



# Rotman Commerce UNIVERSITY OF TORONTO

**Fall 2026**

**RSM422H1F**

**Management Control**

This course considers the processes and systems, many accounting-based, by which key managers allegedly ensure that resources are acquired and used effectively and efficiently in the accomplishment of an organization's goals.

*Prerequisite:* RSM222H1

→→ SEE COURSE INFORMATION, INCLUDING SUBMISSION OF ASSIGNMENTS, ON QUERCUS

→→ SEE CLASSROOM NUMBER INFORMATION FOR THIS COURSE ON ACORN

## **COURSE DELIVERY:**

| Course   | Term | Title              | Section | Time | Last Name | First Name |
|----------|------|--------------------|---------|------|-----------|------------|
| RSM422H1 | F    | Management Control | LEC0101 | W1-3 | Tassone   | Ralph      |
| RSM422H1 | F    | Management Control | LEC0201 | W3-5 | Tassone   | Ralph      |

**OFFICE HOURS WILL BE HELD ONLINE USING ZOOM.**

**SINCE THIS COURSE REQUIRES STUDENT TEAM PRESENTATIONS, THE INSTRUCTOR WILL ASSIGN STUDENTS TO A TEAM, AND THE TEAM MEMBERS WILL COMMUNICATE WITH EACH OTHER USING MS TEAMS, ZOOM, OR ANY OTHER CONVENIENT PLATFORM.**

**IN ADDITION, TEAMS WILL MEET VIRTUALLY AND/OR IN-PERSON, AS THE SITUATION PERMITS, WITH THE INSTRUCTOR, WHO WILL ADVISE THEM IN THEIR PREPARATION OF THEIR CASE PRESENTATION. THESE TEAM-INSTRUCTOR MEETINGS WILL CONTRIBUTE TO STUDENTS' INDIVIDUAL PARTICIPATION MARK. ONE TEAM MEMBER WILL BE ASSIGNED THE ROLE OF "CO-ORDINATOR" BY THE INSTRUCTOR, AND**

**THAT TEAM MEMBER WILL ARRANGE TEAM MEETINGS AND MEETINGS WITH THE INSTRUCTOR.**

**CLASS SCHEDULE:**

|                                     |                                                                                                               |                                                                                                               |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>Class time; in-person room →</b> | <b>Section LEC0101</b><br><b>Wednesday, 1:10pm - 3pm, Toronto time;</b><br><b>See ACORN for room location</b> | <b>Section LEC0201</b><br><b>Wednesday, 3:10pm - 5pm, Toronto time;</b><br><b>See ACORN for room location</b> |
| <b>Instructor:</b>                  | Ralph Tassone                                                                                                 | Ralph Tassone                                                                                                 |
| <b>Online office hours:</b>         | Online - Please see Quercus Page for details                                                                  | Online - Please see Quercus Page for details                                                                  |
| <b>Email:</b>                       | <a href="mailto:ralph.tassone@rotman.utoronto.ca">ralph.tassone@rotman.utoronto.ca</a>                        | <a href="mailto:ralph.tassone@rotman.utoronto.ca">ralph.tassone@rotman.utoronto.ca</a>                        |
| <b>Course website:</b>              | q.utoronto.ca                                                                                                 | q.utoronto.ca                                                                                                 |

| <b>Class number</b> | <b>Section LEC0101</b> | <b>Section LEC0201</b> |
|---------------------|------------------------|------------------------|
| 1                   | September 9            | September 9            |
| 2                   | September 16           | September 16           |
| 3                   | September 23           | September 23           |
| 4                   | September 30           | September 30           |
| 5                   | October 7              | October 7              |
| 6                   | October 14             | October 14             |
| 7                   | October 21             | October 21             |
| 8                   | November 4             | November 4             |
| 9                   | November 11            | November 11            |
| 10                  | November 18            | November 18            |
| 11                  | November 25            | November 25            |
| 12                  | December 2             | December 2             |

**FALL READING WEEK: Fall Reading Week Monday October 26 – Friday October 30, 2026; NO CLASSES. The last day to drop this course without academic penalty is November 17, 2026**

## **1. Course Scope and Mission**

### **1.1 COURSE OVERVIEW AND INTRODUCTORY COMMENTS:**

The COVID-19 pandemic affected—profoundly—societies worldwide, and thus the strategies and operations of business entities of all sizes, governments at all levels, NGOs, charities, etc. Of course, the pandemic was (and still is, to a degree) not the only ongoing challenge facing society generally, and business; the war in Ukraine and conflict elsewhere,

climate change, political extremism, the recent (2025) trade war/tariff chaos, the rise of Artificial Intelligence including platforms such as ChatGPT and Copilot, the CrowdStrike Falcon meltdown of July, 2024, etc., are among the many challenges faced by people worldwide, so the ethical and principled management and leadership of business is crucial.

