

# Internal Rating Systems and the Bank-Firm Relationship

Valuing Company Networks

Bernardino Quattrociochi



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# Internal Rating Systems and the Bank-Firm Relationship

## Valuing Company Networks

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Summary: "In response to the complexity of the corporate environment and competition, companies are seeking a new organizational set to maintain their competitive advantage. Various empirical studies have been conducted which demonstrate firms' abilities to increase value through network creation. From a lender's point of view, a member of a network deserves more attention and a better rating because it is seen as innovative in pursuing internationalization and overcoming a size gap and any capital shortage. This book provides the conceptual and operational tools for understanding the mechanisms for assigning a rating to a network of companies. In it, the author explores the rating systems of corporate networks and analyses the link between rating and an enterprise network. The first part of the book investigates the criteria for the classification of networks and the methods and types of inter-company connections. The second part of the book configures possible paths of rating assignments in relation to the quantification of a corporate network. The third part of the book addresses practical guidelines for quantifying the award-network and proposes possible ways of rating assignment. Finally, the author offers insight and practical guidelines for the quantification of the "premium network", examining the real worth of network rating to a corporation. This book offers theoretical and practical insight into a topic of significance to anyone with an interest in credit and risk management, banking, accounting and finance. It is an excellent source of research for students and teachers alike, and a valuable reference work for undergraduate, post-graduate and PhD students in relevant subjects" — Provided by publisher.

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