



UNIVERSITÀ DEGLI STUDI DI PALERMO

DEPARTMENT	Scienze Agrarie, Alimentari e Forestali
ACADEMIC YEAR	2023/2024
BACHELOR'S DEGREE (BSC)	VITICULTURE AND OENOLOGY
SUBJECT	ECONOMICS AND MANAGEMENT OF VITICULTURAL COMPANIES
TYPE OF EDUCATIONAL ACTIVITY	B
AMBIT	50123-Discipline economiche estimative e giuridiche.
CODE	10462
SCIENTIFIC SECTOR(S)	AGR/01
HEAD PROFESSOR(S)	GALATI ANTONINO Professore Ordinario Univ. di PALERMO
OTHER PROFESSOR(S)	
CREDITS	6
INDIVIDUAL STUDY (Hrs)	90
COURSE ACTIVITY (Hrs)	60
PROPAEDEUTICAL SUBJECTS	
MUTUALIZATION	
YEAR	1
TERM (SEMESTER)	2° semester
ATTENDANCE	Not mandatory
EVALUATION	Out of 30
TEACHER OFFICE HOURS	GALATI ANTONINO Monday 17:00 19:00 Polo Universitario di Trapani, presso il Palazzo Principe di Napoli in via Cappuccini 7, 91100 - Trapani Tuesday 14:00 16:00 Dipartimento SAAF, Edificio 4, Ingresso A, Piano 1, Ufficio 110

DOCENTE: Prof. ANTONINO GALATI

PREREQUISITES	No prerequisites
LEARNING OUTCOMES	<p>Knowledge and understanding Knowledge and understanding of the main economic theories that govern the functioning of markets and knowledge of the management principles necessary for a correct interpretation of the socio-economic and management needs of firms operating in the wine industry and knowledge of the main methods of strategic and accounting analysis.</p> <p>Applying knowledge and understanding The analytical tools provided will enable students to carry out analysis of microeconomic phenomena, with particular reference to the study of consumer behaviour and of the firms, both to interpret correctly the economic policy measures. In addition, will enable students to interpret, through the determination of the financial statement indices, draw judgments aware for an effective strategic management, and detect critical issues that imply the reorientation of those undertakings in the market</p> <p>Making judgments The provided tools will allow a clear interpretation of economic phenomena, both as regards business strategies and consumer behaviour, both to the economic policy measures.</p> <p>Communication skills Students will be able to discuss issues related to microeconomics and macroeconomics and to summarize the evolution of the main economic phenomena and of the economic system as a whole. They will also have the ability to expose the main concepts of business economics and the tools of business management and will be able to clarify the effects of the application of these instruments on the business system.</p> <p>Learning ability Learning skills acquired throughout the course will be evaluated through periodic assessment at the end of an instructional unit, that requires a personal detailed study</p>
ASSESSMENT METHODS	<p>Learning skills acquired throughout the course will be evaluated through periodic assessment at the end of an instructional unit, that require a personal detailed study. It is, also, expected a final assessment which consists of an oral exam that consists of an interview concerning the topics studied. This exam allows one to evaluate, in addition to knowledge of the candidate and his ability to apply them, even the possession of an appropriate scientific language.</p> <p>The final assessment, expressed in thirtieths, will be formulated on the basis of the following conditions:</p> <p>a) Basic knowledge of the studied economic theories and of the management principles applied to the wine companies and limited ability to apply themselves in new situations, sufficient capacity for analysis of the presented phenomena (18-21 rating);</p> <p>b) good knowledge of the studied economic theories and of the management principles applied to the wine companies and ability to apply them independently in situations similar to those studied, discrete analysis capabilities of the presented phenomena (22-25 rating);</p> <p>c) in-depth knowledge of the studied economic theories and of the management principles applied to the wine companies and ability to apply them to any proposed economic phenomenon, but not always readily and following a linear approach, good capacity of analysis of the presented phenomena (26-28 rating);</p> <p>d) deep and widespread knowledge of the studied economic theories of the management principles applied to the wine companies and ability to apply them promptly and correctly to any proposed economic phenomenon, excellent analytical skills of the presented phenomena (29-30L vote).</p> <p>The final evaluation takes into account the active participation of students in lectures, practical exercises and activity carried out in the form of participation in a working group, to the extent of 40% of the final evaluation itself.</p>
EDUCATIONAL OBJECTIVES	<p>The aims of this course are to: introduce students to an understanding of the domain of economics as a social theory; introduce students to the main analytical tools which are used in economic analysis; introduce students to the main conclusions derived from economic analysis and to develop students' understanding of their organisational and policy implications; enable students to participate in debates on economic matters. In particular, through the study of microeconomics, the basic models of analysis of the behavior of both consumers and businesses are discussed. In addition, the course aims to provide the general principles of the firms management and then the technical and managerial knowledge for the firms operation with specific reference to those operating in the agro-forestry industry</p>
TEACHING METHODS	

