Business Economics

## Group A-K: Prof. Andrea Schiavinato and Prof. Giorgio Edoardo Luerti

## Group L-Z: Prof. Marco Grumo and Prof. Giuseppe Fasana

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

“Business Economics” is a joint course and pursues the following closely related fundamental objectives, namely, to acquire:

* the fundamental principles and language of business organisations;
* the basic principles typical of business management and strategy (business model canvas and business plan), both with regard to large and international companies and small and medium-sized companies operating both in Italy and abroad;
* the fundamental principles of the economic and financial sustainability of enterprises, including in relation to budgets and business plans;
* the main characteristics and challenges of the internationalisation processes of companies, of sales & export management and of the Made in Italy brand operating in the various sectors of the economy;
* the fundamental principles of social, environmental and governance sustainability for large and medium-sized enterprises, including with regard to tourism enterprises;
* the main concepts characterising the conduct of business;
* basic knowledge of accounting and financial statements;
* the ability to read and analyse financial statements.

**Intended learning outcomes**

*Knowledge and understanding*

By the end of the course, students will be able to understand, on a basic level:

* the concepts and fundamental principles that guide the finances of all companies, both Italian and foreign;
* the fundamental principles of the strategies and management of companies;
* the fundamental principles that guide exports, the processes of the internationalisation of companies, and the success of Made in Italy;
* the basic principles underlying annual financial statements, their component entries and their analysis;
* the rationale for the formation of the economic results of companies, both in the form of financial statements and as estimates.

*Ability to apply knowledge and understanding*

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

* identify the strong and weak points of the strategy and management of large international enterprises and small and medium-sized enterprises, also taking into account their variation in terms of type and size;
* read and understand, albeit in a basic way, documents relating to the organisation and strategy of companies;
* understand the main strategies for business expansion in foreign markets and environmental, social and governance sustainability;
* analyse from a business and strategic point of view some business cases, both national and international;
* read and understand, albeit in a basic way, the annual financial statements of enterprises in order to understand the performance of a company.

***COURSE CONTENT***

The Business Economics course:

* is joint;
* will be taught to two separate groups of students, divided alphabetically (students must take the exam with their allocated group);
* consists of two closely related parts (part 1 and part 2).

Part 1 of the Business Economics course will be held by Prof. Andrea Schiavinato for Group A-K and Prof. Marco Grumo for Group L-Z.

Part 1 of the course covers the following:

* the different types of businesses and business administration;
* the structure of companies;
* large international enterprises and small and medium-sized enterprises: features and key management challenges;
* entrepreneurship, strategy, business model canvas and business plans;
* export and business internationalisation: overview;
* economic sustainability of enterprises/economic viability of enterprises;
* budgets and business plans: overview;
* environmental, social and corporate governance sustainability;
* tourism enterprises: characteristics and main management challenges.

Part 2 of the Business Economics course will be held by Prof. Giorgio Edoardo Luerti for Group A-K and Prof. Giuseppe Fasana for Group L-Z.

The content of the second part of the course is summarised as follows*:*

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

– A brief outline of the civil law governing business activities.

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

– Economic combinations and economic quantities.

– The classification of values

– Accounting of economic events.

– Income accounts and shareholders’ equity.

– *Operating income and working capital (part 2)*

– Income statement.

– Balance sheet.

– Balance equation.

1. *The budget overviews and balances of the production holding*

– The income statement at revenue and cost of sales.

– The balance sheet reclassified according to the financial plan.

– The economic and asset balance.

– The main budget indices.

1. *The reading and interpretation of some Italian and foreign financial statements*

***READING LIST***

*For the first part of the course:*

* Material provided by the lecturer and published on the Blackboard platform.
* AA.VV.,, (2017), *“Strategia”. Orientare organizzazioni e imprese in un mondo che cambia.* 11th edition. PEARSON (or: text in English: David, David & David, (2020), *Strategic management: a competitive advantage approach, concepts*, 17th Edition, PEARSON).

