

## **COURSE COMPACT**

**Course Code:** BUS 328  
**Course Title:** Business Advancement for SMEs Borrowers  
**Course Status:** Elective  
**Course Duration:** 3 hours for 15 weeks (45hours)

### **Lecturer Data**

**Names of the Lecturer:** Dr D.G.Adejumo  
**Qualifications :** HND In Textiles(Blackburn), PGD In Textiles Industries(Leeds), B.Sc(Unilag), MBA(Ilorin) , and Ph.D. Management Science(Unilorin)  
**Department :** Business Studies  
**Faculty :** Business & Social Sciences(CBS)  
**E-mail :** Adejumo.dende@Imu.edu.ng  
**Office Location :** B121 , First Floor, 2<sup>nd</sup> College Building  
**Consultation Hours:** Friday 9 am- 12noon

### **Course Content:**

Need for borrowing money to finance project  
The steps towards borrowing money for executing projects :  
Project Evaluation----- Generation of product and service ideas, conduction of preliminary screening, conduction of pre-feasibility study, and feasibility study, Presentation of investment proposal to prospective lenders(project report presentation)  
Appraisals of the project proposals .  
Business plan  
Buying existing business  
Franchising  
Sources of financing of SMEs

### **Course Description :**

The is a course that educates students on vital issues that will prepare their minds on what needed to be addressed in order enhance their chances of borrowing money to finance their projects or businesses(projects or businesses they want to establish , projects or business they want to purchase , or partly owned through franchise) after graduating from Landmark university.

### **Course Justification**

There is need for equipping students with knowledge relating to vital issues that can enhance the chances of borrowing money ( by those of them who may decide to own their own businesses after graduation) to finance their businesses.

### **Course Objectives**

**Course objectives :** At the end of the course students should be able to have comprehensive knowledge of vital issues that can enhance their access ( by those of them who may decide to own their own businesses after graduation) to finance their SMEs

### **Course Requirements :**

To derive maximum benefits from the course the students must have developed interest towards owing businesses after graduating from the university. It is believed that the students interest of owning their own businesses after graduation must have been aroused during the Entrepreneurial Development courses they took in 100 level, 200 level and 300 level omega semester

### **Method of Grading**

**S/N Grading Score(%)**

1 Test Assignment	30
2. Examination	70
<b>Total</b>	<b>100%</b>

**Course Delivery Strategies**

Any of the under-listed that are applicable and appropriate

- Intensive and interactive Class Discussion
  - Tutorials/ Student Presentations
- Illustrations by visual or Visuals equipment

**LECTURE CONTENT**

**Week 1 :** Introduction: importance of money in the operation of business, and the need for borrowing money for the operation of business, the challenge of access to finance and the difficulties in raising capital by small and medium scale enterprises. and overview of some important issues to be addressed towards reducing the challenge or difficulties of raising money.

**Objectives :**

The students at the end of the lectures for the week should be able to:

1. Have clear understanding of what SMEs need money for;
2. Discuss issues that relate to reluctance of prospective lenders in lending money to SMEs; and
3. Have an overview of what prospective SMEs' borrowers can do to reduce the reluctance of prospective lenders in lending to them

**Description :****1<sup>st</sup> hour :**

importance of money in the operation of business, and the need for borrowing money for the operation of business, the challenge of access to finance and the difficulties in raising capital by small and medium scale enterprises.

**2<sup>nd</sup> hour :** overview of some important issues to be addressed towards reducing the challenge or difficulties of raising money.

**3<sup>rd</sup> hour :** interactive session

**Study questions :**

1. "Money is the fuel that runs the engine of any business". Examine the statement
2. "Borrowing money for operation is a big challenge for SMEs" Give a brief overview of what prospective SMEs owners can do to reduce the reluctance of prospective lenders towards meeting the borrowing demands of SMEs

**Week 2 :** Generation of product ideas, conducting preliminary screening of product ideas, and prefeasibility study

**Objectives :**

The students at the end of the lectures for the week should be able to understand that generation of product and service ideas, are the steps that can assist prospective SMEs towards generating attractive venture ideas(product or services that could be embarked upon)

**Description :**

**1<sup>st</sup> hour :** Discussion on generation of product and service ideas, and conducting preliminary screening of product ideas,