RSM 422 studies *management control* (see definitions later in this course outline), and we will examine aspects of how disruptions such as the pandemic has affected management control in various organizations, while also maintaining the course's look at ongoing aspects of management control systems and processes. An important consideration is: "Should management control systems have a built-in resilience to enable an organization to cope with an apparent "black swan" event such as the COVID-19 pandemic, a CrowdStrike Falcon communications meltdown, the uncertainty of capricious tariff "negotiations", etc.?" This question becomes especially pertinent for organizations such as seniors' long-term care residences in Canada, in which an inordinate number of our senior citizens perished due to COVID-19.<sup>1</sup> But crises and weaknesses in management control may be evident even in situations which are not "global" in scope; for example, when significant safety culture issues affect one organization, such as Boeing.

Before and after the onset of the pandemic in early 2020, many organizations were the focus of management control issues, including but not limited to, the following:

- What went wrong at the Hudson's Bay Company, the iconic Canadian business that was founded in the year 1670 and failed in 2025?<sup>2</sup>
- How can institutions of higher learning and research in the U.S., such as Harvard, maintain their numerous missions in the face of ongoing aggression by the U.S. government?<sup>3</sup>
- What explains the ongoing safety crises at Boeing, persisting into 2024/25?<sup>4</sup>
- What went wrong at the University of Prince Edward Island that caused the president to resign and subsequently the chair of the Board of Governors to also resign?

<sup>1</sup> See: "82% of Canada's COVID-19 deaths have been in long-term care, new data reveals", Tonda MacCharles, THE TORONTO STAR, May 7, 2020, <https://www.thestar.com/politics/federal/2020/05/07/82-of-canadas-covid-19-deaths-have-been-in-long-term-care.html>

<sup>2</sup> See: Estella Ren, "Inside the death of Hudson's Bay. Why former senior employees believe leader Richard Baker should take the blame", THE TORONTO STAR, July 19, 2025, [https://www.thestar.com/business/inside-the-death-of-hudsons-bay-why-former-senior-employees-believe-leader-richardbaker-should/article\\_27636c68-884f-48b7-b754-e33eef3e1084.html](https://www.thestar.com/business/inside-the-death-of-hudsons-bay-why-former-senior-employees-believe-leader-richardbaker-should/article_27636c68-884f-48b7-b754-e33eef3e1084.html)

<sup>3</sup> See: Robert Kuttner, "Harvard v. Trump", THE AMERICAN PROSPECT, June 17, 2025, <https://prospect.org/education/2025-06-17-harvard-v-trump-foreign-students-endowment-tax/>  
A quote from this article: "Trump seems determined not just to punish America's oldest, richest, and most celebrated university, but to destroy it."

<sup>4</sup> See: "Boeing was once known for safety and engineering. But critics say an emphasis on profits changed that", Analysis by Chris Isidore, CNN  
Updated 3:15 PM EST, Mon February 5, 2024; <https://www.cnn.com/2024/01/30/business/boeing-history-of-problems/index.html>

→What went wrong at Uber before the pandemic, and how could it be fixed? Was the company's culture and management control system at least partly to blame?<sup>5</sup> Was the company's IPO (initial public offering) in May 2019 a success? How has the company fared during the pandemic?

→What caused the ongoing scandals at the huge U.S. financial institution, Wells Fargo? As the director of the United States Consumer Financial Protection Bureau wrote: "Wells Fargo is a corporate recidivist that puts one third of American households at risk of harm."<sup>6</sup>

→What lessons—good and bad—about management, corporate governance, and leadership can be learned from Elon Musk and Mark Zuckerberg, if any?<sup>7</sup>

→What prompted Abigail Disney, a member of the Disney family, to testify harshly before the U.S. Congress about compensation at The Walt Disney Company?

→Were there, in part, systemic safety culture reasons at BP (British Petroleum) and other companies that helped cause the 2010 *Deepwater Horizon* oil spill tragedy in the Gulf of Mexico?<sup>8</sup>

→Were there systemic safety culture and thus management control reasons for the 2011 TEPCO-Fukushima nuclear crisis in Japan?

→Was Norfolk Southern Railways' major derailment in East Palestine, Ohio, on February 3, 2023, indicative of management control deficiencies at the company?<sup>9</sup>

→Why did financial giant UBS adopt a radically new compensation model in late 2008?

