



GRADUATE SCHOOL

GM1005 Private Equity, 7.5 credits

Riskkapital, 7,5 högskolepoäng

Second Cycle

Confirmation

This course syllabus was confirmed by School of Business, Economics and Law on 2010-03-02 and was last revised on 2018-01-11 by Graduate School to be valid from 2018-01-15, spring semester of 2018.

Field of education: Social Sciences 100%

Department: Graduate School

Position in the educational system

The course can be part of the following programme: 1) Master of Science in Accounting and Financial Management (S2REF)

Main field of studies

Finance

Specialization

A1N, Second cycle, has only first-cycle course/s as entry requirements

Entry requirements

To be eligible for the course Private Equity, the participant must fulfil the entrance qualifications for the Master of Science programme in Finance, with the exception for 7,5 higher education credits in microeconomics on intermediate level. For programme specific entrance requirements, see programme syllabus.

Students from the other Master of Science programmes at the Graduate School may also be eligible for the course.

Learning outcomes

After completion of the course, the student shall be able to:

1. have the ability to identify the many dimensions of private equity and venture capital finance.
2. demonstrate knowledge and understanding of the macro economics and macro finance environment in which money is transferred from savers to investors in high risk capital.
3. demonstrate knowledge and understanding of the financial management aspects of high risk capital, in particular the process of valuation, contracting, financing, and exit.
4. demonstrate knowledge and understanding of the *modus operandi* of the private equity and venture capital industry in Sweden and in the world.

Course content

This course is issue oriented. The main question is: What is the contribution of the capital market to innovation in the economy? The focus is on two special purpose financial intermediaries; private equity and venture capital funds. We discuss and analyze the operations of the funds, their relations with the investors, limited partners, and with the users of the funds, entrepreneurs. We also examine the funds in a broader macro-economic and financial context.

The course mixes conceptual presentation, empirical tests and observations, and practical "hands on" techniques. It takes materials from financial economics, from international finance, from development economics and international trade, and from the practice of private equity and venture capital funds. The various papers assigned as readings are not parts of a textbook, most of them are research papers. Yet, in the class we focus on the managerial aspects as well to create an integrated view of what private equity and venture capital finance is all about.

Form of teaching

The teaching consists of lectures and case seminars

Language of instruction: English

Assessment

The learning outcomes are assessed through a written exam and a mandatory case. The written exam (80 %) and the Case (20 %) are weighted together to reach the total points.

If a student, who has failed the same examined component twice, wishes to change examiner before the next examination, a written application shall be sent to the department responsible for the course and shall be granted unless there are special reasons to the contrary (Chapter 6, Section 22 of Higher Education Ordinance).

In cases where a course has been discontinued or has undergone major changes, the student shall normally be guaranteed at least three examination occasions (including the ordinary examination) during a period of at least one year from the last time the course was given.

Examination possibilities will be offered at least five times during the course of each two-year period. Students who have made five unsuccessful attempts to pass an examination have lost the possibility of obtaining a Master of Science Degree from Graduate School.

Grades

The grading scale comprises: Pass with Distinction (VG), Pass (G) and Fail (U).

To reach pass it is required to achieve at least 50 % in the written examination and pass the written case report. For pass with distinction it is required to achieve at least 75 % of the total points.

Course evaluation

The course will be evaluated after completion. The results of and possible changes to the course will be shared with students who participated in the evaluation and students who are starting the course.