Management with Digital Business (with Placement Year)
 - Year 4 of N235 Management with Entrepreneurship
 - Year 4 of N237 Management with Entrepreneurship (with Placement Year)
 - Year 4 of N232 Management with Finance
 - Year 4 of N233 Management with Finance (with Placement Year)
 - Year 4 of N253 Management with Marketing (with Placement Year)
 - Year 4 of N23L Management with Strategy and Organisation

- Year 4 of N20R Management with Strategy and Organisation (with Placement Year)
- Year 3 of UMAA-G1NC Undergraduate Mathematics and Business Studies
- Year 4 of UMAA-G1N2 Undergraduate Mathematics and Business Studies (with Intercalated Year)
- UIOA-EOS Undergraduate Overseas Exchange
 - Year 1 of UEOS Undergraduate Overseas Exchange
 - Year 1 of UEOS Undergraduate Overseas Exchange
- Year 4 of UPXA-F3ND Undergraduate Physics and Business Studies (with Intercalated Year)
- Year 3 of UPXA-F3N2 Undergraduate Physics with Business Studies
- Year 1 of UIOA-EUS Undergraduate USA Exchange