



Management of Human Resources (MHR)

Management of human resources and labour studies (MLS)

Workshop 2021 – 2022

Valuing a business

Trainer: Sisto Merolla

About the Workshop

Creating value for its shareholders is the main goal of a business. Measuring value can look obscure on the surface, and there surely are complex techniques, but there are some key indicators and some basic methodologies which should be part of the toolkit of any manager or professional.

Learning Objectives

The workshop is designed to provide students with a basic overview of the methodologies to understand the health of a business and have a first idea of its value, by looking at current and prospective financial statements. The learning method is practical and participative, balancing the necessary theoretical foundations with practical exercises, class discussions and small groups work.

Students will learn how to:

- Look for specific indicators in the financial statements, in order to quickly get a big picture view of the value the company is creating
- Apply some simple and well-established methodologies to perform a valuation of a business
- Read and criticize a business plan.

Syllabus Details

Module 1: The Value of a company

- Different possible definitions of Value
- Return on Equity and its components
- How Debt can help

Module 2: Calculating the Value

- Valuation for primary school students: comparables and multiples
- The time value of money: discounted cash flow

Module 3: Beyond Value Calculation

- Capital Structure: how debt can help (reprise)
- Applying discounted cash flows to different cases: Net Present Value and Internal Rate of Return

Module 4: I wanna be a startupper

- Is Excel always wrong? How to read, create (and destroy) a business plan

- Looking into the crystal ball: estimating growth

Module 5: Final Presentation

- Making the business case for an investment: how much to invest and at which price

Who is it for?

This workshop is dedicated to MHR second year students and MLS students, who have successfully completed the International Business Management and Accounting course and want to develop a better understanding of how to grasp the big picture from the financial statements of a company and get a first idea of the value of a business. No specific mathematical background is required but some ability with Excel is useful.

Participation is limited to 25 participants, on a first come first served basis.

Final Evaluation

Students will be split into teams and will have to prepare a simple business case in which they recommend to an Investment Committee the investment into a business. Based on some basic information and business plan, they will have to assess the key assumptions, develop their own idea, define a price and the amount of investment into the business.

3 credits will be awarded to all students who have attended at least 80% of the meetings and participated in the Final Presentation.

Schedule

Five online meetings of 4 hours each. The first 2 hours of each Meeting will be dedicated to theory explanation and the second 2 to cases and practical exercises.

October 6th, 20th, 27th

November 3rd, 17th

8:30 a.m. - 12:30 a.m.

The link for the meetings will be sent to the participants.

HOW TO APPLY

The number of attendants is limited and will follow the application request order.
To apply please within September 30th 2021, send an email to

sisto.merolla@unimi.it

OBJ: Valuing a business Workshop

Info to include in the mail:

- ID number (matricola)
- Name/ Surname
- MHR/MLS - Year of Study