Venture Capital
Module 3, 2026

Course Information

Instructor: Yuan Shi
Office: PHBS Building, Room 615
Email: yuan.shi@phbs.pku.edu.cn
Office Hour: by appointment

Classes:
Lecture time: Tuesday & Friday 10:30-12:20
Venue: PHBS Building, Room to be assigned

Course Website:
cms.phbs.edu.cn

1. Course Description

1.1 Overview

Course overview: Venture capital is a form of private equity financing through which investors provide funding to early-stage, high-potential, and innovative entrepreneurial firms. It plays a critical role in fostering economic growth, technological innovation, and job creation, and has contributed to the emergence of many of today's leading high-technology companies. As innovation-driven entrepreneurship continues to reshape the global economy, venture capital has become an important subject of study in business and finance programs worldwide.

This course provides a comprehensive introduction to venture capital from both academic and industry perspectives. It aims to equip students with a rigorous understanding of the fundamental concepts, institutional structures, and financial performances of the venture capital investment.

The course also explores frontier topics at the intersection of venture capital, artificial intelligence (AI), and sustainable finance. On one hand, it examines how venture capital financing promotes the development and commercialization of emerging technologies, particularly AI and green technologies. On the other hand, it discusses how AI-driven tools—such as data analytics, machine learning, and algorithmic decision-making—are transforming venture capital investment processes, including startup evaluation, risk assessment, and portfolio management. In addition, the course provides a comparative perspective on venture capital practices across different

institutional environments, with particular emphasis on differences between the United States and China.

Through a combination of theoretical frameworks, empirical research, industry case studies, and practical applications, this course aims to develop students' analytical skills and provide practical insights into venture capital decision-making. By the end of the course, students will be able to evaluate venture investment opportunities, understand contractual and governance arrangements, analyze venture capital performance, and assess the broader economic impact of venture capital financing.

1.2 Textbooks and Reading Materials

1. Da Rin, M. and Hellmann, T., 2020. Fundamentals of entrepreneurial finance. Oxford University Press.
2. Lerner, J. and Nanda, R., 2020. Venture capital's role in financing innovation: What we know and how much we still need to learn. Journal of Economic Perspectives, 34(3), pp.237-61.
3. Lerner, J., 2012. The architecture of innovation: The economics of creative organizations. Harvard Business Press.
4. Metrick, A. and Yasuda, A., 2021. Venture capital and the finance of innovation. John Wiley & Sons.

2. Details of the Course

2.1 Course Plan

Note: The schedule is subject to further changes.

Week	**Covered Topic**
Week 1	General introduction of the class: roadmap and some statistical tools
Week 2	Introduction to venture capital: a big framework
Week 3	Evaluating venture opportunities and start-ups

Week 4	Ownership, return, and venture valuation (basic theory)
Week 5	Stage financing, venture exit, and corporate governance
Week 6	Topic: Corporate Venture Capital
Week 7	Topic: AI & Green Technology & Venture Capital
Week 8	Topic: Chinese VC industry: history and recent statistics
Week 9	Student presentation

2.2 Assessment/Grading Details

The course assessment will consist of four components, each contributing to the final grade:

1. Attendance: 10 percent of the overall grade will be based on regular attendance in class. Each absence will cost two points. More than 6 absences will automatically lead to Fail.

2. Participation and Bonus Points: 20 percent of the grade will be awarded for active participation in class discussions, asking, and answering questions.

3. Take Home Exercise: 20 percent of the final grade will be determined by a take-home exercise. This component will assess the students' understanding of the course material and their ability to apply concepts learned in practical scenarios.

4. Group Project and Presentation: 50 percent of the grade will be allocated to a group project and presentation. This collaborative effort will allow students to apply their knowledge and skills in a real-world context, fostering teamwork and presentation abilities.

It is worth noting that there will be no exams in this class. The assessment methods are designed to encourage active learning, critical thinking, and practical application of the course content.

2.3 Academic Honesty and Plagiarism

It is important for a student’s effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate

dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

AI tools requirements：

Using AI tools to complete assignments or assessments without the approval of the course instructor will be regarded as an act of academic dishonesty. Depending on the severity of the situation, penalties will be implemented in accordance with the provisions of the Peking University Graduate Student Handbook.