Course Description and Objectives:

This course offers an economic analysis of the financial resource management for a small business. It examines issues such as financial statements and financial planning, capital budgeting and management, investment, risk, profitability, and forecasting. The major objective of this course is to acquaint students with the financial functions of a small business, and the ways of optimizing the outcome of those functions. Special emphasis will be given to understanding, designing and writing a viable formal business plan, in addition to discussing current financial and business issues.

Text and References:


Course Requirements and Grading:

- Midterm Exam (100 points): Scheduled on March 8th.
- Practice Assignment (30 points)
- Final Exam (70 points): Follows the University schedule.
- Business Plan (100 points): This includes workshop presentation, participation and own Business Plan.

The 100 points is broken down into:

- Business Plan workshop Presentation: 25
- Participation (Attendance and Commitment): 20
- Own Business Plan: 55
- Presenting own Business Plan (optional): 10 extra points
For 4-5 Thursdays, starting on January 28th, we will have a workshop presentations to discuss a variety of topics and financial issues related to starting, managing, maintaining and investing in small businesses. **The focus will be on the practical measures to design and write a business plan.** We will cover two books: McKeever’s *How to Write a Business Plan*, and Steingold’s *Legal Guide for Starting and Running a Small Business*. These presentations, in addition to the Business Plan chapter in your text should prepare you to come up with your own idea of a small business, and write and present a Business Plan for it. A sign-up list of all chapter presentations from the two books mentioned above should be completed as soon as possible to secure everyone’s share.

An Actual Business Plan modeled after what you learned through the workshop will be **Due on April 19th**. Optional presentations of own plans will be scheduled during the last three classes of the semester. Throughout and after the workshop, students should think of and start preparing their own Business plans. Sharing a business plan is encouraged. Up to three students can share one plan, if they choose to, but they have to notify me and provide me with a tentative title no later than two weeks before the due date.

Letter grades will be assigned based on the following percentages:

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<td>C+</td>
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<td>B+</td>
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**Policies:**
- Class attendance is essential and will be considered in the final grade.
- B- plans, which are turned in after their due dates, will **NOT be accepted**.
- There will be no make-up exams without university excused absences. In such cases, please notify me and produce a formal report before the exam day, or as early as you can.

**Tentative Course Outline**

- Small Business and Entrepreneurship: Alhabeeb, Chs. 1,2,3;
- Forms of Business Ownership: Alhabeeb, Ch.4
- Introduction and Brief Guide to Writing a Business Plan: Alhabeeb, Ch.5
- Financial Management and Statement Analysis: Alhabeeb, Ch.6
- Profitability and Break-Even Analysis: Alhabeeb, Ch.8
- Pro Forma Statements and Forecasting: Alhabeeb, Ch.9
- Capital Structure and Working Capital: Alhabeeb, Chs.7,10,11
- Inventory Management and Control: Alhabeeb, Ch.12