# Strategic Planning and Rating Advisory

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

The course aims to provide students with the knowledge they need to manage and optimise the relationship between businesses and the credit system, by illustrating the Rating process and the role that proper strategic planning can play in improving corporate bankability and business continuity prospects.

Students should acquire adequate knowledge to:

– carry out qualitative and quantitative performance analyses and obtain useful elements for the purpose of determining the creditworthiness.

– examine and support the formation of corporate strategy, by inserting it in an internal and external context, obtaining main drivers, and highlighting any problems related to corporate information systems also with reference to ESG issues.

– understand and possibly support the drafting of Business Plans and Economic and Financial Plans aimed at improving company rating.

– acquire the concepts related to the adequate organizational, accounting and administrative structure recalled by art. 2086 c.c.

***COURSE CONTENT***

1. *The strategy in business qualitative assessment* 
   * What is the Strategy?
   * The definitions of strategy
   * Strategic variables
   * Environmental analysis techniques
   * The relationship between Strategy and ESG
2. *Business rating*
   * The 3 pillars of Rating
   * Quantitative analysis: reading and understanding of the economic, equity and financial situation
   * Analyse the final and forecast cash flows
   * Performance analysis: The Bank of Italy's central risk office: how to read and interpret it
   * The scoring and rating systems: Scoring MCC, Crisis Indicators
   * Il Business Plan: best practices and drafting principles

***READING LIST***

A. MATTAVELLI, *Far Parlare i numeri,* Franco Angeli, 2014, 2nd edition 2017 Milan

ODCEC MILANO, *Principi guida per la redazione del Business Plan*

A.A.V.V edited by Marcella Caradonna, *Responsabilità e adeguati assetti nella crisi d'impresa,* Maggioli Editore 2023

https://www.odcec.mi.it/docs/default-source/default-document-library/web-guida-redazione-business-plan.pdf?sfvrsn=428a2740\_0

Further reading list references and indications on the study material, including the IAS/IFRS and the OIC Documents, will be provided to students during the course and published on Blackboard.

***TEACHING METHOD***

Classroom lectures characterised by interactive teaching and development of some business cases.

The course also includes the intervention in class of qualified speakers from companies.

Lectures and practical exercises are carried out with the aid of slides and other support material. The slides are made available to students through the Blackboard platform. Constant attendance at lectures and practical exercises are an indispensable condition for the suitable preparation of students.

***ASSESSMENT METHOD AND CRITERIA***

The exam is oral and generally divided into 4-6 questions: 2-3 on strategic planning and 2-3 on creditworthiness analysis. To pass the exam, students must demonstrate that they have acquired skills in both strategic planning and rating advisory.

The questions will be both theoretical and practical.

***NOTES AND PREREQUISITES***

Students should have adequate knowledge about:

1. the fundamental principles of business management (from an institutional, strategic and organisational point of view);
2. the accounting model, i.e. the process of recognising values according to the double entry method;
3. the economic-financial model underlying the preparation of the year-end summaries;
4. the main valuation profiles functional to the composition of the financial statements;
5. reading, interpretation and economic-financial analysis of the company's financial statements.

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.