

Organisational Design

Code: 104679
ECTS Credits: 6

Degree	Type	Year	Semester
2501572 Business Administration and Management	OT	4	1
2501573 Economics	OT	3	2
2501573 Economics	OT	4	1

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Use of Languages

Principal working language: catalan (cat)
Some groups entirely in English: No
Some groups entirely in Catalan: Yes
Some groups entirely in Spanish: No

Prerequisites

There are no specific prerequisites.

In the subject, concepts analyzed in other courses will be used: decision trees, backward induction, joint and conditional probabilities, and Bayes' theorem. Although they will be reviewed again, having these concepts consolidated will help to follow the subject.

Objectives and Contextualisation

The design of business organizations is the result of a delegation process of decision-making. Throughout this course, we try to provide the conceptual instruments in order to value in monetary terms the benefits and costs of the delegation of decisions, and therefore how these decisions end up affecting the organizational structure of the company and its ability to create value and as a consequence its competitiveness.

It is pursued that at the end of the course the student is able to:

1. Identify the main determinants of the benefits and costs of delegating a decision.
2. Identify whether a decision should be delegated or not.
3. Identify the main mechanisms to reduce the costs of the delegation of a decision.
4. Assess the maximum cost that the company is willing to pay for implementing the aforementioned mechanisms.

Competences

- Business Administration and Management
 - Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.

- Capacity for oral and written communication in Catalan, Spanish and English, which enables synthesis and oral and written presentation of the work carried out.
- Delegate decision making to the workers and provide them with the necessary incentives so that those decision are taken in the interest of the company as a whole.
- Demonstrate initiative and work individually when the situation requires it.
- Identify the positive contributions that companies make to society, developing socially responsible management and encouraging the development of objective instruments that allow for the measurement and valuation of such contributions.
- Lead multidisciplinary and multicultural teams, implementing new projects and coordinating, negotiating and managing conflicts.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.

Economics

- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.
- Delegate decision making to the workers and provide them with the necessary incentives so that those decision are taken in the interest of the company as a whole.
- Demonstrate initiative and work individually when the situation requires it.
- Demonstrate knowledge of the processes for the implementation of company strategies.
- Lead multidisciplinary and multicultural teams, implementing new projects and coordinating, negotiating and managing conflicts.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Transmit company, department or work objectives clearly.
- Value ethical commitment in professional practice.

Learning Outcomes

1. A capacity of oral and written communication in Catalan, Spanish and English, which allows them to summarise and present the work conducted both orally and in writing.
2. Adapt the formulation and implementation of strategies to different settings, family companies or recently-created companies.
3. Analyse the main motivation systems in companies.
4. Apply the processes of formulating strategies to specific cases.
5. Assess ethical commitment in professional activity.
6. Back up business strategy decisions.
7. Capacity to continue future learning independently, acquiring further knowledge and exploring new areas of knowledge.
8. Demonstrate initiative and work independently when required.
9. Design effective motivation policies.
10. Draft business plans.
11. Explain the origin and assess companies' contribution to social welfare.
12. Lead multidisciplinary and multicultural teams, implement new projects, coordinate, negotiate and manage conflicts.
13. List the basic stages and processes in the formulation and implementation of a business strategy.
14. Organise work, in terms of good time management and organisation and planning.
15. Relate the business strategy to the objectives of the company and its breakdown into departments or units.
16. Select and generate the information needed for each problem, analyse it and make decisions based on this information.

Content

Topic 1. Introduction.

Object of analysis, relevance and methods

Topic 2. Delegation of decisions and knowledge.

Benefits and costs of delegation. The delegation of decisions and knowledge. Delegation and salaries. Knowledge and wages: the theory of human capital. Acquisition and transmission of knowledge. Investments in training. Remuneration and human capital. Professional career plans.

Topic 3. Coordination.

Coordination and complementarities. Costs of the decoordination and the maximum amount to pay for a coordination system. Common coordination systems: Routines, Business plans, strategic plans, Scorecard Balance. Coordination and business growth.

Topic 4. Information.

