## **Advanced business economics (with module of Excel balance sheet applications)**

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

The course aims to achieve the following objectives:

1. understand what factors an investor needs to consider when making an investment in a company;

2. understand what the business activities are and how they impact on economic and competitive results;

3. provide the essential tools for reading and interpreting company results in economic and financial terms (economic-financial reporting), competitive terms (sector reports) and social terms (non-financial reporting);

At the end of the course, students will be able to read and interpret the documents that make up the economic-financial report and the non-financial reporting of a company that prepares the financial statements both on the basis of national accounting principles and on the basis of international accounting standards.

Furthermore, students will be able to use the basic logic and the basic tools for the analysis and implementation of decisions regarding the business in which the company operates.

***COURSE CONTENT***

The course is structured into four modules:

Module 1: *The companies*

The first module resumes the basic issues concerning companies, with special attention to the concepts of risk, investment, stock quantities and flow quantities, processes of wealth creation and corporate governance. Furthermore, the first module presents a model for the classification and analysis of business activities (purchasing, production, sales, management, organisation, control) focusing on the link between the performance of the activities and the economic, financial and competitive results achieved by the company in the short, medium and long term.

Module 2: *Measurement of stocks and wealth flows produced by companies*

The second module focuses on the analysis of the regulatory-accounting principles at the basis of the technique that measures the wealth produced (or destroyed) by companies in a given period of time. In addition, the module explores the logic and set of reference rules, both national and international, that govern the construction of the financial statements.

Module 3: *Financial analysis and the link between decisions and results*

The third module provides the logical framework of reference and the underlying technique to be used to analyse the link between business decisions and consequent financial structure and results. This module illustrates the technique of financial statements reclassification, the concepts of operating leverage, financial leverage and equity leverage, briefly addressing the topic of comparison (in the same period of time and with reference to listed companies) between budgetary outcomes and stock market value.

Module 4: Sustainability and corporate sustainability reporting

Module 4 explores the topic of Corporate Social Responsibility, introducing the main tools for the analysis and report of ESG dimensions (social, environmental, and governance-related), also through the presentation of the experiences of specific companies and the analysis of case studies. In particular, it will explain the content of the LD254/2016 and its following evolutions (CSRD), introduce today’s main reporting standards, and analyse examples of sustainability reports.

***READING LIST***

P. Russo, *La ricchezza. Cos’è. Come si produce,* EGEA, September 2017 edition.

Readings, cases and slides presented by the lecturers (published on the Blackboard Learning Management System platform).

***TEACHING METHOD***

The course is structured in weekly lectures according to the dates indicated in the analytical syllabus distributed in class at the beginning of the course (and published on Blackboard). It consists of lectures aimed at explaining basic contents, systematically combined with the presentation and analysis/discussion of business cases, useful to enable students to apply and exercise the knowledge learnt during the course. The course also includes the intervention of managers, administrators and company owners who provide examples of how they make business decisions and/or decisions concerning their companies’ financial structure, as well as how they communicate the economic-financial and social results externally.

***ASSESSMENT METHOD AND CRITERIA***

The assessment method consists of a written exam at the end of the course which will focus on all course contents.

Assessment is based on a written test consisting of closed-ended questions, both theoretical and applicative. Each of the questions has only one correct answer and each correct answer provides a score on an overall assessment scale from 0/30 to 32/30. Distinction marks such as 31/32 and 32/32 will be registered in the transcripts as 30 cum Laude (30 with honours).

***NOTES AND PREREQUISITES***

Since it is an advanced course that addresses typical concepts of Business Economy, attendance prerequisites include training credits obtained from the business economics exam taken in the three-year degree. It is also recommended to carry out the Excel tutorials made available by the University through the Blackboard platform. Students are also advised to combine lecture attendance with the weekly reading of business and management articles on topical society facts.

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.