

Syllabus of the educational component

Enterprise capital: formation and use

Name of the academic discipline	Enterprise capital: formation and use
Level of higher education:	the 1st level (bachelor's degree)
Academic workload	4 credits (120 hours)
Form of summative assessment	final test
Consultations	according to the schedule
Name of the department	Economics and entrepreneurship
Language of instruction	English
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Course description:

The aim is to form a system of theoretical knowledge and practical skills to develop a mechanism for the effective formation and rational use of enterprise capital.

Subject: theoretical and methodological foundations, methodological provisions of scientific directions of formation and use of capital of enterprises at the present stage.

The main tasks of studying the discipline are:

obtaining students a set of knowledge on the theoretical foundations of capital management;

study of the essence of the basic categories of the theory of enterprise capital;

disclosure of the essence of determining the main tools for the effective formation and use of capital of enterprises;

study of the latest methodological approaches to diagnosing the processes of formation and use of capital of enterprises;

providing knowledge and skills to make effective decisions in the field of formation and use of enterprise capital.

Prerequisites for studying the educational component: the study of this discipline does not require special preparation, the secondary school curriculum is sufficient, in addition: "Higher Mathematics"; "Economic Theory" (desirable).

Competencies acquired by the applicant:

Ability to abstract thinking, analysis and synthesis;

Ability to apply knowledge in practical situations;

Ability to search, process and analyze information from various sources;

Ability to make informed decisions.

Ability to demonstrate knowledge and understanding of the problems of the subject area, the basics of the functioning of the modern economy at the micro, meso and macro levels.

Ability to explain economic and social processes and phenomena based on theoretical models, analyze and interpret the results obtained.

Ability to analyze and solve problems in the field of economic relations.

Ability to justify economic decisions based on understanding the laws of economic systems and processes and using modern methodological tools.

Ability to effectively manage the activities of business entities in the field of entrepreneurship.

Ability to independently identify economic problems in the analysis of specific situations, to propose ways to solve them.

Ability to conduct economic analysis of the functioning and development of business entities, assess their competitiveness.

Learning outcomes:

To analyze the functioning and development of business entities, identify functional areas, calculate the relevant indicators that characterize the effectiveness of their activities.

Be able to think abstractly, apply analysis and synthesis to identify key characteristics of economic systems at different levels, as well as the behavior of their subjects.

Be able to determine the rational capital structure of the enterprise (the ratio between own and borrowed funds).

Calculate the cost of individual elements of the enterprise's capital in its formation, calculate the total capital needs of the enterprise, determine the value of the net assets of the enterprise by various methods, as well as be able to calculate the effect of the use of capital in operating activities.

Topic outline

№	Theme (LC, LW, PC, EW, IA, IW)*	Hours	
		Full-time learning	Part-time learning
1	LK. Economic characteristics of enterprise capital	2	2
	PR Internal and external factors influencing the process of capital formation of the enterprise.	2	2
	SR Principles and functions of the process of formation and use of capital.	11	11
2	LK Management of equity capital of the enterprise.	2	2
	PR Analysis of the cash flow statement.	2	2
	SR Internal and external sources of capital formation.	11	11
3	LK Management of borrowed capital of the enterprise	2	2
	PR Assessment of liquidity factor in the process of capital use.	2	2
	SR Factors of optimal ratio of own and borrowed sources in the enterprise capital management system.	11	11
4	LK Investment capital of the enterprise	2	2
	PR Evaluation of the value of individual financial investment instruments.	2	2
	SR Analysis of financial statements	11	11
	LK Cost of capital of an enterprise	2	2

5	PR Concepts of determining the marginal cost of capital of an enterprise and its economic characteristics.	2	2
	SR Evaluation of the efficiency of formation and use of enterprise capital	11	11
6	LK Management of the enterprise capital structure	2	2
	PR Assessment of the cost of individual elements of borrowed capital.	2	2
	SR Mechanism of optimal capital structure formation	11	11
7	LK. Optimization of the capital structure of the enterprise	2	2
	PR Mechanisms of risk neutralization	2	2
	SR Practical aspects of capital use in operating and investment activities of the enterprise	11	11
8	LK Assessment of capital and financial condition of the enterprise.	2	2
	PR Features of assessing the value of bank loans, discount, coupon bonds and other instruments.	2	2
	SR Risk assessment in the process of capital turnover of the enterprise	11	11
Total	LK	16	16
	PR (LR, SZ)	16	16
	SR	88	88

Individual educational and research task (if available): not before

Teaching methods:

- 1) verbal: 1.1 traditional: lectures, explanations, stories, etc.;
- 1.2 interactive (non-traditional): problem lectures, discussions, etc.;
- 2) visual: method of illustrations, method of demonstrations
- 3) practical: 3.1 traditional: practical classes, seminars;
- 3.2 interactive (non-traditional): business and role-playing games, trainings, seminars-discussions, "round table", brainstorming method.

Grade policy:

formative assessment

1 The formative assessment of applicants' completing assignments in class and independent work is carried out using a 4-point scale with a further conversion to a 100-point scale. During the formative assessment, all types of course assignments are accounted.