Expected value of perfect and imperfect information: Quality of information and willingness to pay for it. Information systems. Requirements for information systems.

Topic 5. Motivation.

Conflicts of interests. Contracts as a means of resolving conflicts of interest. Information asymmetries and contracts problems. Theory of the agency. Incentive contracts.

Methodology

Teaching will be offered on campus.

The objective of the subject is the application of rigorous theoretical foundations to analyze the problems of organizational design of companies.

That is why it is necessary:

1. Explain the main theories.

This will be done through master classes and additional readings.

2. Numerical cases and exercises.

To illustrate the different theoretical models, there will be small real business cases and numerical exercises related to the cases will be made.

These cases will be exposed and discussed by the students in the practical classes

3. End of course presentation

By groups, an application will be presented to a particular business case of the topics covered in class

The proposed teaching methodology may undergo some modifications according to the restrictions imposed by the health authorities on on-campus course

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Practical classes	17	0.68	2, 3, 1, 7, 8, 9, 13, 11, 12, 14, 15, 16, 5
Theoretical classes	32.5	1.3	2, 3, 1, 7, 8, 9, 13, 11, 12, 14, 15, 16, 5
Type: Supervised			
Tutorials	10.5	0.42	3, 1, 7, 9, 11, 5
Type: Autonomous			
Elaboration and preparation of exercises and presentations	42	1.68	2, 3, 1, 7, 8, 9, 13, 11, 14, 15, 5
Study and understanding of the matter	43	1.72	2, 3, 1, 7, 8, 9, 13, 11, 12, 14, 15, 16, 5

Assessment

The assessment of the course will consist of:

Exams (see calendar of the Faculty). Written tests where the student will be evaluated for all the contents of the subject. There will be a partial exam of the first subjects of the course (Grade P). In the final exam there will be two parts, one related to the contents evaluated in the first part (Grade P1) and the other part for the rest of the contents (Grade P2).

The final mark of the exams (Grade E) will be calculated as follows: 50% the best grade between the partial (P) and the first part of the final exam (P1). 50% the second part of the final exam (P2).

If the final mark of the exams (Grade E) is equal to or greater than 4, the final grade of the exams (Grade E) will represent 40% of the final grade of the course. The remaining 60% will be based on the evaluation of the course tracking. If the final mark of the examinations (Grade E) is less than four the student will suspend the subject. Students can recover the grade if they pass the follow-up process and the final grade of the course is equal or higher than 3.5 (below are further details).

Follow-up of the course. The correct follow-up of the course requires class attendance and the execution of the

exercises and programmed activities. Throughout the course, all these aspects will be controlled giving rise to a note that will represent 60% of the final mark of the course. This note will be published before the final exam. If the course follow-up is less than 5, the subject will be suspended.

10% Class attendance. Daily control The note will be the percentage of classes assisted with respect to the total.

25% Weekly delivery of small cases / exercises by groups. Each week of teaching between September and November (between 10-12 cases / exercises) a case will be delivered. Solutions will be made outside the classroom and will be delivered in writing. Each case / exercise will be evaluated and will have a note.

10% Oral presentations of cases / exercises in class. The cases will be exposed and corrected in class by groups. The rest of the students will value them. The final grade is the average between the students' note and the one from the teacher.

15% Final oral presentation. During the last weeks of the course, it will be done by groups a presentation of about 20 minutes and 5 of discussion on a topic chosen by students and related to the course. For example, applying concepts to a company, commenting on a book or recent statistics. The rest of the students will appreciate it. The final grade is the average between the students' note and the one from the teacher. Currently we are working in the development of Global Learning project share with the Tecnológico de Monterrey: (<https://www.tecglobalclassroom.mx/modelo>) details will be provided during the course. The participation in this project will exempt the students of the final presentation.

A student is considered as non-evaluable when not participating in the final exam.

Calendar of evaluation activities

The dates of the different evaluation tests will be announced well in advance during the semester.

The date of the final and mid-term exam of the subject is programmed in the calendar of exams of the Faculty.

