

# PERFORMANCE MEASUREMENT (9 Credits)

A.Y. 2018-2019

**Prof. Corrado Gatti**  
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**I semester**

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## Objective

As business decision makers (leaders, entrepreneurs, managers or analysts) you will need to measure performance of organizations and individual activities. The objective of this course is to deepen the concept of performance and to provide students with an understanding of financial and non-financial measures of performance. The course is also designed to prepare students to analyze and interpret financial statements effectively, combining strategic, organizational and accounting perspectives. Students will develop the ability to (1) identify business strategies and associated risks; (2) assess reporting and disclosure choices given the economic environment in which the organization operates; (3) use ratios and other analytical methods to evaluate and forecast performance; and (4) appreciate the potential of accounting information to assist in valuation.

## Topics

- Performance and performance measurement systems
- Decision-making and performance (fact, value, rationality)
- Risk, risk-taking, and performance
- A framework for business analysis and valuation using financial statements
- Strategy analysis
- Accounting analysis: The basics
- Accounting analysis: Accounting adjustments
- Financial analysis
- Prospective analysis: Forecasting
- Prospective analysis: Valuation theory and concepts
- Prospective analysis: Valuation implementation
- Business analysis and valuation applications
- The balanced scorecard
- The EVA model
- Performance measurement and executive compensation

## Course materials

- A) Readings on performance measurement
- B) Handouts
- C) Textbook: Palepu K.G., Healy P.M., Peek E. (2016), *Business Analysis and Valuation: IFRS Edition*, Cengage Learning, 4th Edition

## Exams

- Monday, January 21, 2019, 8.30 am
- Friday, February 15, 2019, 8.30 am
- Friday, May 10, 2019, 8.30 am (reserved to students enrolled in supplementary years)
- Monday, June 17, 2019, 8.30 am
- Tuesday, July 9, 2019, 8.30 am
- Monday, September 9, 2019, 8.30 am
- Monday, October 28, 2019, 8.30 am (reserved to students enrolled in supplementary years and/or are about to graduate)

## Classes

- Wednesday 14.00-16.00 (room 6C)
- Thursday 11.00-13.00 (room 8)
- Friday 11.00-13.00 (room 8)

The course will start on Wednesday, September 19, 2018.

## Meetings with Prof. Corrado Gatti

After class or in my office by appointment (Department of Management, III floor).