1.1 Students' performance at lectures is assessed by determining the scores for the implementation of specific assignments.

1.2 Students' performance at practical classes is assessed by the scores for the implementation of tests or individual tasks, preparation and implementation of practical work.

2 The formative assessment of higher education applicants is carried out at each practical class (laboratory class or seminar) using a 4-point scale ("5", "4", "3", "2") and recorded in the academic progress log.

- "excellent": the applicant has perfectly mastered the theoretical material, demonstrates in-depth knowledge of the relevant topic or discipline, its main principles;

- "good": the applicant has mastered the theoretical material well and reasonably presents it; is familiar with the main aspects of the primary sources and recommended literature; has acquired practical skills, expresses his / her views on certain

problems but shows inaccuracy in the knowledge and makes errors in the logic of the presentation of the theoretical material or in the analysis of the practical content;

– “satisfactory”: the applicant has basically mastered the theoretical knowledge of the educational theme or discipline, is familiar with the primary sources and recommended literature but is inconsistent in his / her answers, confuses concepts, hesitates to answer additional questions, does not possess good knowledge in the course; when giving answers to practical questions, shows inaccuracy in the knowledge, is unable to evaluate facts and phenomena, to connect them with the future profession;

– “unsatisfactory”: the applicant has not mastered the educational material on the topic (discipline), does not know scientific facts, definitions, is almost unfamiliar with the primary sources and recommended literature, lacks scientific thinking, has no practical skills.

3 The total formative score is calculated as the arithmetic mean of points for each class assignment, individual work, test according to the formula:

$$K^{nomoy} = \frac{K1 + K2 + \dots + Kn}{n},$$

where K^{nomoy} is the total formative score obtained based on the results of the formative assessment;

$K1, K2, \dots, Kn$ is the score for the n^{th} formative assessment assignment;

n is the number of formative assessment assignments.

Grades are converted into scores according to the conversion scale (Table 1).

Table 1 – Conversion of the average grade for a formative assessment assignment into a multi-point scale

4-point scale	100-point scale	4-point scale	100-point scale		4-point scale	100-point scale	4-point scale	100-point scale
5	100	4.45	89		3.90	78	3.35	67
4.95	99	4.4	88		3.85	77	3.3	66
4.9	98	4.35	87		3.80	76	3.25	65
4.85	97	4.3	86		3.75	75	3.2	64
4.8	96	4.25	85		3.7	74	3.15	63
4.75	95	4.20	84		3.65	73	3.1	62
4.7	94	4.15	83		3.60	72	3.05	61
4.65	93	4.10	82		3.55	71	3	60
4.6	92	4.05	81		3.5	70	from 1.78 to 2.99	from 35 to 59
							retaking	
4.55	91	4.00	80		3.45	69	from 0 to 1.77	from 0 to 34
4.5	90	3.95	79		3.4	68	retaking	

Summative assessment

1 The final test is conducted after studying all the topics of the discipline and is passed by higher education applicants during the test period after the completion of all classroom studies.

2 The permission for taking the test is granted to higher education applicants who have completed all types of course assignments:

- attended all classes (lecture, seminar, and practical ones);
- timely fulfilled the tasks that were assigned at all classes they missed;

- scored the minimum number of points for current academic performance (at least 36 points, which corresponds to “3” according to the national scale).

If the total formative score of a higher education applicant in the discipline is below 36 points, they have an opportunity to increase their total formative score to the minimal one before the start of the examination session.

3 Assessment of the applicants’ knowledge at passing the test is carried out on a 100-point scale.

Performance and requirements:

- “Excellent”: no less than 90 % of correct answers;
- “Very good”: from 82 % to 89 % of correct answers;
- “Good”: from 74 % to 81 % of correct answers;
- “Average”: from 67 % to 73 % of correct answers;
- “Mostly average”: from 60 % to 66 % of correct answers;
- “Failing”: less than 60 % of correct answers.

4 The summative score in the discipline is determined as a weighted average score, taking into account the total formative grade and the grade for the final test.

5 The calculation of the total summative score for the study of the discipline is carried out by the formula:

$$IIK^{ek3} = 0,6 \cdot K^{nomoy} + 0,4 \cdot E,$$

where IIK^{ek3} is the summative score for disciplines, the form of summative assessment for which is an exam;

K^{nomoy} is the total formative score based on the formative assessment results (on a 100-point scale);

E is the score received for the final test (on a 100-point scale);

0,6 i 0,4 are the coefficients of the total formative score and the score for the final test.

6 For individual independent work and participation in scientific events, applicants are awarded additional points.

6.1 Additional scores are added to the sum of scores gained by the higher education applicant during the formative assessment (for disciplines, the summative assessment for which is a final test), or to the summative score (for the discipline, the summative assessment for which is an exam).

