



GRADUATE SCHOOL

GM1035 Private Equity, 7.5 credits

Private Equity, 7,5 högskolepoäng

Second Cycle

Confirmation

This course syllabus was confirmed by Graduate School on 2021-09-27 to be valid from 2022-01-17, spring semester of 2022.

Field of education: Social Sciences 100%

Department: Graduate School

Position in the educational system

The course Private Equity, is a course within the Master of Science programmes at the Graduate School, School of Business, Economics and Law, University of Gothenburg.

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 credits in microeconomics on intermediate level. For programme specific entrance requirements, see programme syllabus.

Learning outcomes

On successful completion of the course, the student will be able to:

1. 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 international private equity and venture capital industry.

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

Lectures and seminars

Language of instruction: English

Assessment

Learning outcomes 1-4 are assessed through a written individual exam and group assignments.

Individual exams shall be written individually, cooperation in formulating text, tables, figures etc. is not allowed.

A student who has taken two exams in a course or part of a course without obtaining a pass grade is entitled to the nomination of another examiner. The student needs to contact the department for a new examiner, preferably in writing, and this should be approved by the department unless there are special reasons to the contrary (Chapter 6 Section 22 of the Higher Education Ordinance).

If a student has received a recommendation from the University of Gothenburg for special educational support, where it is compatible with the learning outcomes of the

course and provided that no unreasonable resources are required, the examiner may decide to allow the student to sit an adjusted exam or alternative form of assessment.

In the event that a course has ceased or undergone major changes, students are to be guaranteed at least three examination sessions (including the ordinary examination session) over a period of at least one year, but no more than two years, after the course has ceased/been changed.

The number of examinations is limited to five.

Grades

The grading scale comprises: Excellent (A), Very good (B), Good (C), Satisfactory (D), Sufficient (E) and Fail (F).

Pass is required on all examination forms. The grade (A-E) corresponds to the total score a student obtains on the individual written exam (60 % of final grade) and the group assignments (40 % of final grade). To receive a pass grade (A-E) $\geq 50\%$ points is required. The scale is tied to fixed score intervals:

A: 85-100%

B: 75-84%

C: 68-74%

D: 60-67%

E: 50-59%

F: $<50\%$

Course evaluation

The course will be evaluated upon 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.