Business Economics

Module I (Introductory): Gr. A-K: Prof. Andrea Schiavinato; Gr. L-Z: Prof. Giuseppe Fasana

Module II (Advanced): Prof. Giorgio Edoardo Luerti

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

The introductory business economics course embraces three objectives, aiming to:

1. provide the student with an understanding of the core elements and components (households, firms, governments) at the root of this field of study;

2. illustrate theory and applications in relation to the structuring and operation of companies;

3. examine how companies grow and common ways in which firms come together as groups.

The advanced course of Business economics aims to:

1. introduce the fundamental logic at the basis of accounting records and double-entry bookkeeping system;
2. explain the key principles that are necessary to write financial statements.

At the end of the course, students will be able to understand the key concepts of business economics and identify the main operational aspects of financial statements.

***COURSE CONTENT***

Module I (Introductory): Gr. A-K *Prof. Andrea Schiavinato;* Gr. L-Z *Prof. Giuseppe Fasana*

 *Following is a summary of the course content:*

– Business economics: doctrine and relationships with other fields of study.

– Companies: characteristics, types.

– Economic person and legal person; relationships with other economic agents and communications strategies.

– Human resources (organisation of labour and the labour market) and material resources.

– Material resources: production, trade and electronic data processing (EDP); markets for procurement, selling, and information technology.

– Intangible resources: research and development and the market for technology.

– The firm's size and growth.

– Grouping of firms.

Module II (Advanced): *Prof. Giorgio Edoardo Luerti*

*1. Companies and the various forms they can take*

– A brief outline of the civil law governing business.

*2. Operating income and working capital (part 1)*

* Economic combinations and quantities.

– Classification of numerary and non-numerary values.

– Financial reporting on economic events.

 – Income accounts and property accounts.

*3. Rectification entries*

– Analysis of the various types of rectification entries.

– Practical examples.

*4. Operating income and working capital (part 2)*

– Adjustment entries and closure entries.

– Preparation of the profit and loss account.

– Drawing up the balance sheet.

– Surveying the operating result.

– Operating income and working capital.

– The reopening of balance sheets.

– Balance equation.

*5. Financial statements and stability of the production company*

– The revenue statement and cost of sales.

– Reclassifying the balance sheet according to the financial plan.

– Financial and equity stability

– The main financial ratios.

*6. Warehousing and handling*

– Different forms of warehousing.

– Inventory methods.

*7. Analysis of some accounting entries, including:*

– Share capital, equity, or subsidiary capital increases.

– Severance pay.

– Movements in bad debt provision

***READING LIST***

For Module I

With reference to the current academic year, the course will be taught with the textbooks listed below:

G. Airoldi-G. Brunetti-V. Coda, *Corso di Economia aziendale*, Il Mulino, Bologna, 2020.

M. Confalonieri, *Lo sviluppo e la dimensione dell’impresa*, Giappichelli, Turin, 1998.

Any changes or supplements to the basic reading list will be indicated at the start of the course.

Students interested in further studying business economics may wish to consult some of the texts listed below:

P. Onida, *Economia d’azienda*, UTET, Turin, 1965.

G. Mazza, *Problemi di assiologia aziendale*, Giuffré, Milan, 1981, 2nd edition

M. Cattaneo, *Economia delle aziende di produzione*, Etas Libri, Milan, 1983.

G. Ferrero, *Impresa e Management*, Giuffré, Milan, 1980.

Masini, *Lavoro e risparmio*, UTET, Turin, 1978.

H.I. Ansoff, *Implanting, Strategic Management*, Prentice Hall, 1984 (Italian translation *Organizzazione innovativa*, IPSOA, 1987).

A.C. Hax-N.S. Majluf, *Strategic Management*, Prentice Hall, 1984 (Italian translation *Direzione strategica*, IPSOA, 1987).

R. Normann, *Management for Growth*, John Wiley and Sons, 1977 (Italian translation *Le condizioni di* *sviluppo dell’impresa*, Etas Libri, Milan, 1979).

 For Module II

*Notes from the lectures:* on the lecturer’s webpage students can find notes and exercises on the topics explained in class.

*G. Airoldi -G.Brunetti - V.Coda, Corso di economia aziendale,* Il Mulino (chapters VI and VII).

***TEACHING METHOD***

*For both modules*: Students will be expected to exert significant effort to learn the terminology, concepts, theory, and applications covered. It is thus recommended that students not only attend class on a routine basis, but also study regularly in order to grasp materials that are presented over a necessarily limited time period.

Ideally, the student should regularly study both the textbooks and class notes so as to master between classes the numerous concepts presented, including from a critical and in-depth perspective.

***ASSESSMENT METHOD AND CRITERIA***

*For both modules*

Questions may concern presentation of concepts, definitions or be numerical exercises.

The written test consists of four questions of equal weight in the final assessment.

The overall duration of the written test is 60 minutes for the introductive module and 90 minutes for the advanced module.

Before giving the results of the written test, the lecturer will go through the marking scheme and review the exam with students.

We suggest students take the exam on the introductory (propaedeutic) module before the exam on the advanced module. The exams for the two modules are normally held on the same day but at different times, so as to enable students to sit both on the same date if desired.

Students who pass both exams will then register their mark with the lecturer with whom they sat the later exam; registration of the mark is subject to prior official registration for the exam. The mark obtained in one of the tests fails to be valid if the student does not pass the other test within 12 months from the date of the first test.

***NOTES AND PREREQUISITES***

The Business economics course is one of the first courses to look into how companies should be run. The course examines the optimal management of firms operating on the market in a scientific manner and with a critical and in-depth perspective.

Course attendance is strongly recommended.

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.