FEATURES OF MODERN BUSINESS ANALYSIS TRAINING AT THE UNIVERSITY OF NATIONAL AND WORLD ECONOMY

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Abstract: The article examines the specifics and innovations in Business Analysis training at UNWE (University of National and World Economy). The essence of Business Analysis is clarified in two aspects - as a practical activity (profession) and as a discipline. It is noteworthy that over the past 10-20 years, the popularity of the “Business analyst” and “Business appraiser” profession has grown. Big companies have recently opened up free positions for business analysts, as management is aware of the need and benefits of such professionals. At the same time, some relatively new management concepts and analytical approaches emerged and developed during this period, which required updating the content of “Business analysis” as a discipline taught in almost all business schools. It is set in the bachelor's and master's programs for the majors Accounting and Finance of the leading business schools in the world. In order to meet the requirements of the practice (real business life) by well-trained specialists in the field of business analysis and business appraisal, the course "Business Analysis" at UNWE, which is realized by lecturers from Finance and Accountancy faculty, in particular Department of Accounting and Analysis, underwent development. It consists of the following: 1) In parallel with the compulsory subject "Financial and economic analysis" for Bachelor's degree "Accounting", which is being studied in the seventh semester, a second special and optional discipline, called "Business analysis" has been introduced since 2013 year for Bachelor's degree, which is being studied in the eighth semester. The course is a continuation and upgrade of the course "Financial and Economic Analysis". The “Business Analysis” program (syllabus) mainly covers such subjects and directions of an enterprise's business analysis that are not included in the compulsory course. The aim is for students to broaden and deepen their knowledge in the field of business analysis and to acquire special skills. In this article are presented the syllabus of the discipline and the results of research, where other universities in the world are taught Business Analysis and what is the content of the curriculum on it.; 2) The training in the course and the way of assessing the knowledge is in line with its practical orientation. From this point of view, priority is given to the individual assignments that each student receives in relation with coursework. It is a practical analysis of real enterprise data and forms half of the final grade for the discipline. This article presents the requirements that students must observe when writing their assignment papers (coursework); 3) In 2014 year an additional update was made on some of the themes in the Business Analysis curriculum, by the project "Updating the curriculums in the Bachelor's degree programs for a professional field "Economics" in accordance with the labor market needs for building an economy based on knowledge". The project was implemented with the financial support of the Operational Program "Human Resources Development" (2007-2013), co-financed by the European Social Fund of the European Union. The article describes the updates made of some of the topics in the course content.; 4) Since 2015 a new Master's program entitled "Accounting and Business Analysis" has been set up, where students of majors Accounting, Finance and Financial Controls are being trained. It includes the following disciplines in the field of Business analysis and Valuation: "Financial statement analysis", “Balanced Indicators to measure business efficiency”, “Investment Analysis” and “Value-based models for business appraisal”. This new master's program was designed to meet the increasing needs of business practice by business analysts and appraisers.

Keywords: Business analysis, Business analysis training, University of national and world economy, Updating the curriculums

NATURE, ROLE AND TASKS OF BUSINESS ANALYSIS

Business analysis can be seen in two aspects - on the one hand, as a practical activity and a profession, and on the other, as a discipline. It is noteworthy that over the past 10-20 years, the popularity of the “Business analyst” and “Business appraiser” profession has grown. Big companies have recently opened up free positions for business analysts, as management is aware of the need and benefits of such professionals. At the same time, some relatively new management concepts and analytical approaches emerged and developed during this period, which required updating the content of business analysis as a discipline taught in almost all business schools. It is set in the bachelor's and master's programs for the majors Accounting and Finance of the leading business schools in the world. Business analysis explores the economic phenomena and business processes that take place in the enterprise. With the help of specific indicators and models, it assess the functioning of the enterprise in various aspects - resource efficiency, competitiveness, business efficiency, return on invested capital, degree of business risk, degree of financial risk, financial standing and stability, value of the company, value creation during a
Business management has several key functions - Forecasting and planning, Regulation, Reporting, Analysis and control. For the management to be effective, it is necessary to carry out these four functions in the enterprise. One of these is business analysis, which is perceived as a specialized function of management, as it is a necessary condition and prerequisite for the successful realization of each of the other functions. Fig. 1 depicts business management as an information process related to the reception, processing and transmission of information between the two main elements in this process – managers and staff.

