

## Syllabus

### Subject

<b>Subject / Group</b>	21208 - Design of Organisations / 60
<b>Degree</b>	Double Degree in Business Administration and Tourism - Second year Degree in Business Administration - Second year Double Degree in Business Administration and Law (2013 syllabus) - Second year
<b>Credits</b>	6
<b>Period</b>	2nd semester
<b>Language of instruction</b>	English

### Professors

Lecturers	Office hours for students					
	Starting time	Finishing time	Day	Start date	End date	Office / Building
Eduard Alonso Paulí	17:00	18:00	Tuesday	09/09/2019	30/06/2020	DB003

*Responsible*  
[eduard.alonso@uib.es](mailto:eduard.alonso@uib.es)

### Context

One of the main challenges of entrepreneurs, managers and any other agent running a firm is to establish the rules and coordination mechanisms that make the decision making process more efficient. Most of these rules and mechanisms are embedded in the organization design. Therefore, building the organizational architecture that better supports the organization's strategy is a key aspect of the managerial function. The Organizational Design course is aimed to provide the students with the knowledge, tools and abilities to develop the competences necessary to make such decisions. In order to develop the full potential of the students, the course combines theoretical concepts derived from Economics and Organization Theory, and seminars and applied methodologies to analyze particular case studies and stylized situations equivalent to the real world problems. The final goal of the course is that students could easily frame and define the particular situations and that provide the better suited answer.

### Requirements

## Syllabus

### Recommended

The course does not demand full proficiency in any particular course. Nonetheless, it is recommended that students have obtained enough credits from the courses 'Introduction to business' and 'Operations and Production Management'.

### Skills

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#### Specific

- \* Being able to evaluate the empowerment and decision delegation that better fits the firms' organization depending on their characteristics
- \* Being able to design performance appraisal mechanisms of the business units of a firm.
- \* Being able to understand the relationship among performance appraisal mechanisms and the design of incentives.
- \* Being able to acquire and understand the criteria for task allocation and teamwork management.

#### Generic

- \* Being able to prioritize decisions in order to achieve organizational goals.
- \* Develop the ability to identify, gather and interpret the relevant data in order to make insights and pronounce her/him about social and scientific topics.

#### Basic

- \* You may consult the basic competencies students will have to achieve by the end of the degree at the following address: <http://www.uib.eu/study/grau/Basic-Competences-In-Bachelors-Degree-Studies/>

### Content

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The appropriate functioning of a firm requires establishing coherent criteria on the relationships among its stakeholders. The criteria include the allocation of tasks, the definition of responsibilities, and the authority that each and everyone in the organization have to make decisions and provide directions to other stakeholders. The goal of the course is to study such criteria using the analytic tools of economics and organization theory.

#### Range of topics

1. Introduction and key concepts
  - Preliminary concepts
  - Basics mathematical tools
  - Decision criteria under risk
2. Markets and firms. The vertical chain of production
  - Different ways to organize production activities: markets and firms
  - Use of contracts in the market
  - Outsourcing an activity: main benefits and costs
3. Subcontracting and incomplete contracts



## Syllabus

- Transaction costs and opportunistic behavior
- Buyer seller relationships in the presence of specific assets
- Market reputation: the role of implicit contracts
- 4. Vertical integration and agency problems
  - The agency problem and the use of incentives
- 5. Task allocation into business units
  - Assigning tasks to employees: specialized vs broad assignments
- 6. Decision-making within the firm. Centralization and delegation of decisions
  - Centralize or decentralize: main advantages and disadvantages
  - Centralize: information of the headquarters
  - Decentralize: adaptation vs. coordination
- 7. Creation of work-groups
  - Team formation
  - Benefits to team formation: saving fix costs and complementarities
  - Costs to team formation: coordination and free riding
  - Managing teams: team size and incentives
- 8. Performance evaluation
  - Main problems at measuring performance: cost centers, revenue centers and profits centers
  - Main criteria to evaluate performance of those sub-units
- 9. Transfer pricing
  - Transfer pricing as a mechanism to evaluate business units
  - Transfer pricing and outside opportunities
  - Transfer pricing and taxes
- 10. Cooperatives
  - Organization of cooperatives: consumers, workers and suppliers

### Teaching methodology

In order to successfully develop the different competencies of this course, this section describes both classroom and homework activities planned throughout the course

In this regard, the use of “Aula digital”, dedicated to flexible and distance learning, will allow the student to have at their disposal an online and remote communication system with the teacher, providing teaching material, tasks, forums, etc. with the objective to ease and promote the autonomous activities of the student.

In-class work activities (1.8 credits, 45 hours)

Modality	Name	Typ. Grp.	Description	Hours
Theory classes	Lectures	Large group (G)	Presentation of the concepts of organizational design and its theoretical domain. The student will have access to lecture	21.5

3 / 7

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## Syllabus

Modality	Name	Typ. Grp.	Description	Hours
			notes and basic textbooks to gain a deeper insight on the theoretical issues discussed during class.	
Practical classes	Workshops	Medium group (M)	The students will assess their own achievement on the theoretical lectures by applying their knowledge on exercise and problem solving. The exercises will simulate real-life situations, and will require decision making to design an organization. The exercises could be demanded to be solved individually or in groups, depending on their challenge. Afterwards, the whole group will extract and gather together the main conclusions to homogenize and consolidate the knowledge. The homogenization process will also help to develop the ability to analyze and communicate the relevant information about the problem.	18
Assessment	Individual evaluation.	Medium group (M)	Students should test their knowledge during the course. Each exam will last no more than 1,5 hours.	3
Assessment	Final exam	Large group (G)	Official examination. The evaluation will assess the knowledge of concepts, theories and their applications. The exam will last no more than 2,5 hours.	2.5

At the beginning of the semester a schedule of the subject will be made available to students through the UIBdigital platform. The schedule shall at least include the dates when the continuing assessment tests will be conducted and the hand-in dates for the assignments. In addition, the lecturer shall inform students as to whether the subject work plan will be carried out through the schedule or through another way included in the Aula Digital platform.

