# Professional Practice (Consulting and Crisis Management)

## Prof. Luca Francesco Franceschi

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

The course, which has an interdisciplinary nature, aims to provide a contribution to the creation of a professional figure who plays an active role in the control function of business *governance*, and help students acquire an in-depth economic knowledge in order to be ready to face a process of debt restructuring within a company in a situation of reversible crisis.

At the end of the course, students will be able to:

1. identify the best technical/operational methodologies to carry out the analysis of business risks and the economic/financial balance of a company from the perspective of the independent director and the auditor;

2. know and understand the different phases of a debt restructuring process, and the ‘actors’ involved;

3. interpret the most relevant documents related to the monitoring of business risks and debt restructuring;

4. assess the economic balance of companies and the sustainability of their financial debt;

5. use an appropriate terminology to communicate their newly acquired knowledge in a clear and efficient way.

***COURSE CONTENT***

Part 1

1. The business consultant and the control system.

2. The actors who are responsible for the control function in the *governance* of non-listed companies.

3. The consultant as (Independent) Director or Auditor.

4. The information flows towards corporate bodies.

Part 2

1. The definition of ‘business crisis’.

2. The contribution of consultants to the solution of reversible business crisis: the creation of a recovery plan and the agreements with creditors.

3. The accounting aspects of a debt restructuring according to the national accounting policies.

5. An introduction to the role played by consultants in irreversible business crisis.

In addition, the course will be supported by practical classes aimed to help students get a better understanding of the planning of internal audit activities and the implementation of business risk assessment procedures.

***READING LIST***

*Raccolta di materiali per il corso di tecnica professionale*, a cura del Prof. L.F. Franceschi that will be available at EDUCatt at the beginning of the course.

A. Tron - L.F. Franceschi, *La finanza della crisi reversibile di impresa. Gli strumenti negoziali nel Codice della Crisi,* Egea, Milano, 2nd edition 2023 (to study: Chapters 1, 3, 4 and the paragraph 5.1. of Chapter 5).

Further material and information will be made available on *Blackboard*.

***TEACHING METHOD***

Frontal lectures, practical classes, and meetings with subject matter experts.

During the first part of the course, students will be invited to attend some practical classes focused on internal auditing activities.

***ASSESSMENT METHOD AND CRITERIA***

Oral exam, taking place at the end of the course and including the topics explained during the practical classes.

In addition, at the end of the first part of the course, all the students (regardless of class attendance) will have the possibility to take a written interim test on the topics explained in class, consisting in a single ‘open-ended question’. For the students who pass the interim test, the final exam will be focused only on the topics explained during the second part of the course.

Furthermore, at the end of the practical classes, students will have to take a written test consisting in multiple choice questions. If they pass this test, during the final exam they will not be asked any questions on the topics explained during the practical classes.

Further information will be made available on *Blackboard*.

***NOTES AND PREREQUISITES***

Given the nature of the topics explained during the course, class attendance is highly recommended.

In addition, students should have a basic knowledge of the techniques for the preparation of financial statements, national accounting standards, and the most relevant extraordinary operations.

The students who feel the need to fill any gaps in the knowledge of the topics mentioned above, are invited to consult the following textbooks:

L.F. Franceschi (a cura di), *Bilancio di esercizio e principi contabili nazionali,* Vita e Pensiero, Milan, 2017.

L.F. Franceschi-A.S. Bonaventura (a cura di), *Leveraged Buy-Out e crisi d’impresa: profili economico aziendalistici,* EDUCatt, 2018.

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.