

**Commerce 4FW3
Finance for Entrepreneurs
Fall 2023 Course Outline**

**Finance and Business Economics
DeGroot School of Business
McMaster University**

INSTRUCTOR AND CONTACT INFORMATION

Instructor

Student TA

Section 1: Thursday 12:30 pm – 2:20 pm

Section 2: Thursday 2:30 pm – 5:20 pm

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Office: DSB 311	Location: Zoom
Office Hours: Wednesday 11:00 am – 12:00 pm	Office hours: Tuesday 6:00 pm to 7:00 pm

Course website: <http://avenue.mcmaster.ca>

COURSE ELEMENTS

Credit Value: 3	Leadership: Yes	IT skills: No	Global view: Yes
A2L: Yes	Ethics: No	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: Yes	Group work: Yes	Oral skills: Yes
Evidence-based: Yes	Experiential: No	Final Exam: No	Guest speaker(s): Yes

COURSE INFORMATION

Lectures: 3 hours per week instruction and class discussions

Tutorials: 1 hour per week TA office hours

Course Delivery Mode: In-person

Course Description: This course is intended for students who wish to enhance their skills and knowledge in those areas of business that lead to successful entrepreneurship and/or small business management. The focus will be on those financial issues and decisions of particular concern to sole proprietors, partnerships, family-owned businesses and small non-public corporations.

IMPORTANT LINKS

- [Mosaic](#)
- [Avenue to Learn](#)
- [Student Accessibility Services - Accommodations](#)
- [McMaster University Library](#)

COURSE LEARNING OUTCOMES

Upon successful completion of this course, students will be able to complete the following key tasks:

- Identify the components of a sound business model.
- Develop and write a business plan.
- Know about different forms of business to decide whether a venture should be a proprietorship, a partnership, or a corporation.
- Able to measure and evaluate financial performance.
- Identify cashflows and their timings to prepare a cash budget.
- Appreciate how the time pattern of cash flows determines the value of a venture.
- Identify various sources of financing to be used at different stages of a venture.

COURSE LEARNING GOALS

The students will know the standard ways of converting a business idea into a viable business model, appreciate the need for short, mid and long-term financial planning for a venture, recognize the sources of financing at different stages of the venture and successfully exiting a mature venture after generating financial returns.

REQUIRED MATERIALS AND TEXTS

Textbook used: Entrepreneurial Small Business, 7th Ed, Katz and Green II, McGraw Hill.
Cases: Download from HBR; shared in class and Avenue.

CLASS FORMAT

The weekly three-hour class sessions will involve large amounts of student contribution and participation. In some sessions, students will form small groups to discuss an entrepreneurial issue at hand and the instructor will serve the role of a moderator. The class time is expected to be shared equally between the instructor and the student participants, are expected to generate thought-provoking questions and generic and non-generic answers to those.

COURSE EVALUATION

Student performance in the course will be evaluated in a combination of ways. The assessments will have both individual and group components. In case of group evaluation, all members of a group will share the same grade. The final student grade will be calculated based on these.

There will be one midterm test, one group project involving two group assignments and a group presentation, and a final case study to be carried out in groups.

The components of the course grade will be weighted as follows. The instructor reserves the right to modify the weightings to adjust for material covered during the semester.

Assessment	Weight	Description	Venue/Submission
Midterm test	40%	Individual; multi-choice and short answer questions	During scheduled weekly class
Group project	10%	Group; written draft business plan	Avenue drop box
	20%	Group; written final business plan	Avenue drop box
	10%	Group; presentation of business plan	During scheduled weekly class
Case study	20%	Group; written case analysis	Avenue drop box; during final exam week

Formation of groups:

There are two distinct group activities in the course – for group project and for a case study. Same groups can be used for both the assessments. Students may also choose to use different groups for the two assessments. **The group members are responsible for making sure smooth functioning of the group. The instructor and/or the TA will not intervene in group activities for any reason.**

For the **group project**, student groups will be formed by the students by the second week of class. Each student group will comprise of 4 to 5 participants. Group constituents are to be reported to the TA by **15th September**. This group will work on developing a business plan throughout the term. There are three deliverables for this group as evidenced in the table above. The instructor reserves the right to amend groups by adding students who have not formed groups on their own.