	The course is semestral and takes place in the second semester of the three-year degree course in Viticulture and Enology. The teaching activity is developed through lectures and exercises. At the end of an instructional unit, there are provided writing tests. The latter is designed to test the ability to apply knowledge and is useful training for the ultimate test examination. A working group is intended to help students develop a range of skills and abilities linked to the exchange of information and knowledge increasingly important in the professional world.
SUGGESTED BIBLIOGRAPHY	<ol style="list-style-type: none"> 1. Begg D., Vernasca G., Fischer S., Dornbusch R. 2018. <i>Economia</i>. 978-8838668357, McGraw-Hill. 2. Sloman J., Garratt D. 2010. <i>Elementi di economia</i>. Il Mulino Manuali. 3. Sodano V., Sassi M., Marchini A. 2010. <i>Economia agroalimentare: mercati e politiche</i>. McGraw-Hill. 4. Samuelson P.A., Nordhaus W.D. Bollino C.A. 2019. <i>Economia</i>. McGraw-Hill. 5. Ciaponi, F. (2005). <i>controllo di gestione delle imprese vitivinicole</i>. F. Angeli. 6. Catarella, Cimino, Tinarelli (2022). <i>Strategia di mercato e gestione dell'impresa vitivinicola. Costruire il futuro dopo la pandemia</i>. Edagricole.

SYLLABUS

Hrs	Frontal teaching
2	Introduction to economics. Definition of the main economic problems and concepts.
4	Consumer behavior. The behavior of the consumer and the utility function. The concepts of utility. Cardinal Utility. Ordinal Utility. Marginal utility. The principle of the diminishing marginal utility. Consumer equilibrium. Critical to the Cardinal utility theory. Consumer behavior and the indifference curves. From the Cardinal Utility to the ordinal Utility. Marginal rate of subjective substitution (SMS). Indifference curves for different types of goods. The budget line. Incomeconsumption curve and the Engel curve. Price-consumption curve and individual demand curve. Substitution effect and income effect.
2	Demand. Demand theory and demand function. From the individual demand to market demand. Substitute and complementary goods. Factors affecting the demand. Type of demand. Price elasticity. The elasticity 'and total expenditure. Determinants of demand elasticity. Income elasticity of demand.
2	Production and supply. Theory of supply. The supply nature. Supply function. Supply and price. Supply elasticity. Determinants of supply elasticity.
3	Production and behavioral of the firms theory and marginal products. Production function to a one variable factor. Total, average and marginal product. Law of diminishing marginal returns. Analysis of the production function in the short and long term. Determination of the excellent level of employment of the variable factor. The production function with two variable factors. Isoquants and Isocosts. Minimum cost conditions. Condition of profit maximization. The optimal combination of factors. Technical and economic efficiency.
6	Knowledge of the management principles and transfer in agriculture and forestry industry. The assumptions of the business administration. The company's organizational structure. Organizational structure and operating systems. Classification of firms and cases studies. Business strategy. Competitive strategy and social strategy. Porter's model. Resources and skills. The customer-based view.
2	Cost analysis. Definitions of cost. The production cost. Opportunity cost, private costs and social costs. The total, average and marginal cost. The cost functions in the short and long term. The causes of increasing returns to scale. Relations between cost function in the short and long term. The economies of scale. The high level of production, marginal firms, intra and extra-marginals. The optimal combination of products, the firm equilibrium in the long run.
6	Cost management and Management accounting in the wine companies. Balance sheet and the profit and loss account. The main indicators for assessing the economic and financial performance of companies
3	Market. Type of Market systems. Supply and allocation in competitive markets. The offer of competitive companies. Special cases of competitive enterprises. Efficiency and equity 'in competitive markets. Monopoly. The allocative inefficiency of the monopoly market. The longterm monopoly equilibrium. Imperfect competition.
8	Transformation of the wine market - Product positioning strategies - Organization of the wine company - Management control - Vertical integration strategies and value creation in the wine supply chain - Wine brand and Brand Loyalty - Open innovation in wine companies.
2	The concept of open innovation and how it works. Types of problems that can be solved with open innovation. Challenges and ethical considerations of open innovation. Open innovation strategies in the wine sector. Case studies
Hrs	Practice
8	Applications of microeconomics: analysis of consumer behavior; Demand and elasticity; aggregate demand; Supply and elasticity; Market equilibrium and public intervention; Effects of the Common Agricultural Policy on market equilibrium; Production functions; Analysis of the costs in a winery; Derivation of the supply curve in the long and short period.
8	Practical exercises: Balance sheet and Accounting balance, Analysis of the balance using economic and financial indicators.

Hrs	Practice
4	Case studies analysis