There are two kinds of information links between the managers and staff, known as right (+) and inverse (-) links. The right-wing relationship is related to the management impacts associated with the implementation of one of the main functions of the management - the regulation. Of particular importance to management, however, is the feedback from their subordinates. This feedback information has a varied nature, i.e. it can be of a different type – financial and accounting, technical, legal, operational, statistical, etc. This information also includes the results of business analysis. They are extremely important and necessary for managers to make the most appropriate, expedient and timely management decisions. The business analysis results are usually in the form of tables of indicators, illustrating graphs and diagrams, conclusions and recommendations. Business analysis can also be seen as an instrument of business management, considering its informative and argumentative management function. It has a rich arsenal of scientific methods and knowledge to study the economic processes in the enterprise that solve complex issues facing the management. Using the results of the business analysis, managers argue their decisions and actions. Apart from management, other important users of the results of the analysis are the owners (shareholders) and potential investors.

FEATURES OF THE MODERN TRAINING OF BUSINESS ANALYSIS AT UNWE
In order to meet the requirements of the practice by well-trained specialists in the field of business analysis and business appraisal, the course "Business Analysis" at the University of National and World Economy, which is carried out by lecturers from the Department of Accounting and Analysis (Finance and Accounting Faculty), has developed. It consists of the following:

INTRODUCTION OF A SUPPLEMENTARY COURSE IN THE FIELD OF BUSINESS ANALYSIS
In parallel with the compulsory course "Financial and economic analysis" for Bachelor's degree "Accounting", which is being studied in the seventh semester, a second special and optional discipline, called "Business analysis" has been introduced since 2013 year for Bachelor's degree, which is being studied in the eighth semester. This course is a continuation and upgrade of the course "Financial and economic analysis". The "Business Analysis" program (syllabus) mainly covers such subjects and directions of an enterprise’s business analysis that are not included in the compulsory course. The workload is 30 hours of lectures and 30 hours of exercises. The aim is for students to broaden and deepen their knowledge in the field of business analysis and to acquire special skills. The emphasis is placed on the modern trends and methods of financial and business analysis, such as value-oriented approaches and models to measuring business performance, business risk analysis, enterprise financial diagnosis, enterprise value assessment, business development, assessment of the
investment projects, etc. The list of topics in the curriculum “Business Analysis” as well as the recommended literature is presented in Appendix 1.

When developing the curriculum for the new course, the syllabuses of the same discipline, taught in other business schools (mainly in the United States and the UK) have been studied. Although the denomination of the discipline in different business schools differs, topics overlap more than 70%. In the majority of universities, two specialties “Accounting” and “Finance” are united in one specialty, called “Finance and Accounting”. The curriculums include disciplines in the field of Business analysis of different scope and denominations, such as: “Business Analysis”, “Financial Analysis”, “Business Valuation”, “Financial statement analysis and business valuation” etc.

At the Management School of Lancaster University, UK, the bachelor's degree "Accounting and Finance" includes the course "Financial Statement Analysis". The textbook of this program is “Business Analysis and Valuation” - Palepu K. G., Healy P, Bernard V., Peek E. [1]. The content of the syllabus, as well as the content of the textbook, finds that most of the topics in the lecture course coincide with those of the Business Analysis program for the specialty "Accounting" at the University of National and World Economy. The same applies to the textbooks on which the two programs have been developed [3]. Emphasis is placed not only on the Financial ratio analysis, but also on Business valuation and Value-based management.

Bachelor's degree program at the Stern School of Business at New York University includes three consecutive financial analysis courses. The baseline on financial analysis is called "Financial statement analysis". The syllabus almost matches with that of the University of Lancaster, UK. The recommended textbook is "Financial Statement Analysis & Valuation," by Easton, McAnally, Sommers, and Zhang [2].

The Business Analysis course, taught at UNWE, gives the following knowledge:

- can analyze financial statements and other sources of information in order to conduct financial diagnostics and determine the degree of financial sustainability and financial risk of the business entity;
- can assess the degree of business risk of an enterprise in terms of its main components - macroeconomic risk, market risk, sector risk, internal company risk and risk related to business resources;
- can apply modern ways and methods of assessing businesses efficiency;
- can determine the fair value of the company and its shares;
- can develop and evaluate business projects;
- can interpret the results of the analysis, draw conclusions and make managerial decisions;
- can generate ideas for improving the organization of individual business processes in the enterprise, improving business efficiency and improving its management.