For the **case study**, student groups will be formed by the students by 17th November and the group constituents are to be reported to the TA by the date. Each student group will comprise of 4 to 5 participants. Each group will be randomly assigned a case from a pool of cases. Once assigned, each group will ‘buy’ the assigned case from HBR (cost ranging between \$5 - \$10).

Delayed submission

Submissions (draft business plan, final business plan and case study) should be made on time in the Avenue Drop Box. Late submission of business plans will lose 10% for delay of incremental 6 hours (delay of 1 minute to 6 hours – lose 10%; delay of 6 hours 1 minute to 12 hours – lose 20%, so on). Delays beyond two days for the business plans will result in a grade of zero for that assessment for the group.

Late submission of case study will lose 20% for delay of incremental 6 hours (delay of 1 minute to 6 hours – lose 10%; delay of 6 hours 1 minute to 12 hours – lose 20%, so on). Delays beyond one day for the case study will result in a grade of zero for that assessment for the group.

Missing midterm test

Midterm test will take place during weekly class. This is the only individual assessment in this course. Students should ensure their availability for the test. **Missed midterm test will receive a grade of zero unless the student has submitted and been approved for a Notification of Absence or MSAF.** An approval from the faculty office (student experience for DSB students) is required for submitting MSAF as the test carries a weight of 40%.

The instructor holds discretion of offering an alternate midterm test for students who miss the midterm test and submit an MSAF. The alternate test, if offered, will be different than the original test.

If MSAF is submitted and an alternate test is NOT arranged for the student, the student will earn final grade based on their performance in other assessments of the course (that is, other assessments will be reweighted).

Missed tests will not be eligible for 'curve' used for the test, if any.

COURSE DELIVERABLES

Midterm Test (40%)

The only midterm test for the class will take place on 2nd November (Thursday) during weekly class time. The test will run for 2 hours, carry a weight of 40% and will include multiple choice questions, short word problems and explanations. This assessment is worth 40% of the final grade for the course and will be marked individually. The test is a closed notes and book one.

Group project (40%)

The group project has three deliverables and will run throughout the term. Student groups will be responsible for preparing a business plan with detailed cash budget, financing of resources and exit strategy. The three deliverables of the group project are as follows:

Draft business plan (weight 10%): The draft business plan is due by **6th October (Friday)** end of day. Each student group will submit a draft business plan (without the financials) in the Avenue Drop Box. The draft plan should be limited to ten (10) page, font size 11, 1.5-spaced letter-sized document. The instructor will provide feedback on the draft plan for the groups to prepare their final business plan.

Final business plan (weight 20%): The final business plan is due by **19th November (Sunday)** in the Avenue Drop Box. This is expected to be a complete business plan with cash budget, clearly identified financing sources and exit strategy. The final plan should be limited to twenty-five (25) page 1.5-spaced letter-sized document with ten (10) additional pages for showing accounting and financial calculations.

Business plan presentation (weight 10%): Student groups will be presenting their business plan in the class during the last two sessions of the term (**23rd and 30th November**). Each group will have 12 to 15 minutes to present their case followed by a brief Q&A session. The day of presentation for each group will be shared in the class and posted on Avenue by 16th November.

Case study (20%)

The details on case report requirements will be shared during class and posted on Avenue. The report must be to the point and concise: fifteen double-spaced typed pages using a minimum font size of 11, added with at most five one-page exhibits, etc. You may use font size 10 for the exhibits.

The deadline for submitting the case report is **19th December** at 11:59 pm. One group will submit their report once. It must be submitted to Dropbox on the course website on Avenue.

LATE ASSIGNMENTS

Delayed submission

Submissions (draft business plan, final business plan and case study) should be made on time in the Avenue Drop Box. Late submission of business plans will lose 10% for delay of incremental 6 hours (delay of 1 minute to 6 hours – lose 10%; delay of 6 hours 1 minute to 12 hours – lose 20%, so on). Delays beyond two days for the business plans will result in a grade of zero for that assessment for the group.

Late submission of case study will lose 20% for delay of incremental 6 hours (delay of 1 minute to 6 hours – lose 10%; delay of 6 hours 1 minute to 12 hours – lose 20%, so on). Delays beyond one day for the case study will result in a grade of zero for that assessment for the group.

