# Planning and Control

## Prof. Irene Eleonora Lisi; Prof. Edoardo Lunghi

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

The aim of the course is to develop knowledge of the scope, operational rationale and modes of use of the planning and control system in the field of managing companies, with specific reference to organisations, associations, bodies and companies operating in the cultural heritage and live performance sector. In particular, the course aims to develop students’ knowledge and applied skills in terms of the algorithms of evaluating the economic feasibility of alternative courses of action in the short term, as well as cost accounting, budgeting, reporting and variance analysis. Throughout the course, lectures will include theoretical explanations, examples and practical exercises, including in reference to the cultural heritage and live performance sector.

At the end of the course, students will:

1. know and understand the scope of the planning system and its constituent elements, with reference to organisational, technical and accounting-related aspects;
2. know and be able to apply planning criteria and use the requisite tools of the planning and control system (cost accounting, budgeting, reporting systems, variance analysis), including in reference to the cultural heritage and live performance sectors;
3. know and be able to apply, within organisations operating in the cultural heritage and live performance sector, the algorithms for evaluating economic feasibility as a means of supporting short-term decisions (differential analysis and cost-volume-profit analysis);
4. will be able to interpret, unaided, information generated by the planning and control system to make economic feasibility assessments;
5. be able to communicate the information generated by the planning and control system to various corporate recipients;
6. be able to assess the contribution made by planning and control systems to the task of managing companies, with specific reference to those in the cultural heritage and live performance sectors;
7. be able to advance their studies in the field of planning and control.

***COURSE CONTENT***

The course is divided into two modules of 30 hours each, for a total of 60 hours. The content will be divided into three subject areas as follows:

Module 1 (part 1): *“Short-term management decisions and costs”.*

The role of planning and control processes in companies: scope and constituent elements. Planning and control systems in organisations operating in the cultural heritage and live-performance sector.

The decision-making process in organisations in the cultural and live-performance sectors. Algorithms as a means of supporting short-term economic feasibility decisions: differential analysis and cost-volume-profit analysis.

Module 1 (part 2): *“Cost accounting systems”.*

Cost accounting systems: scope and articulation.

Criteria for designing cost accounting systems. The definition of the cost objects. The choice of cost configuration. Cost accounting methods.

Module 2: *“The budget and reporting system”.*

The development of the concept of budget; the structure and organisation of the master budget, and the organisational dimension of the budgeting process. The structure of the reporting system and variance analysis. Management by objectives.

***READING LIST***

Students must study the following two texts:

S. Baraldi-A. Cifalinò-P. Sacco (ed.), *I sistemi di programmazione e controllo,* Giappichelli, Turin, 2011.

S. Baraldi-A. Cifalinò-P. Sacco, *Esercizi svolti di programmazione e controllo,* Giappichelli, Turin, 2021.

Students can find on Blackboard: (i) the number of the chapters of the textbooks covering the topics explained in class; (ii) further teaching material (slides and exercises).

***TEACHING METHOD***

Frontal lectures, consisting in theoretical explanations, examples, and practical exercises (also based on real organisations operating in this field).

Class attendance is highly recommended.

***ASSESSMENT METHOD AND CRITERIA***

Written exam (duration: about 2 hours), consisting in open-ended questions and exercises based on module 1 and 2.

Alternatively, attending students will have the possibility to split the final exam into two written tests (a first interim test taking place at the end of module 1, followed by a second test during the official exam session at the end of the semester). Please note that the registration for the exam must be done on Blackboard. Both tests will consist of open-ended questions and exercises. In order to pass them, students will have to get a positive mark in both tests, otherwise they will be asked to take the whole final exam during the official sessions. Each test will determine 50% of the final mark. Further information will be made available in class and on Blackboard after the beginning of the course.

The assessment criteria will include: the knowledge and understanding of the models explained during the course; the ability to make full use of the tools, the techniques and the algorhythms included in the course content, also identifying all the relevant information and the best methodology to apply to a specific problem, and finding useful examples; the critical approach to the subject, also in terms of identification of the advantages/disadvantages of the models studied from a theoretical and practical perspective; the ability to find links between all the different aspects of planning and control systems; the use of an appropriate terminology.

***NOTES AND PREREQUISITES***

The students who would like to write their graduation thesis in Planning and Control, will find on Blackboard a file with useful information (the choice of the subject, the bibiolgraphic research, the definition of a reading list, research methods, the creation of the index, and the writing of the dissertation).

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