

THE UNIVERSITY of ILLINOIS at CHICAGO
COLLEGE of BUSINESS ADMINISTRATION
DEPARTMENT of ACCOUNTING
SUMMER SEMESTER 2008

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| Accounting 525 #15993 | Strategic Management and Control |
| Professor | Peter Chalos, PhD |
| Time | Tu/Th. 6:00 - 9:00 |
| Location | Burnham Hall 317 |
| Office | 2301 UH |
| Telephone | 312-996-2869 |
| Email | pchalos@uic |
| Prerequisites | Cost Accounting & Statistics |

Course Objectives

This course provides an overview of (i) operational and financial control processes; (ii) competitive advantage; and (iii) organizational control design. Control issues are discussed in the context of the current domestic and international business environment. Lectures by the professor introduce the topic. Students are expected to analyze, discuss and submit assignments as a team (max = 3), following the topic. Students will also deliver a class presentation of one topic. Any evidence of plagiarism from other students or documents will result in course failure. The work is demanding over an abbreviated academic summer session but complementary to other summer pursuits. I hope you enjoy it.

Required Text and Course Packet

Management Control Systems, Anthony & Govindarajan, 12th edition, McGraw Hill is available at the UIC bookstore and online at amazon.com. A course packet of cases and readings is required and available at the bookstore.

Library Reserve References

- (1) EVA and Value Based Management, Young & O'Byrne, McGraw-Hill, 2001
- (2) Benchmarking Strategies, Rider, Wiley, 2000
- (3) Economics, Organization and Management, Milgrom & Roberts, Prentice-Hall, 1992
- (4) Case Studies in Performance Management, Adkins, Wiley, 2006
- (5) Advanced Management Accounting, Kaplan & Atkinson, Prentice-Hall, 1998
- (6) Performance Measurement and Control Systems, Simons, Prentice-Hall, 2000

Assessment

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| Presentation | 10% |
| Midterm | 20% |
| Assignments | 50% |
| Final | 20% |

Topics and Class Schedule

Operational and Financial Control Processes

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| Date | June 17 |
| Topic | Strategic Planning Within an Industry |
| Read | Chapter 8 |
| Analysis | “APPLE COMPUTER” |
| Date | June 19 |
| Topic | Financial Planning |
| Read | Chapter 9, 10 |
| Analysis | “EVERGREEN” |
| Date | June 24 |
| Topic | Operational Planning |
| Read | Chapter 11 |
| Analysis | “SAMSUNG ELECTRONICS” |

Competitive Advantage

Date June 26
Topic Economic Determinants of Strategy
Read “Economic Concepts for Strategy”
Analysis “WEST COAST PRODUCTS”

Date July 1
Topic Differential Economies of Scope, Skill, and Scale
Read “The Horizontal Boundaries of the Firm”
Analysis “SOLAR SENSORS”

Date July 3
Topic Entry and Exit Strategies
Read “Strategic Positioning for Competitive Advantage”
Analysis “COLA WARS CONTINUE”

Date July 8 Midterm

Organizational Issues in Control Design and Implementation

Date: July 10
Topic Management Control Strategy and Organizational Design
Read Chapters 1, 2, 3
Analysis “NUCOR A & B”

Date July 15
Topic Multinational Controls
Read Chapter 15, KPMG 2007 International Investment Report
Analysis “A B THORSTEN”

Date July 17
Topic Expense Centers
Read Chapter 4
Analysis “BOSE”

Date July 22
Topic Profit Centers
Read Chapter 5
Analysis “NORTH COUNTRY AUTO”

Date July 24
Topic Internal Value Added Versus Outsourcing
Read Chapter 6
Analysis “BHARTI AIRTEL LTD”

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| Date | July 29 |
| Topic | Asset Performance |
| Read | Chapter 7 |
| Analysis | “QUALITY METAL” |

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| Date | July 31 |
| Topic | Final |