COMMUNICATION AND FEEDBACK

Students who wish to correspond with instructor or TA directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Area Administrative Assistants. Students will receive adequate feedback (up to 50%) regarding their progress prior to the final date by which a student may cancel the course without failure by default (November 10).

Instructor may solicit feedback via an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar [“Requests for Relief for Missed Academic Term Work”](#) and the link below;

<http://ug.degroote.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

COURSE MODIFICATION

From time to time there may be a need to remove/add topics or to change the schedule or the delivery format. If these are necessary, you will be given as much advance notice as possible.

GENERATIVE AI – USE PROHIBITED

Students are not permitted to use generative AI in this course. In alignment with [McMaster academic integrity policy](#), it “shall be an offence knowingly to ... submit academic work for assessment that was purchased or acquired from another source”. This includes work created by generative AI tools. Also stated in the policy is the following, “Contract Cheating is the act of “outsourcing of student work to third parties” (Lancaster & Clarke, 2016, p. 639) with or without payment.” Using Generative AI tools is a form of contract cheating. Charges of academic dishonesty will be brought forward to the Office of Academic Integrity.

The exercises and assessments used in this course is designed to prepare a student to become an ‘entrepreneur’. Using generative AI to complete the work will not provide the students with the desired tools and techniques required to start and operate a venture. Students should refrain from using generative AI for their own benefit.

ACADEMIC INTEGRITY

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: “Grade of F assigned for academic dishonesty”), and/or suspension or expulsion from the university. For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](#).

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one's own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.

AUTHENTICITY/PLAGIARISM DETECTION

This course will use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. Avenue to Learn, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software. **All submitted work is subject to normal verification that standards of academic integrity have been upheld** (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to www.mcmaster.ca/academicintegrity.

COURSES WITH AN ON-LINE ELEMENT

This course will use on-line elements (e.g. e-mail, Avenue to Learn, web pages, HBR, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

CONDUCT EXPECTATIONS

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the "Code"). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online.**

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students' access to these platforms.

ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES

Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or sas@mcmaster.ca to make arrangements with a Program Coordinator. For further information, consult McMaster University's [Academic Accommodation of Students with Disabilities](#) policy.

ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

COPYRIGHT AND RECORDING

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

EXTREME CIRCUMSTANCES

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, Avenue to Learn and/or McMaster email.

ACKNOWLEDGEMENT OF COURSE POLICIES

Your enrolment in Commerce 4F03 will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies **cannot be invoked** at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

COURSE SCHEDULE

**Commerce 4FW3
Finance for Entrepreneurs
Fall 2023 Course Schedule**

Week	Date	Topic/Assessment/Deliverable
1	Sep 7	Review course outline; Introduction to finance for entrepreneurs
2	Sep 14	Characteristics and competencies of small business entrepreneurs Small business ideas: Creativity, Opportunity, and feasibility
	Sep 15 (Friday)	Group for project send to TA (patek49@mcmaster.ca)
3	Sep 21	Business plans: Seeing audiences and your businesses clearly
4	Sep 28	Small business strategies
5	Oct 5	Small business accounting: projecting & evaluating performance
	Oct 6 (Friday 11:59 pm)	Draft business plan submission to Avenue Drop Box
6	Oct 12	MIDTERM RECESS – NO CLASS/DELIVERABLE
7	Oct 19	Cash management
8	Oct 26	Small business finance: using equity, debt and gifts
9	Nov 2	Midterm test (CO1: 11:30 am to 1:30 pm, CO2: 2:30 pm to 4:30 pm)
10	Nov 9	Inventory and operations management
11	Nov 16	Small business protection: Risk management & Insurance
	Nov 17 (Friday)	Group for case study send to TA (patek49@mcmaster.ca)
	Nov 19 (Sunday 11:59 pm)	Final business plan submission to Avenue Drop Box
12	Nov 23	Group presentation of business plan
13	Nov 30	Group presentation of business plan; Wrap
15	Dec 19	Case study submit

** This is a tentative schedule. If the subject matter designated for a week is not completed during scheduled weekly lecture, the remainder will be covered in the following week.*