6.2 The number of additional points awarded for different types of individual assignments depends on their volume and significance:

- awards in the discipline at the international / all-Ukrainian competition of student research papers – 20 points;
- awards in the discipline at All-Ukrainian Olympiads – 20 points;
- participation in an international all-Ukrainian competition of student research papers – 15 points;
- participation in international / national scientific conferences of students and young scientists – 12 points;
- participation in All-Ukrainian Olympiads in the discipline – 10 points;
- participation in Olympiads and scientific conferences in the discipline held by KhNADU – 5 points;

- implementation of individual research (educational and research) challenging assignments, including successful completion of the course **CULTURE OF TOLERANCE: HOW TO BUILD A SOCIETY FOR ALL TO ENJOY**
https://courses.prometheus.org.ua/courses/course-v1:Prometheus+TOL101+2020_T3/course/ – 5 points.

6.3 The number of additional points must not exceed 20 points.

7 The total summative score for the study of the discipline cannot exceed 100 points.

The total summative score for the study of the discipline is determined according to the scale given in Table 2.

Table 2 – Scale for evaluating the performance of applicants based on the results of the final control for the discipline

Score	Assessment according to the national scale		Assessment according to the ECTS Grading Scale	
	exam	final test	Grade	Criteria
90-100	Excellent	Passed	A	The theoretical content of the course is mastered completely, without gaps, the necessary practical skills of working with the mastered material are formed, all course assignments are completed, the quality of most of them is estimated by the number of points close to maximum
80-89	Good	Passed	B	The theoretical content of the course is mastered completely, without gaps, the necessary practical skills of working with the mastered material are mainly formed, all course assignments are completed, the quality of most of them is estimated by the number of points close to maximum
75-79			C	The theoretical content of the course is mastered completely, without gaps, some practical skills of working with the mastered material are insufficiently formed, all course assignments are completed, the quality of any of them is not assessed by the minimum number of points, some types of tasks are performed with errors
67-74	Average		D	The theoretical content of the course is partially mastered, but the gaps are not significant, the necessary practical skills of working with the mastered material are basically formed, most of the course assignments are completed, some of them contain errors
60-66			E	The theoretical content of the course is partially mastered, some practical skills are not formed, many of the course assignments are not completed, or the quality of some of them is estimated by the number of points close to minimum

Score	Assessment according to the national scale		Assessment according to the ECTS Grading Scale	
	exam	final test	Grade	Criteria
35–59	Below average	Failed	FX	The theoretical content of the course is partially mastered, the necessary practical skills are not formed, most of the course assignments are not completed, or the quality of their implementation is estimated by the number of points close to minimum; provided additional independent work on the course material, it is possible to improve the performance (with the possibility of retaking the course)
0–34	Failing		F	The theoretical content of the course is not mastered, the necessary practical skills are not formed, all assignments contain bad mistakes, additional independent work on the course material will not lead to any significant improvement in the performance (with a mandatory course retaking)

Course policy:

- the course implies teamwork; the environment in the classroom is friendly, creative, open to constructive criticism;
- mastering the discipline involves mandatory attendance of lectures and practical classes, as well as individual work;
- individual work involves studying certain topics of the academic discipline that are assigned for individual study or considered briefly;
- all course assignment must be completed on time;
- if a higher education applicant does not attend classes for a valid reason, they present the completed assignments performed during their individual work at the consultation with the teacher;
- while studying the course, higher education applicants must adhere to the rules of academic integrity set out in the following documents: “Rules of academic integrity for participants in the educational process at KhNADU” (https://www.khadi.kharkov.ua/fileadmin/P_Standart/pologeniya/stvnz_67_01_dobroch_1.pdf), “Academic integrity. Checking the text of academic, scientific and qualification works for plagiarism” (https://www.khadi.kharkov.ua/fileadmin/P_Standart/pologeniya/stvnz_85_1_01.pdf), “Code of ethics for participants in the educational process at KNADU” (https://www.khadi.kharkov.ua/fileadmin/P_Standart/pologeniya/stvnz_67_01_MEK_1.pdf).
- in case of detection of the fact of plagiarism, the applicant receives 0 points for the assignment and must retake the course assignment;
- cheating during tests and exams is prohibited (including using mobile devices). Mobile devices are allowed to be used only during online testing.

Recommended literature:

1. Basic

1. Cameron R Christensen, Douglas K Christensen. Building Total Enterprise Asset Management Solutions: A Guide to Capital Needs Analysis. Create Space

Independent Publishing Platform; 1st edition. 2018. 114 p.

2. Bhattacharya Hrishikes. Working capital management : strategies and techniques, fourth edition. PHI Learning Pvt. Ltd. 2021. 596 p.

3. Sitharamayya C. Working Capital Management in Small Enterprise Paperback Book The Fast Free. Sanskriti. 2020. 164 p.

4. Christopher Golis, Patrick Mooney Enterprise and Venture Capital: A Business Builder's and Investor's Handbook. Allen & Unwin. 2019. 320 p.

5. Raghurami Reddy Etukuru. Enterprise Risk Analytics for Capital Markets: Proactive and Real-Time Risk Management. iUniverse. 2014. 430 p.

6. Blandine Laperche. Enterprise Knowledge Capital. Wiley-ISTE. 2017. 240 p.

2. Supplementary

1. <http://laborsta.ilo.org> - «LABORASTA: ILO Bureau of Statistics Databases»

2. www.emeraldinsight.com/md.htm

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