



APPLIES TO ACADEMIC YEAR 2009/2010

GRA 6339 Management Control in Multinational Enterprises

Programme

Master of Science in International Marketing and Management

Responsible for the course

Department

Department of Accounting - Auditing and Law

Term

According to study plan

ECTS Credits

6

Language of instruction

English

Introduction

Learning outcome

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 reading

Other:

-During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

A list of compulsory readings will be provided on Blackboard or in class.

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 reading

Course outline

The course is broken down into three elements:

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

Learning process and workload

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.

Please note that while attendance is not compulsory in all courses, it is the student's own responsibility to obtain any information provided in class that is not included on the course homepage/Blackboard or text book.

Examination

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.

Specific information regarding student evaluation beyond the information given in the course description will be provided in class. This information may be relevant for requirements for term papers or other hand-ins, and/or where class participation can be one of several elements of the overall evaluation.

Exam code(s)

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

Examination support materials

Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary.
<http://www.bi.edu/studenthandbook/examaids>

Re-sit examination

Re-takes are only possible at the next time a course will be held. When the course evaluation has a separate exam code for each part of the evaluation it is possible to retake parts of the evaluation. Otherwise, the whole course must be re-evaluated when a student wants to retake an exam. Retake examinations entail an extra examination fee.

Additional information

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 academic integrity. If you have any questions about your responsibilities under the honor code, please ask.