# Business Economics

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***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

This introductory course to economic-business topics aims to present to the students:

– the nature and variety of companies;

– principles and terminology of Business Economics;

* the logic of accounting records and the double-entry method.

At the end of the course, students will:

1. possess the fundamental principles and typical language of business economics;
2. be able to assume an analytical perspective that favours the interdependent relations between the operational system and value system;
3. possess skill in the logic of accounting records and the double-entry method;
4. be able to communicate the knowledge acquired and evaluations carried out clearly and using technical language;
5. have developed an ability to learn that enables them to approach future study, particularly in the field of business economics.

***COURSE CONTENT***

First Semester

The first semester will cover the following topic areas:

*Nature, purpose and structure of companies*: People, economics, business economics; Economic specialisation. Companies and bodies; The variety of companies; Reference models for company analysis; Institutional frameworks; Models of ownership structures and governance; the purpose of companies; Economic combinations; Production conditions: personnel, assets.

*Strategic management and operative management*; The environment, the market, the sector, the competitive system; The product system, the competitive formula, the critical factors of success; The competitive advantage, choosing the segments of the market, basic competitive strategies; production capacity, economies of scale, of learning and overstretched capacity; vertical and horizontal expansion, Economic organisation. Aggregated companies.

*Organisation:* Organisational framework. Organisational decisions. Basic organisational structures.The basic shapes, functional, divisional, matrix and mixed; Operative systems. Planning, programming and information systems. Staff management systems.

*Analysis:* Finance. The institutional balance and financial equilibrium.

Second Semester – Part V:

The second semester will cover two main topic areas:

– the prerequisites for defining values – defining income, assets and working capital with particular focus on methods for financial calculations and summary tables, reclassification and calculating indices;

– decisions concerning structure of costs and break-even analysis

A series of exercises will focus on teaching the logic of accounting and the introduction of the double-entry method.

The course topics concerning balance sheets and accounting methods will be covered in the part of the course entitled “Quantitative methodologies and analysis of companies”, during the second year and will present the basic notions for reading, writing and interpreting balance sheets.

***READING LIST***

G. Airoldi-G. Brunetti-V. Coda, *Corso di economia aziendale,* Il Mulino, Bologna, 2005.

A. Cerri-M. Daniele, *Appunti di contabilità e bilancio,* Educatt, Milano, 2020

Slides and readings will be made available on the Blackboard platform to supplement the support materials in relation to different lectures.

***TEACHING METHOD***

Lectures and tutorials in the classroom.

***ASSESSMENT METHOD AND CRITERIA***

Assessment is based on a written test containing open-ended and closed questions and exercises designed to:

* assess students’ knowledge of accounting methods and the double-entry method (the implementation);
* assess students’ knowledge of other course topics (theory).

In prder to pass the written test students must demonstrate their knowledge of each part of the course and show that they

* understand and can apply the logic of accounting methods and the double-entry method. Please note that in order to pass students must not make more than three serious mistakes. If students fail this part of the examination this will lead to an overall fail, even if all the other questions are answered correctly;
* know, even on only a basic level, the topics presented indicated in this Course Guide (theory). A fail in any part of the course programme constitutes an overall fail even if all the other questions are answered correctly.

*Attending* students may split the examination into two partial tests (a mid-term test and a test at the end of the course) each test will carry 50% of the final mark.

***NOTES AND PREREQUISITES***

Students are strongly advised to attend and be actively involved in lectures and practical classes, since this will help them study the course material and pass the examination.

*Supplementary practical classes*

To help students learn about accounting and the double entry method, there will be some supplementary practical classes in addition to what is specified on the course syllabus handed out. The practical work is aimed at offering students who need it the opportunity for extra study and interaction with the teaching staff regarding topics and exercises already seen at lectures.

As this is a preparatory course, there are no prerequisites for attending the course.

In case the current Covid-19 health emergency does not allow frontal teaching, remote teaching will be carried out following procedures that will be promptly notified to students.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG, or on the Faculty notice board.