Universitat Autònoma de Barcelona

2018/2019

Behavior, Contracts, Organitzations and Human Resources

Code: 41982
ECTS Credits: 15

Degree	Type	Year	Semester
4311312 Management, Organization and Business Economics	OB	0	1

Contact

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Use of languages

Principal working language: english (eng)

Teachers

Carles Sola Belda

Prerequisites

Students should be familiarized with basic instruments of microeconomics, such as preferences, risk aversion and expected utility, technology and equilibrium analysis. Basic real analysis and algebra are instruments used in the entire module.

Objectives and Contextualisation

This module includes several topics related to the economic analysis of the internal organization of the firm. The organization and development of the module will take into account the main learning objective of providing students with relevant economic theory to perform applied research in different fields of management.

The theories are built on economic analysis of transactions and production and focused on the design of contracts, the way that persons organize such transactions. The contract is the result of a negotiation process among the affected parties. Games and behavioral economics provide the instruments for analyzing these processes. The module analyzes repeated and non repeated games under different information situations as well as non-cooperative and cooperative games. We aslo discuss experiments in economics and behavioral economics, stressing the differences in behavior with respect to theory and also gender differences. We make special emphasis on the applications of cooperative games to the contract design. The module also analyzes how external constrains (laws and state regulation) affect the design of such contracts.

The module emphasizes the application of the theories studied in the analyses of the human resources policies of the firms, with emphasis in firm policies regarding recruiting, training, incentives and career concens. Empirical evidence on gender discrimination and wage gaps will be discussed. Other potential applications (industrial organization, corporate finance…) are also discussed.

Skills

- Analyse business cases from a theoretical perspective with the aim of better understanding organisational behaviours.

- Analyse the different practices and strategies in human resources from the perspective of economic rationality.
- Design organisational strategies on the basis of available theoretical concepts and empirical evidence.
- Develop a critical and a constructive attitude to one's work and that of others.
- Develop an ethical, social and environmental commitment.
- Draw valid conclusions for business from case studies.
- Evaluate decisions based on efficiency and social equity criteria.
- Explain and motivate the analyses, interpret the results and present all these clearly and concisely in English.
- Identify the relevant sources of information and their content for subsequent analysis.
- Interpret the most recent theoretical debates about forms of contracting, management and administration of organisations.
- Leadership and decision-taking capability.
- Master the technical and IT tools needed to carry out applied studies.
- Present research results to various audiences using the different media available.
- Understand, analyse and solve complex problems related to the efficiency of organisations on the basis of broad knowledge of advanced tools for business economic analysis.
- Work in multidisciplinary international teams.

Learning outcomes

1. Analyse the different practices and strategies in human resources from an economic perspective.
2. Derive implications for organisational design and culture.
3. Design optimal human resource policies.
4. Develop a critical and a constructive attitude to one's work and that of others.
5. Develop an ethical, social and environmental commitment.
6. Discover the factors that limit the firm and its forms of cooperation.
7. Enumerate and define the different criteria of business efficiency.
8. Explain and motivate the analyses, interpret the results and present all these clearly and concisely in English.
9. Further investigate behavioural economics and information economics.
10. Further investigate their implementation and design.
11. Identify the implementation of these theories in the real world.
12. Identify the relevant sources of information and their content for subsequent analysis.
13. Interpret organisational decisions by applying criteria of business efficiency and equity.
14. Investigate the design and organisational culture of the business.
15. Know efficient practices in human resources.
16. Leadership and decision-taking capability.
17. Master the technical and IT tools needed to carry out applied studies.
18. Present research results to various audiences using the different media available.
19. Recognise the differences between the different theories.
20. Show mastery of theory of organisations, contract theory and game theory.
21. Study the limits of the firm and its forms of cooperation.
22. Understand the concept of social equity and its complexity in the business environment.
23. Work in multidisciplinary international teams.

Content

The module presents the main economic theories on the design of contracts.

Three main blocks can be distinguished. Game theory will buid the instruments used in the design of contracts. Special emphasis will be taken on cooperative game theory (Economics of contracts) and applications to the human resoures management (Human resources). Below are some of the main points analyzed during the module.

1. Static games of complete information

2. Dynamic games of complete information and repeated games.
3. Games of incomplete information
4. Cooperative games
5. Experimental methods
6. Behavioral Economics
7. Complete contracts under asymmetric information -Moral hazard (agency theory) -Extension.
8. Multi-Agent contracting -Adverse Selection and Mechanism design -Moral hazard in team
9. Implicit contracts -Theory -Relational contracts -Career concerns
10. Incomplete contracts
11. Informal contracts
12. Contracts and the Law
13. Human capital and their observability.
14. Learning about innate abilities: A midpoint between human capital and signaling from a dynamic perspective.
15. Human capital and firms internal organization.
16. Motivation: The agency problem. Incentive contracts.
17. Human resource management and performance
18. Internal Labour Markets
19. Unions and HRM.

A detailed description of their contents can be found: http://www.mmobe.uab.cat/en/

Methodology

The module combines theoretical lectures and practical sessions that require the dynamic participation of students. Learning activities include: following lectures on
main topics, making of problems and computer exercises, reading and critical reviewing of papers. This is an interactive module. Case preparations and in-class
discussions will form the important benchmarks of progress. In-class discussions give students an opportunity to apply material from the class to real-world problems. Other class sessions will be primarily dedicated to lecture material and shorter discussions

Activities

Title	Hours	ECTS	Learning outcomes
Type: Directed			
Lectures, discussions and case presentations	175	7	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23
Type: Supervised			
Training and monitoring of work in progress and cases	50	2	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23
Type: Autonomous			
Reading related cases and practical preparation and problem sets.	110	4.4	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23

Evaluation

The module assessment will consist of:

- Assignments (resolution of problems, case studies). Even if cooperation is valuable, all problem set must contain only individual answers to the problems.
- Paper discussions
- Exams

Attending the sessions is a requirement.

The module is passed when the final mark is equal or higher than five**.**

Evaluation activities

Title	Weighting	Hours	ECTS	Learning outcomes
Assignments	40	15	0.6	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23
Content exams	50	15	0.6	9, 10, 11, 14, 15, 19, 20, 21, 22
Paper discussions	10	10	0.4	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23

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