"The programming of the evaluation tests can not be modified, unless there is an exceptional and duly justified reason why an evaluation act can not be performed. In this case, the people responsible for the degrees, after consulting the teaching staff and To the affected student, they will propose a new programming within the corresponding teaching period." Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB)

The students of the Faculty of Economics and Business who, in accordance with the preceding paragraph, need to change an evaluation date, must present the petition by filling out the document Request reprogramming test https://eformularis.uab.cat/group/deganat_feie/solicitud-proof-testing. In the case of this subject, it is understood that it only refers to the final exam and in any case it is recommended to speak with the teacher in advance.

Procedure for review of qualifications

Coinciding with the final exam will announce the day and the medium in which the final qualifications will be published. In this way, the procedure, place, date and time of the review of exams will be reported according to the regulations of the University.

Recovery process

"To participate in the recovery process, students must have been previously evaluated in a set of activities that represent a minimum of two thirds of the total grade of the subject or module." Section 3 of Article 112 ter. Recovery (UAB Academic Regulations).

The application of this rule to the specific case of the subject is as follows:

"All students are required to perform the evaluation activities. If the student's grade is 5 or higher, the student passes the course and it cannot be subject to further evaluation. If the student grade is less than 3.5, the student will have to repeat the course the following year. Students who have obtained a grade that is equal to or greater than 3.5 and less than 5 can take a second chance exam. The lecturers will decide the type of the second chance exam. When the second exam grade is greater than 5, the final grade will be a PASS with a maximum numerical grade of 5. When the second exam grade is less than 5, the final grade will be a FAIL with a numerical grade equal to the grade achieved in the course grade (not the second chance exam grade).

A student who does not perform any evaluative task is considered "not evaluable", therefore, a student who performs a continuous assessment component can no longer be qualified with a "not evaluable".

The interpretation of the above regulation for this subject is the following:

There will be re-evaluation for those students who have not passed the subject, but the course follow-up mark is greater than 5 and the final grade of the course is equal or higher than 3.5.

The re-evaluation will consist of a new test.

Tracking the course will not be re-evaluated.

The teaching staff will allocate approximately 15 minutes of some class to allow their students to respond to the evaluation surveys of the teaching performance and evaluation of the subject or module

The proposed evaluation activities may undergo some changes according to the restrictions imposed by the health authorities on on-campus courses.

Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Case presentations	20%	1.5	0.06	1, 7, 9, 11, 8, 12, 14
Class attendance	10%	0	0	2, 3, 1, 7, 9, 15, 16, 5
Deliver cases and exercises	30%	0	0	3, 1, 7, 8, 9, 13, 11, 12, 14, 15, 16
Final Exam	20%	2	0.08	2, 3, 4, 1, 7, 8, 9, 10, 13, 11, 6, 12, 14, 15, 16, 5
Mid term exam	20%	1.5	0.06	2, 3, 1, 7, 9, 15, 16, 5

Bibliography

Virtual campus notes:

There are some notes with links to the references most relevant for each of the sections analyzed during the course.

Related references (last editions identified):

Galán, J.I. (2014) "Diseño Organizativo". Editorial Paraninfo. 2a Edición. Madrid.

Brickley J., Smith, C., Zimmerman J. (2011) "Economía Empresarial y Arquitectura de la Organización". McGraw-Hill Interamericana de España S.L.; N.º 1 edición

Milgrom, P.; Roberts, J. (1993) "Economía, organización y gestión de la empresa". Ariel Economía, Barcelona.

Jost, P.J. (2014) "The Economics of Motivation and Organization. An Introduction". Edward Elgar Publishing Inc. Northampton, Massachusetts USA.

Judge, W.Q. (2012) Focusing on Organizational Change. Saylor Foundation. Open Textbook Library.

Lectures avançades:

Gibbons, R, Roberts, J. Eds. (2013) The Handbook of Organizational Economics. Princeton University Press.

Salas, Vicente. "Economía de la empresa". 2ª edición. Ariel Economía, Barcelona (1996).

Software

No specific software is needed, beyond the **basic software** usually included in any computer (wordprocessor, spreadsheet...)