

ECON 4717: ECONOMICS OF ENTREPRENEURSHIP
COURSE SYLLABUS
Spring 2015

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Office: 14B Economics Bldg.

Class Hours: Tue. Thur. 12:30-1:45PM
Class Location: DUAN G2B47
Office Hours: M 3-5PM; F 10-12noon

Course Description

Entrepreneurship is an important part of modern economy. This course introduces economic analysis of entrepreneurship, its financing, performance and public policy issues. We will investigate the workings of venture capital and start-ups. This course aims to understand academic as well as practical implications that are based on the burgeoning literature on economics of entrepreneurship and private equity.

Textbook

- I. Lerner, Leamon, and Hardyman (2012), Venture Capital, Private Equity, and the Financing of Entrepreneurship (required)
- II. Supplementary articles and notes will be posted on D2L.

Prerequisite

- I. ECON 3070 Intermediate Microeconomic Theory
- II. ECON 3818 Introduction to Statistics

Grading Policy

Your final grade will be based on your performance on a mid-term, a final and a group project. I will often check attendance (by roll call) and attendance (as well as class participation) can affect the final grade at the margins. If you miss more than half the lectures, then your letter grade may be lowered. No make-up exam will be given unless you provide an advance notice and proper documentation.

The mid-term enters with a weight of **0.30**, and the final with **0.40**. The final is not cumulative. You are expected to form a group of two to write about and present a real-world issue/case related to one of the topics we will discuss in this course. This will enter with a weight of **0.25** (=essay with **0.20**; short presentation with **0.05**). Attendance and class participation will be considered with a weight of **0.05**.

Final grading will be curved in the sense that the distribution of total scores (resulting from the above) will be moved up by the same amount for everyone. All grading will be done by me in an anonymized fashion.

University Policies

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. **All incidents of academic misconduct shall be reported to the Honor Code Council** (honor@colorado.edu; 303-735-2273).

Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion).

Other information on the Honor Code can be found at

<http://www.colorado.edu/policies/honor.html> and at

<http://www.colorado.edu/academics/honorcode/>

The University of Colorado at Boulder policy on **Discrimination and Harassment**, the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships apply to all students, staff and faculty.

Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH, the above referenced policies and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>

Campus policy regarding **religious observances** requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, please see me at least two weeks prior to any conflicts due to religious observances. See full details at www.colorado.edu/policies/fac_relig.html

If you qualify for accommodations because of a **disability**, please submit a letter from Disability Services in a timely manner so that your needs may be addressed.

Disability Services determines accommodations based on documented disabilities.

Contact: 303-492-8671, Willard 322, and www.Colorado.EDU/disabilityservices

If you have a temporary medical condition or injury, see guidelines at

<http://www.colorado.edu/disabilityservices/go.cgi?select=temporary.html>

Students and faculty each have responsibility for **maintaining an appropriate learning environment**. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at <http://www.colorado.edu/policies/classbehavior.html> and at http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code

Tentative Outline

Week

1. Introduction
2. Entrepreneurship Theory
3. Private Equity (Ch.2)
4. Deal Sourcing (Ch.3)
5. Assigning Value (Ch.4)
6. Deal Structuring (Ch.5)
- 7 **Midterm** (likely on Feb 26th)
8. Governance (Ch.6)
9. Liquidity and Exits (Ch.7)
10. Risk and Return (Ch.9)
11. (Spring Break)
12. People and Culture (Ch.11)
13. Scaling and Institutionalization (Ch.12)
14. Boom and Bust (Ch.13)
15. Presentations

Final (date to be announced)