### Distance education tasks (4.2 credits, 105 hours)

Modality	Name	Description	Hours
Individual self-study	Study and insight.	Individual study of all concepts, theories and material related to the course.	45
Individual self-study	Readings	Reading of the textbooks, case studies, and economic and management press for debating at workshops.	15
Group self-study	Study	Study in group of the course	15
Group or individual self-study	Assignment	Consolidation of the acquired knowledge by solving problems and exercises.  Identification of information sources; information analysis, build-on new information and present and discuss the main conclusions in group.	15
Group or individual self-study	Information research.	Identification of information sources to analyze during the workshops or assignments.	15

## Syllabus

### Specific risks and protective measures

The learning activities of this course do not entail specific health or safety risks for the students and therefore no special protective measures are needed.

### Student learning assessment

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The table of this section describes each evaluation procedure, its type (if an activity is recoverable in July or not), the evaluation criteria and its weight in the final mark of the course.

The student will get a numerical rating to each evaluation activity, and all evaluation activities will be weighted according to the weight set in the syllabus in order to obtain the overall grade for the course. The final mark will be a grade between 0 and 10, and in order to pass the course the student must meet two requirements:

1. Obtain a weighted mark of at least 5 over 10.
2. In addition, in the final exam is also essential to obtain a minimum of 4 over 10 to pass the course.

The final exam is the only activity recoverable, and can only be recovered in the period of extraordinary evaluation in July.

**There is an alternative evaluation system ("itinerari B") ONLY available for those students that are retaking the course AND are studying in a foreign university during the second semester. To pass the course, the student must obtain a weighted mark of at least 5 over 10. The grading of this alternative evaluation system is:**

- 1. 50% final exam in which it is required to obtain a minimum of 4 over 10 to pass the course**
- 2. 50% from an assignment to be solved individually.**

**In this "Itinerari B" both activities are retrievable during the extraordinary evaluation period in July.**

**It is compulsory that the student notifies to the professor the adherence to this alternative evaluation system. The student must notify the adherence to "Itinerari B" during the first two weeks after classes of this subject start.**

### Frau en elements d'avaluació

In accordance with article 33 of Regulation of academic studies, "regardless of the disciplinary procedure that may be followed against the offending student, the demonstrably fraudulent performance of any of the evaluation elements included in the teaching guides of the subjects will lead, at the discretion of the teacher, a undervaluation in the qualification that may involve the qualification of "suspense 0" in the annual evaluation of the subject".

### Individual evaluation.

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Modality	Assessment
Technique	Extended-response, discursive examinations ( <b>non-retrievable</b> )
Description	Students should test their knowledge during the course. Each exam will last no more than 1,5 hours.
Assessment criteria	There will be two individual evaluations along the classes. Each evaluation will count 20% on the final grade.

## Syllabus

If the student needs to attend the extraordinary examination in July, they will keep the grading of mid-term exam, with the same weights than during the course (20% each one of the individual evaluations).

Final grade percentage: 40%

### Final exam

Modality	Assessment
Technique	Extended-response, discursive examinations ( <b>retrievable</b> )
Description	Official examination. The evaluation will assess the knowledge of concepts, theories and their applications. The exam will last no more than 2,5 hours.
Assessment criteria	Passing the course implies fulfilling the following criteria: <ol style="list-style-type: none"><li>1. Student must achieve at least a mark of 4 out of 10 at the final exam.</li><li>2. Student must achieve at least a mark of 5 out of 10 at the global grading.</li></ol> The final exam includes all materials involved during class, readings, discussions, exercises, and mid-term exam.  If the student needs to attend to the extraordinary examination in July, they will be required to achieve again a mark of at least 4 out of 10 at this exam, and it will have the same weight for the final grade (40%).  Moreover, the global weighted grading must be at least 5.

Final grade percentage: 40% with a minimum grade of 4

### Assignment

Modality	Group or individual self-study
Technique	Papers and projects ( <b>non-retrievable</b> )
Description	Consolidation of the acquired knowledge by solving problems and exercises. Identification of information sources; information analysis, build-on new information and present and discuss the main conclusions in group.
Assessment criteria	Along the course, students will present (as a digital file and working in small teams) one problem set with a weight of 20%.  If the students need to attend the extraordinary examination in July, they will keep the grading of the final assignment, with the same weight than during the course (20%).  In case the student adheres to the B itinerary, the weight of this activity is 50% and it can be recovered at the extraordinary examination in July

Final grade percentage: 20%

## Resources, bibliography and additional documentation

There is not a single text book but a collection of lecture notes, several complementary readings, and other materials.

### Complementary bibliography

Brickley, James, Clifford Smith i Jerold Zimmermann, 2007, Managerial economics & organizacional architecture, McGraw-Hill.



## Syllabus

Froeb, Luke i Brian McCann, 2008, Managerial economics, Thomson.  
Milgrom, Paul i John Roberts, 1992, Economics, organization & management, Prentice Hall.  
Roberts, John, 2004, The modern firm, Oxford.  
Salas, Vicente, 1996, Economía de la empresa, Ariel economía.  
Vergés, Joaquim, 2000, Control i incentius en la gestió empresarial, servei de publicacions de la UAB.

### Other resources

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The professor will upload several working material on the Campus Extens' course web page.