**2<sup>nd</sup> hour :** Issues involved in prefeasibility study

**3<sup>rd</sup> hour :** Interactive session

**Study questions :**

1. Identify at least five sources from which product or service ideas can be generated
2. "Preliminary screening of product or service ideas can be conducted as a two-phase process( eliminating the obviously unattractive product/service ideas, and choosing the best of those remaining for further analysis)" . Discuss the two-phase process.
3. Why is it necessary to conduct prefeasibility study?
4. Enumerate five of the elements that must be included in the prefeasibility study

**Week 3** : Overview of feasibility study

**Objectives** :

The students at the end of the lectures for the week should be able to understand that the purpose of feasibility study is to decide on whether the attractive ventures ideas generated( through generation of product and service ideas, conducting preliminary screening of product ideas, and prefeasibility study ) are technically and economically sound before an investment is made on any of them.

**Description** :

**1<sup>st</sup> - 2<sup>nd</sup> hour** : Concept and purpose of feasibility study, and brief discussion of different aspects or areas of feasibility study

**3<sup>rd</sup> hour** : Interactive session

**Study questions** :

1. Give a general description of the term "Feasibility Study"
2. Identify the major aspects or areas of feasibility study

**Week 4** : Market Study

**Objectives** :

The students at the end of the lectures for the week should be able to:

1. Explain the purpose of market study, and
2. Discuss the issues involved in market study

**Description** :

**1<sup>st</sup> - 2<sup>nd</sup> hour** : Definition, Importance and scope of market study, and how to carry out market study

**3<sup>rd</sup> hour** : Interactive session

**Study questions** :

1. What is the purpose of market study?
2. "A study conducted by the University of Wisconsin Centre for Cooperative(2005) suggested questions that must be answered in the process of conducting market study of product". List five of the questions

**Week 5** : Technical Study

**Objectives** :

The students at the end of the lectures for the week should be able to:

1. Enumerate the aims of Technical feasibility study?
2. Identify the questions that technical feasibility study must provide answers for

**Description** :

**1<sup>st</sup> - 2<sup>nd</sup> hour** : Definition, Importance and scope of technical study, and how to carry out technical study

**3<sup>rd</sup> hour** : Interactive session

**Study questions** :

1. Explain the purpose of Technical study, and

2. list six of the questions that one should provide answer to when carrying out technical study

**Week 6 : Financial Study**

**Objectives :**

The students at the end of the lectures for the week should be able to:

1. Explain the purpose of Financial feasibility study, and
2. Discuss the issues involved in Financial feasibility I study

**Description :**

**1<sup>st</sup> - 2<sup>nd</sup> hour** : Definition, Importance and scope of financial study, and how to carry out financial study

**3<sup>rd</sup> hour** : Interactive session

**Study questions :**

1. Differentiate between working capital and fixed assets in a typical feasibility study

**Week 7 : Presentation of investment proposal to prospective lenders(project report presentation)**

**Objectives :**

The students at the end of the lectures for the week should be able to identify and explain salient feature that are normally present in all project or investment proposals

**Description :**

**1<sup>st</sup> hour** : Discussion of issues related to investment proposal

**2<sup>nd</sup> -3<sup>rd</sup> hour** : Discussion of sizable part of project report presentation, and interactive session

**Study questions :**

1. From what you have learnt so far on investment proposal, highlight reasons for investment proposal
2. Specify four of the items that may be listed under capital cost of project

**Week 8 : Presentation of investment proposal to prospective lenders(project report presentation)**

**Objectives :**

The students at the end of the lectures for the week should be able to identify and explain salient features that are normally present in all project or investment proposals

**Description :**

**1<sup>st</sup> hour** : Discussion of the remaining parts of investment proposal

**2<sup>nd</sup> -3<sup>rd</sup> hour** : Discussion of a copy of investment proposal presented by a prospective borrower, and interactive session

