
FINA 7A97: Private Equity Investment & Performance

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(DRAFT SYLLABUS)

Course Title:

Private Equity Investment & Performance

Course Format:

Seven weeks, 3 hour classes per week, 1.5 credit hours

Each class session will consist of a mix of lectures, case discussions, guest speakers, and simulations. Students are expected to prepare for each session by reading the assigned materials and to actively participate in class discussions. Each student will prepare two written reports individually over the duration of the course. Students will also work in teams on a final project that involves analyzing a real world company as a private equity investment business case and will present findings to a simulated PE investment committee and submit a final presentation/report.

Course Description:

This course examines the opportunities and challenges of evaluating, investing in, and operating for maximum performance a private equity owned Company.

Within the context of maximizing value and performance, the course also explores the strategic issues facing private equity owned companies in a dynamic and competitive environment, such as innovation, differentiation, pricing, route-to-market, customer development, e-commerce, and globalization.

The course also covers the similarities and differences of operating a company for maximum performance in a private equity and public market structure. This includes the entire lifecycle of private equity transactions, from deal sourcing and valuation to due diligence and post-acquisition value creation, as well as exiting into initial public offerings or trade or private equity sale. A particular emphasis will be placed on evaluating businesses and deals in terms of what can go right and wrong, operating a company under a private ownership for maximum performance, and ultimately exiting through a sale or initial public offering.

The course uses a combination of lectures, case studies, guest speakers, simulations, and group work to provide students with a practical and analytical framework for evaluating and executing private equity investments as well as successfully operating a private equity owned company for accelerated value creation and exit. The goal is to provide practical real-world learning with theoretical academic underpinnings.

This course is designed and taught by an executive with over 30 years of experience operating and investing in companies across private and public markets. This course brings a real-world operator's lens to how private equity works and value creation, including lessons from leading companies through successful exits, M&A integrations, and turnaround scenarios. Students will gain both boardroom-level strategy and operational "boots-on-the-ground" insights.

Course Learning Objectives:

By the end of this course, students will be able to:

- Understand the different objectives and operating parameters of private equity vs. public ownership.
- Identify and assess the attractiveness of industry sectors and sub-sectors for private equity investment.
- Perform financial analysis and valuation of companies using various methods and techniques, within the context of a private equity purchase and exit, including moving to public markets through an IPO.
- Conduct due diligence and risk assessment of private equity deals, including market, competitive, operational, people, and legal aspects.
- Build and defend a compelling investment thesis, integrating both qualitative and quantitative evaluation.
- Develop and implement value creation strategies for private equity portfolio companies, such as growth initiatives, operational improvements, cost reductions, and exit options. A particular emphasis will be placed on how to create value for customers and consumers as well as through operating leverage. Apply private equity value creation levers using real-world frameworks (e.g., cost takeout, growth acceleration, bolt-ons, real estate value extraction, etc.).
- Design go-to-market strategies for portfolio companies that account for digital transformation and consumer behavior shifts.
- Understand and be able to operate in different people, culture, and process environments within a private equity context to accelerate performance. Assess management team capabilities and cultural alignment in buyout situations.
- Communicate and negotiate effectively with various stakeholders involved in transactions, such as private equity owners, board members, managers, lenders, advisors, and regulators.