

Course guide

804251 - FMN - Financiation and Business Models

Last modified: 04/09/2023

Unit in charge:	Image Processing and Multimedia Technology Centre	
Teaching unit:	804 - CITM - Image Processing and Multimedia Technology Centre.	
Degree:	BACHELOR'S DEGREE IN VIDEO GAME DESIGN AND DEVELOPMENT (Syllabus 2014). (Compulsory subject).	
Academic year: 2023	ECTS Credits: 6.0	Languages: English

LECTURER

Coordinating lecturer: Inetskaya, Anna

Others: Mas, Eudald

DEGREE COMPETENCES TO WHICH THE SUBJECT CONTRIBUTES

Specific:

CEVJ 10. Identify the production process and methodologies for developing a video game, and the role of each of the profiles and functions involved.

CEVJ 11. Identify the business, financing and monetisation models of the video game industry, and its digital distribution, monitoring and marketing.

Transversal:

CT5. FOREIGN LANGUAGE: Achieving a level of spoken and written proficiency in a foreign language, preferably English, that meets the needs of the profession and the labour market.

CT1a. ENTREPRENEURSHIP AND INNOVATION: Being aware of and understanding how companies are organised and the principles that govern their activity, and being able to understand employment regulations and the relationships between planning, industrial and commercial strategies, quality and profit.

CT2. SUSTAINABILITY AND SOCIAL COMMITMENT: Being aware of and understanding the complexity of the economic and social phenomena typical of a welfare society, and being able to relate social welfare to globalisation and sustainability and to use technique, technology, economics and sustainability in a balanced and compatible manner.

TEACHING METHODOLOGY

The teacher will explain the new content with references and exercises to the students they will have to study and prepare during the following days in order to practice and deeper understand the contents.

The course, apart from the required specific theory, is intended to be rather practical, focusing on the student's learning by doing and understanding the tools to gauge how a business works and students will participate also commenting in the classroom real-life cases. This is a business driven subject, that needs to be as practical as possible to students understand the need profitability that each game (or product) needs to drive and notions of finance that will be helpful for them in the future.

They will learn which and how the financial reports are required to managing and running a company.

It will be important that students participate during the course in the creation of business plans, investor pitches and budgeting controlling. As the best way of learning will be by doing.

There will be at least 2 practical cases for students to carry on, where the teacher will present the case and students will have to develop it, explain it to the rest of the classroom and others will comment.

Oral presentations will be important as this may take the students away from their comfort zone and forces them to synthesize and summarize information, very important also for their future as entrepreneurs or individual workers.

LEARNING OBJECTIVES OF THE SUBJECT

- Understand how to create a budget for the development and commercialization of a videogame, fund a company and fundamentals of finance controlling
- High-level comprehension of your company's financial controls, key facts of business finance, annual accounts, profit and loss, balance sheet and how the cash circulates in a business
- Students will need to recognize key indicators of the company
- They will need to have a fair knowledge of excel
- Students should learn to understand a company thru the numbers and be able to plan its performance for the following period of time (month, year, years)
- They will be able to look for the best possible options to forecast cost and sales, and differentiate variable and fix costs in order to forecast them over the time
- They will develop the understanding to challenge other departments forecast
- They will be able to build a budget from scratch
- By the end of the course they should be able to understand a Budget and its deviation
- Different business models within the industry, revenue sources as a studio, as a single-person business (freelancer) or consultant, and what the market is looking for, as well as in-game business models that will bring money to the company from the end users
- Be aware of the different investor needs depending on the stages of the company, and create the best pitch to help you finance your company in a highly competitive and saturated business as the videogames industry
- Practice your investor pitch

STUDY LOAD

Type	Hours	Percentage
Hours large group	30,0	20.00
Self study	90,0	60.00
Hours medium group	18,0	12.00
Guided activities	12,0	8.00

Total learning time: 150 h

CONTENTS

STARTUPS

Description:

What are the different stages for funding a (startup) company?

- Seed
- Series A
- Series B / Series C
- Exit

Full-or-part-time: 14h 20m

Theory classes: 2h

Self study : 12h 20m



VIDEOGAME CREATION PROCESS OVERVIEW

Description:

- a. Life-cycle milestones
- b. Roles
- c. Approval processes

Full-or-part-time: 16h 20m

Practical classes: 4h

Self study : 12h 20m

BUDGETING

Description:

- a. How do I create a budget for my videogame?
- b. How do I control my budget?
 - i. Roles and organization chart inside the studio
 - ii. Producer and Business Controller roles coordination to input Costs
 - iii. One Cost Centre or more Cost Centers / Analytics Accounting
 - iv. Fixed and variable costs
 - v. Forecasting
 - vi. Create your spread sheet: Budget / Actual / Deviation. Managing deviation
 - vii. Most important KPI to control
- c. Class practical case

Full-or-part-time: 22h 20m

Practical classes: 10h

Self study : 12h 20m

FINANCE AND FINANCING

Description:

- a. FINANCE: Introduction to Finance
 - i. The three financials reports (6h)
 - 1. Balance Sheet
 - 2. Income Statement: P&L
 - 3. Cashflow
- b. FINANCING: How do I finance my videogame?
 - i. Overview
 - ii. Private Funding
 - iii. Public administration
 - iv. Role Playing

Full-or-part-time: 34h 20m

Practical classes: 22h

Self study : 12h 20m



BUSINESS MODELS

Description:

- a. What are the different models for earning money in the videogame industry?
- i. B2B
 - ii. B2C
- b. THE BUSINESS PLAN

Full-or-part-time: 26h 20m

Practical classes: 14h

Self study : 12h 20m

ENTREPRENEURSHIP

Description:

- a. What is means to be an entrepreneur
- b. What makes a successful entrepreneur
- c. Finding help for early entrepreneurs: Catalonia incubators and accelerators

Full-or-part-time: 16h 20m

Practical classes: 4h

Self study : 12h 20m

INVESTOR PITCH

Description:

Practical exercise; elevator pitch

Full-or-part-time: 20h

Practical classes: 4h

Self study : 16h

GRADING SYSTEM

30% of the final grade: Partial exam 1

30% of the final grade: Partial exam 2

30% of the final grade: Final exam

10% of the final grade: Student involvement and attitude (running all course)

This soft skill evaluation will value student's team-work and presentations. The student shall need to create different real-live cases and present them to the rest of the class



BIBLIOGRAPHY

Basic:

- Marriott, P.; Edwards, J.R.; Mellet, H.J. Introduction to accounting. 3rd ed. Sage Publications, 2002. ISBN 9780761970378.
- Rivera Butzbach, Eric. Crowdfunding: la eclosión de la financiación colectiva, un cambio tecnológico, social y económico. Microtemas.com - Bubok - QVE, ISBN 9788415546405.
- Feld, B.; Mendelson, J. Cómo cerrar rondas de financiación con éxito. Libros de cabecera, 2015. ISBN 9788494374265.
- Tennent, John. Guide to financial management: understand and improve the bottom line. 3rd ed. The Economist, 2018. ISBN 9781610399999.
- Ross, S.; Westerfield, R.; Jordan, B. Fundamentals of corporate finance. 10th ed. Mcgraw-Hill/Irwin, 2012. ISBN 9780078034633.
- Barr, M.J.; McClellan, G.S. Budgets and financial management in higher education. 3rd ed. Jossey-Bass, 2018. ISBN 9781119287735.
- Andersen, E.; Schiano, B. Teaching with cases: a practical guide. Harvard Business Review Press, 2014. ISBN 9781625276261.
- Tracy, John A.; Tracy, Tage. How to read a financial report. 8th ed. Wiley, 2014. ISBN 9781118735848.
- Jury, Timothy. Cash flow analysis and forecasting: the definitive guide to understanding and using published cash flow data. Wiley, 2012. ISBN 9781119962656.

Complementary:

- Argenti, Paul A. The fast forward MBA: pocket reference. 2nd ed. Wiley, 2002. ISBN 9780471222828.

RESOURCES

Audiovisual material:

- <http://www.enisa.es/es/financiacion>. Ministerio de Economía, Industria y Competitividad
- <https://www.cdti.es>. CENTRO PARA EL DESARROLLO TECNOLÓGICO INDUSTRIAL

Hyperlink:

- <http://xarxaempren.gencat.cat/ca/crea-el-teu-negoci/com-obtenir-financament/guia-de-financament/>. Guia de Finançament de la Generalitat