# Sustainable value and Integrated reporting

Prof. Anna Maria Fellegara

# Module I: Sustainable value

***COURSE AIMS AND INTENDEND LEARNING OUTCOMES***

The aim of the course is to introduce students to the concepts of business, sustainability and sustainable development. The course aims to provide the basic knowledge for understanding the structure of a company, the logic and mechanisms of operation, the environment in which it operates, the system of values it generates and the balances that ensure its development. In addition, some fundamental tools are introduced for the analysis of costs aimed at a better understanding of the budgeting control activities that complete the systemic and cyclical vision of corporate programming. Finally, the course frames the analysis of business activities within the concepts of social responsibility and sustainability, discussing the implications in terms of management models, organizational critical issues, identification and involvement of stakeholders in the decision-making processes and assessment of corporate performance.

At the end of the course the student will be able to:

* Know what are the most relevant decisions associated with the management of a company;
* Analyse the structure and functioning of a company and the environment in which it operates;
* Calculate the product cost and analyse the relationships between costs, volumes and results (break-even);
* Set up the profitability analysis consistent with the decision-making context;
* Identify the stakeholders (stakeholders) of a company;
* Identify fundamental reasons that underpin the orientation towards social responsibility and sustainability in companies
* Identify the conditions under which the assumption of social responsibility by a company can be configured not as an additional cost but as an investment capable of contributing to the competitiveness and development of the company itself.

***COURSE CONTENT***

* Introduction to the concepts of business, sustainability and sustainable development;
* The institutional structure and the economic combinations of the company;
* Sizing and extension choices, assets and organizational structure, human resources;
* The cost-effectiveness analysis;
* The generation of sustainable value through the triple bottom line;
* Cost management: terminology, concepts and classifications; cost analysis, cost and volume cost analysis, economic analysis for short-term decisions;
* The budget and the business plan;
* The role of stakeholders in business management and evaluation;
* Corporate social responsibility: characters, contents, internal and external dimension;
* The new models of social entrepreneurship: innovative solutions for social change.

***READING LIST***

* Airoldi – Brunetti – Coda. Corso di economia aziendale. Il Mulino (2020)
* Ballucchi, F - Furlotti, K. La responsabiltià sociale delle imprese. Giappichelli (2019)
* Readings selected by the teacher. The materials inserted by the teacher on the Blackboard platform form an integral part of the course and must be considered as textbooks.

# Additional recommended textbook for further study and additional practice:

* P. Andrei, (a cura di) Introduzione all’economia di Azienda, II edizione, Giappichelli, 2019
* A. Arcari, Programmazione e controllo, McGraw-Hill, iii edizione, milano, 2019;
* M. Molteni, Responsabilità sociale e performance d’impresa, Vita & Pensiero, Milano, 2004.
* F. Perrini (a cura di), Social entrepreneurship, Egea, Milano, 2007.

***TEACHING METHOD***

The program will be developed through theoretical framework lessons, business case analysis and discussions. The different teaching methods have the common goal of developing in the student the ability to analyse and interpret the implications related to the introduction of social responsibility logics in business strategies. The module uses the Blackboard platform on which further teaching material will be made available.

***ASSESSMENT METHOD AND CRITERIA***

For all students, the exam mode provides for the conduct of a compulsory written test that can be carried out in the interval of lessons dedicated to intermediate tests or in official teaching appeals at the end of the first semester (100% of the assessment). The test includes 4 open questions relating to the topics covered in the course. The evaluation of the test is in 30/30. The evaluation criteria of the module are: correct use of the concepts introduced in the course, ability to comment information relating to the decision-making dynamics of companies, in particular with reference to cost analysis, ability to decline the concepts learned in the analysis of social responsibility and sustainability initiatives. The overall evaluation of the course derives from the average of the evaluations achieved in the tests relating to the two modules.

#### NOTES AND PREREQUISITES

No prerequisites of skills are required for successful participation in teaching. Information on office hours available on the teacher's personal page at: <http://docenti.unicatt.it/>

# Module II: Integrated reporting

***COURSE AIMS AND INTENDEND LEARNING OUTCOMES***

The course aims to offer competencies for reading and interpreting the management results of companies through the financial statements, the main indicators used in economic and financial communication and non-financial statement tools. After presenting the fundamentals and logic of the accounting system, the course deepens the systemic examination of the managerial tools useful in the integrated reporting to stakeholders of the economic, environmental and social results. The course, starting from the main reclassifications of the financial statements, offers an interpretative scheme of the system of indexes and flows widespread in practice and widely used in the analysis of competition and creditworthiness as well as a recognition of the main standards in use in the development of social, environmental and of sustainability.

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

* Know the evaluation criteria defined by the national accounting principles and some criteria contained in the IAS / IFRS international accounting principles;
* Read and interpret the economic, financial and equity dynamics related to business management, starting from the data contained in the financial statements;
* Read and interpret the non-financial results and evaluate the reliability and completeness of the reporting documents of business performance.

***COURSE CONTENT***

* The financial statements in the corporate information system;
* Balance sheet assets: economic values and their significance in determining the results obtained and the company's balance;
* The reclassifications of the balance sheet according to financial criteria and according to operating criteria;
* The main reclassifications of the income statement and the ability to represent the various contributions of management to the formation of results;
* Determination and interpretation of the main indicators of corporate performance;
* Measurement of non-financial performance.
* The Global Reporting Initiative and the International Integrated Reporting Framework.

***READING LIST***

* Andrei, P. e Fellegara, A.M. Contabilità generale e bilancio d'impresa (2022)
* Readings selected by the teacher. The materials inserted by the teacher on the Blackboard platform form an integral part of the course and must be considered as textbooks.

# Additional recommended textbook for further study and additional practice:

* Ballucchi, F - Furlotti, K. La responsabiltià sociale delle imprese. Giappichelli (2019)
* Global Reporting Initiative – GRI 101: Principi di rendicontazione (disponibili on line)
* International Integrated Reporting – IR – Il framework internazionale (disponibile on line).

***TEACHING METHOD***

The module alternates lessons of theoretical framework, analysis and discussions of business cases. The lessons dedicated to the introduction of the concepts and detection tools are alternated with the in-depth analysis of reporting documents. The module uses the Blackboard platform on which further teaching material will be made available.

***ASSESSMENT METHOD AND CRITERIA***

For all students, the exam mode involves group work (60% of the assessment) and a compulsory written test that can be carried out in official teaching appeals at the end of the first semester (40% of the assessment). Group work consists of the analysis and evaluation of the reporting tools of a specific company assigned to each group by the teacher. In the case of non-attending students, the assignment can be done individually. The evaluation criteria of the group work are: completeness of the analysis, appropriateness in the use of the technical language learned, ability to identify alternative hypotheses. The final test is carried out in writing and includes open questions relating to economic and financial values and the comment of a financial statement aimed to identify the overall requirements for financial and economic equilibrium. The evaluation criteria for the final test of the module are: correct use of the concepts introduced in the course, ability to comment on information relating to the financial statements of companies, ability to correctly identify and interpret the financial and non-financial information contained in company reports. The test can be taken in the exam sessions scheduled at the end of the lessons of the first semester. The overall evaluation of the course derives from the average of the evaluations achieved in the tests relating to the two modules

***NOTES AND PREREQUISITES***

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