Successful graduates:

- concerning the essence of business analysis as a function and instrument of the management, as a scientific discipline and a profession as well;
- about its relations with other scientific and applied disciplines;
- about the subject, scope and objects of the Business analysis;
- about its objectives, tasks and methodology;

METHODOLOGY OF TRAINING AND KNOWLEDGE EVALUATION

The training in the course and the way of assessing the knowledge is in line with its practical orientation. From this point of view, priority is given to the individual assignments that each student receives in relation with a coursework. It is a practical analysis of real enterprise data and forms half of the final grade. The subject of the coursework and the practical analysis, respectively, can be done in several main directions: Assessment of the degree of business risk of an enterprise; Assessment of the financial sustainability of an enterprise; Business efficiency analysis; Determining the return on invested capital and the economic value added during a period; Determining the fair value of the company and its shares; Developing and evaluating an investment project; Developing a balanced scorecard for assessing business performance and strategic management etc. Most of the developments (coursework) are based on information about public companies. The students have access to information about public companies - their financial statements, annual activity reports, stock market information about the prices of their shares, industry statistics, etc. Students present a brief multimedia presentation on their coursework. Then they respond to questions asked by the lecturer. The aim of the coursework is for students to acquire experience and practical skills concerning the process of collecting and processing the information required for the analysis; applying the methodology of analysis on the chosen topic; shaping and presentation the results of the analysis through diagrams, comparative tables, etc.; interpretation of results, formulation of conclusions and recommendations. The final grade for the course "Business Analysis" is an arithmetic mean of a coursework and a test grade.
ADDITIONAL UPDATE OF THE CURRICULUM

In 2014 year an additional update was made on some of the themes in the Business Analysis curriculum, by the project "Updating the curriculums in the Bachelor's degree programs for a professional field "Economics" in accordance with the labor market needs for building an economy based on knowledge". The project was implemented with the financial support of the Operational Program "Human Resources Development" (2007-2013), co-financed by the European Social Fund of the European Union. The curriculum update was dictated by the following considerations: 1) There are alternative aspects, models and methods of analysis with respect to specific objects of economic analysis in the enterprise that allow the object of the analysis to be viewed from another angle and evaluated from a different perspective. The inclusion of such alternative aspects, models and methods of analysis into existing thematic units in the Business Analysis curriculum significantly widens the capabilities of analysis as a specialized function of management and enriches the content of thematic units.; 2) There is a need to strengthen the practical element in the student's training in Business Analysis, so further practical case studies and tasks have been developed for some of the topics in the syllabus. The aim is:

- the course to be enriched with more practical examples;
- to demonstrate the possibilities of modern business analysis to solve various practical cases and problems;
- students to have better understanding the methodology of business analysis of the specific objects and aspects of the enterprise's activity;
- to make it easier for students to develop their coursework.

OPENING OF A NEW MASTER PROGRAM IN THE FIELD OF BUSINESS ANALYSIS

Since 2015 a new Master's program entitled "Accounting and Business Analysis" has been set up, where students of majors Accounting, Finance and Financial Controls are being trained. It includes the following courses in the field of Business analysis and Valuation: "Financial statement analysis", "Balanced Indicators to measure business efficiency", "Investment Analysis" and "Value-based models for business appraisal". This new master's program was designed to meet the increasing needs of business practice by business analysts and appraisers with more knowledge and skills.

REFERENCES


APPENDIX 1

SYLLABUS Ф43804О0859 “BUSINESS ANALYSIS “, Bachelor’s degree

Lecturer: Lyubomir Todorov, Ph.D,
associate professor at Accounting and Analysis Department, UNWE

Course Framework
(List of topics)

2. Break-even point analysis for business risk assessment. Operating leverage and Margin of safety. Companies with high and companies with low operating leverage. Calculating the coefficient of variation of sales and operating income. Splitting costs into two types - fixed and variable costs. Profit sensitivity analysis.

6. Financial and Total leverage analysis. Optimizing the capital structure.

7. Value-Based Management (VBM) and value-based models for assessing business performance. Economic Value Added (EVA).


14. Analysis of investment activities. Elements of the investment project. Determining Net Cash Flows (NCF). Assessment of the investment projects - Net Present Value (NPV), Internal Rate of Return (IRR), Modified Internal Rate of Return (MIRR), Index of Profitability (PI), Benefits – Costs Ratio (BCR), Discounted Payback Period (DPBP), Net Future Value ( NFV), Annuity method. Investment risk analysis.

15. Balanced Scorecard model (BSC) for business analysis and strategic management. Key aspects (legs) in BSC - the Customer Leg, the Financial Leg, the Internal Business Process Leg, and the Knowledge, Education, and Growth Leg. Indicators used in BSC and rating scales. Stages in the preparation and implementation of the BSC. BSC-sample of a production company.

References:
Primary:

Additional: