



APPLIES TO ACADEMIC YEAR 2007/2008

GRA 6339 Management Control in multinational enterprises

Program

Master of Science in International Marketing and Management

Responsible for the course

Hanno Roberts

Department

Accounting - Auditing and Law

Term

According to study plan

ECTS Credits

6

Language of instruction

English

Objective

This course addresses the managerial control issues of international organizations, paying particular attention to the knowledge and human resource aspects of such organizations. The international organization can no longer rely only on financial controls to manage and direct its subsidiaries. Corporate Head Quarter's desire for uniform and standardized global control across subsidiaries clashes with the need for flexible control grounded in unique local conditions and markets. As a consequence, international organizations' modes of control needed to be expanded and include additional competitive resources, such as the human resource and the knowledge resource. The experience in practice with including these two additional resource components tends to run ahead of academic studies, opening up for highly contemporary research avenues. The objective of this course is to map out and understand the various layers of management control, and how these are applied by international organizations.

Prerequisites

The personal capability to think multidisciplinary, and a tolerance for ambiguity.

Compulsory literature

Other:

As this course is multidisciplinary, no single textbook is used. The literature consists of selected articles and book chapters.

Articles from e.g. Academy of Management Review, Academy of Management Perspectives, Organisation Science, Human Resource Management, California Management Review, Sloan Management Review, Management Accounting Research, Knowledge Management.

Selected book chapters.

Management Control of Multinational Enterprises in China, N.G. O'Connor, 2006, McGraw-Hill.
The Global Challenge: framework for international human resource management, P.Evans, V.Pucik and J.-L. Barsoux, 2002, McGraw-Hill.

Performance Measurement & Control Systems for Implementing Strategy, R. Simons, 1999, Prentice-Hall.

Knowledge Management in Organisations: a critical introduction, D.Hislop, 2005, Oxford University Press

Recommended literature

Course outline

The course is broken down into three elements, with an emphasis on the last two:

1. Existing theoretical control frameworks
2. Key concepts in management control
3. Knowledge and human resource control systems.

Theoretical control frameworks provide a conceptual fundament for the design of methods and model, covering:

- Hierarchical coordination perspectives (transaction cost economics, agency theory)
- International accounting perspectives (foreign operations, business combinations)
- Organizational control perspectives (clan controls, network perspectives)

Key concepts in management control provide an overview of the existing management control paradigms and models, covering:

- Control tightness and control looseness (innovation and control systems)
- Results, Actions, and Personnel/Cultural controls (performance measurement systems)
- Interactive and collaborative controls (strategic uncertainty, IT-based collaborative systems).

Human and knowledge resource control systems addresses the international organization as a knowledge organization based on its human resources, covering:

- Knowledge processes in globally networked organizations (knowledge sharing, transfer of best practices)
- HRM in the international organization (steering with HRM systems)
- Global integration, local responsiveness (im- and expatriation, managing alliances and diverse multi-cultural combinations).

Computer-based tools

An intensive use of Blackboard is made

Course structure

The three topical areas are given in-depth coverage by means of the latest research studies combined with guest lectures from experienced practitioners while also employing learning-by-doing, using a series of recent case studies and a practical assignment.

In this course class attendance is mandatory. Unexcused absence can result in a lower score. Specific Information regarding student evaluation will be provided in class.

Evaluation

Evaluation is continuous and based on individual class participation (25%), individual course papers and presentations (25%), case group work (20%), and a practical group assignment (30%). There is no final examination.

Evaluation code(s)

GRA 63391 counts for 100% of the final grade in GRA 6339

Aids at the examination

not applicable

Makeup exam

Re-takes are only possible at the next time a course will be held. When course evaluation consists of class participation or process elements, the whole course must be re-evaluated when a student wants to retake an exam. Retake examinations entail an extra examination fee.

Honor Code

Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academy integrity. If you have any questions about your responsibilities under the honor code, please ask.