[SISCI] MANAGEMENT CONTROL

Introduction

Management Control is a must in any organization where empowerment or delegation exists. Furthermore, every manager will either have to manage others within a certain management control system or be a "sufferer" of such a system.

The term Management Control covers the formal systems that organizations implement to manage people and drive performance in the presence of decentralization. It deals with the design of the management systems needed to control business strategy and its implementation. It also includes the process of control, that is, how these systems promote goal congruence and how they help align the decisions of individuals in the firm with its objectives. Ultimately, Management Control is also about people…

In a nutshell, Management Control is about aligning organizations for performance, in order to aid in the complex process of strategy implementation and value creation.

Management control ties in with, and builds on, concepts from strategy, organizational behavior, human resource management, accounting, and management information systems. This course is not "technical" in nature, even though some numbers have to be done... The main prerequisite to successfully complete this course is to be able to, and willing to, think!

Objectives

The objective of this course is to expose students to a wide spectrum of management control problems that occur in any organization. The difference between the management control structure and the management control process will be studied, and the appropriate tools and techniques for a successful implementation will be introduced.

Content

The course is divided into two parts (details to follow):

1. Face-to-face sessions: The class sessions we will have together during the residential period, and exceptionally, one synchronous online case discussion prior to that.

2. The post-residential readings: We will discuss a case on fraud and strategic risk management on the virtual platform in an asynchronous mode. This will allow us to have more time to include additional examples on fraud and management control tools, as well as to discuss compliance issues, corporate governance, the role of the board, etc.

Course materials have been provided and consist of *Technical Notes* and *Cases*.

Methodology

The course will rely on case discussions, lectures and mini lectures at the end of some case discussions (62,5hrs).

Evaluation

Your course grade will be based on your performance in class (50%), an individual assignment (25%), and discussion board participation during the post-residential reading period (50%). Participation is, therefore, an important part of your evaluation.

Performance in class refers to your active class participation. I use a 3-point system: 1 point for saying something positive; 2 points for saying something relevant; 3 points for pushing the class forward and/or a significant contribution. Note that quality is more important than quantity.

Competences

Basic Competences

CB6. Possess and understand knowledge that provides a basis or opportunity to be original in the development and / or application of ideas, often in a research context.

CB7. The students know how to apply the knowledge acquired and their ability to solve problems in new or unfamiliar environments within broader (or multidisciplinary) contexts related to their area of study CB8. The students can integrate knowledge and face the complexity of formulating judgments based on information that, being incomplete or limited, includes reflections on social and ethical responsibilities linked to the application of their knowledge and judgments.

CB9. Students know how to communicate their conclusions and the knowledge and ultimate reasons that support them to specialized and non-specialized audiences in a clear and unambiguous way.

CB10. Students possess the learning skills that allow them to continue studying in a way that will be largely self-directed or autonomous.

General Competences

CG1-To explain and discuss business situations in a rigorous, effective way using both formal and informal procedures, and providing relevant information to support their observations and conclusions.

CG7-To distinguish and categorize relevant information effectively for business decision making.

CG9-To interpret the global context in order to analyze and judge the threats and opportunities facing the organization.

CG12-To apply business techniques that integrate the interests of all parties in order to reach satisfactory, lasting agreements by uncovering or creating elements that bring added value to the relationship.

Specific Competence

CE28-To handle monitoring tools to help implement the company's strategy.