



**LUND**  
UNIVERSITY

School of Economics and Management

## **BUSN76, Business Administration: Performance Measurement and Management, 7.5 credits**

*Företagsekonomi: Verksamhetsuppföljning, beslutsfattande och  
incitamentsmodeller, 7,5 högskolepoäng*

**Second Cycle / Avancerad nivå**

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### **Details of approval**

The syllabus was approved by Academic Director of Studies at Department of Business Administration on 2016-02-24 to be valid from 2016-02-24, autumn semester 2016.

### **General Information**

*Language of instruction:* English

*Main field of studies*

Business Administration

*Depth of study relative to the degree requirements*

A1N, Second cycle, has only first-cycle course/s as entry requirements

### **Learning outcomes**

#### **Knowledge and understanding**

A passing grade on the course will be awarded to students who:

- demonstrate knowledge and understanding within performance measurement and management, including both a broad command of the field and deeper knowledge of certain parts of the field, together with insight into current research and development work; and
- demonstrate deeper methodological knowledge in the field of performance measurement and management.

#### **Competence and skills**

A passing grade on the course will be awarded to students who:

- demonstrate an ability to integrate knowledge and to analyse, assess, and deal with complex phenomena, issues, and situations, even when limited information is available;
- demonstrate an ability to independently identify and formulate issues and to plan and, using appropriate methods, carry out advanced tasks within specified time limits;
- demonstrate an ability to clearly present and discuss their conclusions and the knowledge and arguments behind them, in dialogue with different groups, orally and in writing;
- be able to use theories and methodologies concerning performance measurement and management to analyse and assess practice;
- have the ability to work in multi-cultural teams

### **Judgement and approach**

A passing grade on the course will be awarded to students who:

- demonstrate an ability to make assessments within performance measurement and management, taking into account relevant scientific, social, and ethical aspects;
- demonstrate insight into the potential and limitations of science, its role in society, and people's responsibility for how it is used;
- demonstrate an ability to identify their need of further knowledge and to take responsibility for developing their knowledge.

### **Course content**

Performance measurement involves the process of measuring financial and non-financial performance of organizations, and performance management involves the process of managing people's decision-making and behavior based on measured performance. The course is organized in four sections (see illustration below).

The first section includes a course introduction and class-room experiments. Experiments are used to facilitate understanding among students of the topics and key issues covered in the course.

The second section of the course focus knowledge in the area of financial and non-financial measures and methods to establish key performance indicators (KPI) that are linked to overall strategies and objectives of a firm or organization.

The third and fourth section of the course relate to deepened knowledge about the use of measures and KPI in decision making, and to motivate and incentivize people and enable change and innovation.

In the third section, students are introduced to judgement and choice bias and common mistakes when reading statistical data. Techniques that can be used to de-bias decision processes by individuals and groups are presented.

In the fourth section, students are introduced to theories of human motivation and incentives. Techniques and methods about how performance measurement can be used to support different forms of control and accountability mechanisms are presented.

<b>Section</b>	<b>Content</b>
Section 1	Introduction Class room experiments
Section 2	Financial and non-financial measures Establishment of KPI
Section 3	Judgement and choice bias Improving decision-making
Section 4	Motivation and incentives. Performance measurement and forms of control. Mechanisms for accountability

## Course design

Class-room experiments are used to facilitate understanding of how performance measurement and management relates to e.g. human judgement bias and motivation. The core of the course is designed as a set of lectures covering key areas followed by case-assignments. Lectures give students an overview of relevant knowledge in the field. Case assignments facilitate independent thought and complex assessment, integration of knowledge and deepened understanding. Case-assignments may be based on so called live-cases, i.e. presentation of a real problem by an external firm or organization to be solved by students.

## Assessment

Assessment and grading are based on case assignments and one individual final exam. The case assignments are solved by groups and constitute 50% of the course credits. Each student group will receive feedback and credits on each case. At the end of the course there is an individual final examination in the form of a written test covering the additional 50% of the credits.

In case of closure of the course: Within three semesters after the course closure there will be offered three additional occasions for examination of respective examination part of the course, for students with no successful result. Note that after this you can get a certificate only regarding completed examination parts.

*Subcourses that are part of this course can be found in an appendix at the end of this document.*

## Grades

Marking scale: Fail, E, D, C, B, A.

Through assessment of case assignments and the final examination students can reach a maximum of 100 points. Grades will be awarded to students based on the following definitions.

A (Excellent) 85-100 points. A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.

B (Very good) 75-84 points. A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.

C (Good) 65-74 points. The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought and lives up to expectations.

D (Satisfactory) 55-64 points. The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

E (Sufficient) 50-54 points. The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.

F (U) (Fail) 0-49 points. The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought.

Some occasional examination elements of the course may have the grading scale pass (D) / fail U(F).

A student who is graded Fail after two examinations on the written exam has the opportunity to request an additional task. The grade of this additional task is U or E and should be made no later than the semester following the semester when the student was registered at the course.

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Plagiarism is considered to be a very serious academic offence. The University will take disciplinary actions against any kind of attempted malpractice in examinations and assessments. The penalty that may be imposed for this, and other improper practices in examinations or assessments, includes suspension from the University for a specific period of time.

## **Entry requirements**

Students admitted to a Master Programme where this course is either a compulsory or elective part, are qualified for the course. For other students, at least 90 UCP in Business Administration is required. These must include a course in basic Business Administration, (e.g. FEKA90 Business Administration: Introductory course in Business Administration or the equivalent).

**Subcourses in BUSN76, Business Administration: Performance  
Measurement and Management**

Applies from H16

1601 Examination, 7,5 hp  
Grading scale: Fail, E, D, C, B, A