*For the second part of the course:*

* The material provided by the lecturer and published on the Blackboard platform.
* *G.E.* Luerti *Appunti di Economia Aziendale, Giappichelli Milano 2023.*

***TEACHING METHOD***

The teaching method used is based largely on frontal lectures, supplemented by insights and testimonies from experts (joining us in person and/or remotely).

The teaching method also includes the use of audio and video media, the discussion of case studies, the study of articles, documents, research studies, economic reports and annual reports of Italian companies operating abroad and international and global companies (also written in English or in another foreign language, per each student’s choice); finally, the students will prepare papers.

***ASSESSMENT METHOD AND CRITERIA***

The Business Economics exam for both groups will take place in written format by means of a test designed to assess students’ knowledge of the topics on this syllabus. Questions may relate to both the presentation of concepts, definitions and numerical exercises.

This will be the only written test, and it lasts a maximum of 120 minutes. For all groups, it is composed of two questions relating to the contents of the first part and two questions and/or exercises relating to the contents of the second part. Questions relating to the first and second parts are equally important for the final assessment.

Being a joint exam, it will take place for both groups on the same date and at the same time.

One or more questions could also require students to comment on a case study, a balance sheet extract, a business plan or a business model canvas, multiple choice questions, an article assigned by the lecturer, or an exercise proposed by the lecturer.

All the questions will be based on the course reading list. Each of the four questions/exercises will be marked by the lecturer out of 30 (0/30–31/30); the marks awarded for all the questions will be converted into a simple average to calculate the final mark, also out of 30.

A mark of 0/30, even if only for one question, will result in a fail overall.

The maximum mark for the entire written test is 31/30.

The individual answers will be assessed according to the following criteria: relevance, completeness, students’ ability to express things in their own words and make examples and connections and, finally, clarity of presentation.

During the first part of the course, the lecturers may also propose optional weekly or bi-weekly assessed assignments.

There will be an interim written test at the end of semester 1 consisting of open questions on the contents of the first part of the above-mentioned syllabus. The interim test will be marked out of 30.

Students who fail the interim test are obliged to sit the full exam in written form on the entire syllabus, on the official exam dates.

Students who pass the interim test only need to sit the second part of the exam on the official dates. In this case, the exam will focus only on the second part of the Business Economics syllabus and will last a maximum of one hour.

For students who pass the interim test, the mark will count for 50% of the final score for the entire exam, meaning that these students only need to be examined on the second part of the course on the official exam date.

Students who intend to take the interim test on the first part may be required by the lecturer to submit a written assignment one week before the date of the interim test. This assignment will be presented at the beginning of the course and posted on the Blackboard platform. This assessment will be marked out of 30, and the mark will be averaged with that of the interim test. Students will be marked on the following criteria: thoroughness of the content and the sources consulted; their ability to make links and reformulate information; accuracy of the content and form used.

The mark for the interim test is valid until the end of the academic year in which it was taken (September session), after which point it lapses, obliging students to take the full exam on the official exam dates.

On the official exam dates, students will be examined on the contents of both parts of the course, with the exception of those who have successfully taken the interim test and will only, therefore, need to take the exam on the second part.

Any students who fail either the first or the second part of the exam must retake the whole exam (Part 1 and Part 2), with the exception of those students who took and passed the interim test, who will be able to retake Part 2 if they fail it. They must retake it by the end of the academic year in which the interim test was validated, after which point they will also have to repeat the entire exam.

As this is a joint exam, students will only have their mark registered after passing both parts, by the lecturer with whom they sat the second exam, in the order in which they sat it, and subject to having registered for the exam.

***NOTES AND PREREQUISITES***

As this is an introductory course, it has no prerequisites in terms of contents.

Attendance is strongly encouraged.

As mentioned, being a joint course, lectures will take place in parallel according to the same timetable. The exam is also non-modular and takes place on the same dates and times, and has a single structure. Some exam questions may differ depending on the group.

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.