

Controlling

Lecturer: Prof. Dr. Uwe Götze, University of Technology, Chemnitz, Germany, Dr. Harald Wedell, University of Göttingen, Germany, Dr. Ina Bauerdorf, Technical University Braunschweig, Germany

Course Objectives

This course mainly deals with dynamic methods for evaluating investments in respect of monetary targets. Furthermore special problems of investment analysis and investment management are discussed, like the consideration of more than one target, taxes and risk. Besides this Life Cycle Costing and company's analysing by Balanced Scorecard is part of the course.

Knowledge and skills after completing the course

A good knowledge of problems and solutions concerning company's planning investment management is given, in particularly knowledge of relevant methods of risk and cost/benefit analysis as well as their limits in their explicability and applicability for practical purposes.

Course format and teaching methods

The course consists of lectures and tutorials. It also contains two extensive case studies, where participants may prove and improve their knowledge on practically oriented problems. There the participants will work in groups.

Integration of theory with practice; relationship with other courses

Controlling is a task, which very often confronts economists and technicians in practical life. Therefore the methods and models given in the course are immediately applicable in practice. Controlling is linked to many other fields in business management.

Course content

- Concepts of Controlling
- Strategic and Operative Controlling
- Risk Controlling and Risk Management
- Case Study "Investment Decision of the Kaffee KG"
- Project Management and Controlling
- Target Costing
- Life Cycle Costing
- Balanced Scorecard
- Budgeting
- Portfolio Analysis

Exam

Regularly written exam. In addition written homework and presentation.

Reading list

Drury, C.: Management Accounting for Business Decisions; Thomson Learning.
Corporate Controller's Handbook of Financial Management; Prentice Hall.
Horvath, P.: Das Controllingkonzept; Beck dtv.
Reichmann, Th.: Controlling mit Kennzahlen und Managementberichten; Vahlen.
Götze, U.; Bloech, J.: Investitionsrechnung: Modelle und Analysen zur Beurteilung von Investitionsvorhaben; Springer 2002.
Götze, U.: Kostenrechnung und Kostenmanagement, 2. Aufl., Chemnitz 2000.

Case Study: Balanced Scorecard (BSC)

The Balanced Scorecard is an instrument, which translates a corporate strategy into a key data system. The key data system is called upon to control the management process of a company and to systematically develop them further according to the strategy. As such, BSC can be understood as a strategic management system or instrument.

Learn more about:

- Definitions: Strategy and Implementation
 - A Strategic Management System
 - Four Perspectives of the Company
 - Main Steps and Obstacles on Implementation
 - Key Data Areas
 - Quantitative and Qualitative Indices
 - Creating and Developing a BSC
 - BSC as a Communication Instrument
- Selected Assignments:

- Feasibility Study for Implementation of BSC
- Implementation of BSC
- Analysing and Adjusting an Existing BSC