**Study questions :**

1. Write a comprehensive note on the term "Investment proposal"

**Week 9 : Business Plan**

**Objectives :** The students at the end of the lectures for the week should be able to:

1. Explain Need for Business Plan
2. Identify and discuss the types of information in business plan

**Description :**

**1<sup>st</sup> hour** : The purpose , importance and components of business plan

**2<sup>nd</sup> hour** : Discussion of a copy of business plan

**3<sup>rd</sup> hour** : Interactive session

**Study questions** :

1. "Among the information items that are supposed to feature in business plans is background of the business". List the other information items that are supposed to feature in business plan, and write brief notes on each of them

**Week 10** : Registration of business names and incorporation of companies

**Objectives** :

The students at the end of the lectures for the week should be able to discuss the procedures for registration of business names and incorporation of companies

**Description** :

**1<sup>st</sup> hour** : Purpose and benefits of registration of business names and incorporation of companies

**2<sup>nd</sup> hour** : Procedures for registration of business names and incorporation of companies , and discussion of vital issues related to registration of business names and incorporation of companies

**3<sup>rd</sup> hour** ; Interactive session

**Study questions** :

1. Advise a group of prospective business owners on the need or importance of registration of business names and incorporation of companies

2. Explain the procedures for registration of business names and incorporation of companies

**Week 11** : Buying existing business and Franchising

**Objectives** :

The students at the end of the lectures for the week should be able to:

1. Identify the factors that should be considered when one contemplates buying existing business.

2. Know the advantages and disadvantages of buying a business

3. Define franchising

4. Explain how franchising works

5. Identify the advantages and drawback of franchising

**Description** :

**1<sup>st</sup> hour** : Buying of existing business as an alternative for owning a business, and procedure for buying an existing business

**2<sup>nd</sup> hour** : Recommending franchising as feasible approach for sharing ownership with a primary business owner

**3<sup>rd</sup> hour** : Interactive session

**Study questions** :

1. Educate a group of prospective buyers of existing businesses on "buying of existing business"

2. Define franchising

3. Explain how franchising works

4. Identify the advantages and drawback of franchising

**Week 12** : project appraisal

**Objectives** :

The students at the end of the lectures for the week should be able to identify and discuss the indices that can be employed for determining the technical, commercial, institutional, financial and economic soundness of projects

**Description :**

**1<sup>st</sup> hour :** The meaning and purpose of project appraisal, identification of indices that can be employed for project appraisal, and discussion of some of the indices

**2<sup>nd</sup> hour :** Discussion of the rest of indices that can be employed for project appraisal

**3<sup>rd</sup> hour :** Interactive session

**Study questions :**

“If positive decision has been made to implement project after completion of feasibility study the owner of the project would proceed to implementation stage, provided the resources to implement the project are available without making any recourse to financiers. However, where the finances are not available, the owner will have to approach financiers, hence, the need for project appraisal. Overall, the purpose of project appraisal by financiers is to determine the technical, commercial, institutional, financial and economic soundness of the project”.

Explain how the appraisal can be done

**Week 13 :** Sources of finance for SMEs

**Objectives :**

The students at the end of the lectures for the week should be able to identify and discuss various sources of finance for SMEs.

**Description :**

**1<sup>st</sup> hour :** Discussion of some of sources of finance for SMEs,

**2<sup>nd</sup> :** Continuation of sources of finance for SMEs

**3<sup>rd</sup> hour :** Interactive session

**Study questions :**

“Basically, finance for SMEs can be obtained by equity, and debt” identify and discuss sources of equity financing and debt financing

**Week 14 :** Revision

**Objectives :**

The students at the end of the lectures for the week should be able to ask questions on the various topic covered during the semester

**Week 15 :** Examination

**Objectives :** To examine the students on all that has been taught during the semester

**Reading List :**

1. David, Okongwu & Usman A. Saleh- Editors (2008) Fundamental issues in Entrepreneurship, Lagos, Nigeria. Apex Book Limited,
2. Oliver F.O, Okafor F.C, Nwagwu N.A. & Okojie C.E.E - Editors (2008) Entrepreneurship Development :The Nigeria Experience, Lagos Nigeria, Apex Book Limited,
3. Otokiti Sunday Oyewole(2011) Feasibility Report Analysis and Implementation, Lagos Nigeria Pumark Nigeria Limited.
4. Brian finch (2013) How to Write a Business Plan, Kogan Page Limited, London.
5. Edward Blackwell (2011) How to Write a Business Plan, Kogan Page Limited, London.