# Business Administration

## Prof. Andrea Lionzo; Prof. Velia Cenciarelli

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

The course aims to teach students the concepts and basic notions needed for understanding the structure and the management of businesses in the present days. The objective is accordingly to study in depth the following profiles of the business: business structure and corporate governance, competitive environment and corporate strategies, business organization, basics of financial accounting model. The course is a prerequisite for and functional to the course of Financial Accounting.

At the end of the course the student should acquire adequate knowledge about:

– the fundamental principles of business management and governance;

– the essential characteristics of the structures and logics of business operations;

– institutional arrangements and corporate *governance* mechanisms;

– competitive structures and the main corporate strategies;

– the basic profiles of corporate organizational choices;

– the basics of accounting model, i.e. the process of bookeeping and the year-end accounting statements.

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

– understand the structures and operating logics of companies;

– develop some cost-effectiveness calculations;

– recognise the main company transactions and proceed with their recognition according to the double-entry method for the purpose of determining the company's income and capital.

***COURSE CONTENT***

1. *Economic agents and the enterprise system.*

– The notions of business, organization and management.

– The role of businesses in the market.

– The enterprise-environment relationship.

– The magnitude of the enterprise system.

2. *Business structure and corporate governance*.

– The agency relation between the enterprise and its stakeholders.

– Rights and obligations arising from business management.

– Corporate governance systems.

3. *The competitive system.*

– The enterprise in its competitive system.

– Corporate strategy: overview and hierarchy.

– Competitive strategies and strategic business areas.

– Strategies at a corporate level.

4. *The financial accounting model for reporting.*

– The book-keeping logic.

– The recognition of the main transactions.

– Nature and characteristics of net income and net equity.

– Drafting of profit-and-loss and balance sheet.

5. *Firm management and performance.*

– Concepts of economy of scale and saturation of productive capacity.

– Financial, economic and equity equilibrium of the firm.

– Breakeven point, contribution margin, and operating leverage.

The course is divided into two modules. The first module (5 credits) will be carried out by prof. Andrea Lionzo and will cover points 1, 2, 3 and 4 of the programme. The second module (5 CFU) will be carried out by Prof. Velia Cenciarelli and will concern point 5 of the programme.

***READING LIST***

L. Potito (edited by), *Economia aziendale,* Giappichelli, Turin, 2020 (IV edition).

F. Cerbioni-L. Cinquini-U. Sòstero, *Contabilità e bilancio,* McGraw-Hill, Milan, 2022 (VII edition).

The exam preparation is completed with the material made available to students through the Blackboard platform (lecture slides and other documentation).

***TEACHING METHOD***

The course is divided into a cycle of lectures held with the aid of slides and other supporting material. The slides are made available to students through the Blackboard platform before each lecture.

The course then includes the performance of a cycle of exercises concerning part 5 of the course content. The text of each exercise is made available to students through the Blackboard platform before the relevant discussion.

***ASSESSMENT METHOD AND CRITERIA***

The assessment consists of an interim exam worth 40% of the final mark. In case of positive outcome, it counts for 40% of the exam so that the contents covered in it will not be included in the final exam. The pass result achieved in the interim test is valid only in the first exam session immediately following the interim test.

Students who do not take or pass the interim test, have to sit a general exam on the entire syllabus contents. The general exam is structured into a written test divided into two parts: the first part, on general contents, refers to points 1, 2, 3 and 5 of the syllabus, while the second part, with more practical contents, refers to point 4 of the syllabus. The general questions aim to test the students’ knowledge of that specific part of the syllabus, and their understanding of business-related language, as well as their effective speech on issues related to this discipline. The second part of the test aims at verifying the methodological application of the knowledge acquired as regards the functioning of the accounting model to determine the business values. Students pass the test if they obtain at least 18/30 in each of the two parts of the general exam.

Students who pass the interim test will be exempt from taking the part of the final exam related to the contents included in the interim test.

The oral exam may be: a) requested by the students who have passed the final written test, in case they feel that their preparation does not correspond to the outcomes of the test; b) requested by the lecturers.

***NOTES AND PREREQUISITES***

Course attendance does not require any specific knowledge.

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.