→How did the RCMP (Royal Canadian Mounted Police) go from being a Balanced Scorecard "poster child" to requiring its honour restored in 2007, and the ongoing harassment, bullying, and other scandals up to the present?<sup>10</sup> Is "systemic

<sup>5</sup> See: <https://womenintheworld.com/2018/04/13/uber-ceo-dara-khosrowshahi-addresses-absolutely-unacceptable-company-culture/> [UNFORTUNATELY THE ORGANIZATION THAT HOSTED THIS ARTICLE APPEARS TO HAVE CLOSED DOWN AS OF APRIL 30, 2020, DUE AT LEAST PARTLY TO THE COVID-19 PANDEMIC, ACCORDING TO THE "WOMEN IN THE WORLD" FACEBOOK PAGE, VISITED JULY 29, 2020]

Safety first

Uber CEO Dara Khosrowshahi addresses 'absolutely unacceptable' company culture

The new Uber CEO hopes to reform an 'Animal House'-style corporate culture that had consumers rallying to delete the app BY Kate Tedesco 04.13.18

<sup>6</sup> Prepared Remarks of Consumer Financial Protection Bureau (CFPB) Director Rohit Chopra on the Wells Fargo Law Enforcement Action, December 20, 2022, <https://www.consumerfinance.gov/>

<sup>7</sup> Clare Duffy, (2023), "Elon Musk is the gift that keeps on giving to Mark Zuckerberg", CNN, July 8, 2023, <https://www.cnn.com/2023/07/08/tech/elon-musk-mark-zuckerberg-twitter-threads/index.html>

<sup>8</sup> At 9:45 pm on April 20, 2010, an explosion rocked the British Petroleum [BP] Deepwater Horizon oil drilling platform anchored about 41 miles off the coast of Louisiana in the Gulf of Mexico. Eleven workers were killed and many others were injured. The resultant oilspill from the ruptured wellhead was described by [then] U.S. President Obama as 'the worst environmental disaster America has ever faced'.

<sup>9</sup> See: Russell Craig and Joel Amernic, (2023), "Using 'CEO-speak' to Prioritize a Safety Culture", *STRATEGY & LEADERSHIP*, 51(4), pp. 32-36.

<sup>10</sup> See: <https://www.cbc.ca/news/canada/rcmp-bullying-harassment-claims-lawsuit-1.4720126>

CBC Investigates

RCMP faces \$1.1B lawsuit over bullying, harassment claims dating back decades

Potential class action could represent thousands of officers, civilian employees, students and volunteers

racism” part of the culture at the RCMP?<sup>11</sup> Even during the pandemic and afterwards, the RCMP faced serious challenges.<sup>12</sup> The head of the RCMP resigned in 2023.<sup>13</sup>

→How did steelmaker Nucor sustain its success over decades in the volatile steel industry and how did the crisis of 2009 affect the company? How is the company adapting with tariff controversies and in light of the pandemic and afterwards?

→How should issues related to leadership and heritage claims in sectors such as universities be addressed in light of situations such as the 2023 firing of the president of Memorial University of Newfoundland?<sup>14</sup>

**→→THESE AND MANY OTHER PERTINENT QUESTIONS CAN BE USEFULLY EXAMINED FROM THE PERSPECTIVE OF *MANAGEMENT CONTROL*.**

Basically, my job as an instructor in this course is to use financial accounting, management accounting, strategy, leadership, economics, marketing and other business disciplines—and anything else that is useful and practical—to understand how management control systems and processes can be improved. Our home discipline at the Rotman School is Accounting, so that's an important part of our approach to management control analysis, but we're also very interested in Leadership, Governance, Ethics, and Organizational Communication, so they are important too in helping us and participants in this course understand how, for example, 'tone at the top' affects management control, and vice versa, and to design a "better" MCS, or management control system for an organization. Of course, technology also has profound impacts on management control systems: a current example is the possibilities of Blockchain with respect to impacting the design and implementation of management control systems, and the roles of social media on MCS, and of course the impact of Artificial Intelligence, including platforms such as ChatGPT and Copilot.

And, of course, the pandemic has radically altered almost everything, ranging from issues related to working from home to the increasingly dynamic nature of markets.

<sup>11</sup> See: “Senator calls on RCMP commissioner to resign after comments on systemic racism”, 'Her recent statements show that she does not fully understand what systemic racism is,' Sen. Dyck says <https://www.cbc.ca/news/politics/senator-rcmp-commissioner-resign-1.5612939>

John Paul Tasker · CBC News · Posted: Jun 15, 2020 4:08 PM ET | Last Updated: June 15

<sup>12</sup> See: “Explosive Report Finds RCMP Has Toxic Culture of Racism, Misogyny & Homophobia”, Nov 22, 2020, Pam Palmater, <http://indigenounationhood.blogspot.com/2020/11/explosive-report-finds-rcmp-toxic.html>

<sup>13</sup> Catharine Tunney, (February 15, 2023), "RCMP Commissioner Brenda Lucki is stepping down". CBC News. Retrieved February 15, 2023. In a statement, Lucki said she had made a "personal decision" to leave the post.

<sup>14</sup> Ariana Kelland, (2023), “Vianne Timmons removed as president of Memorial University”, April 6, 2023, Canadian Broadcasting Corporation, <https://www.cbc.ca/news/canada/newfoundland-labrador/vianne-timmons-mun-1.6803740>

## **1.2 WHAT IS “MANAGEMENT CONTROL”?**

A definition of *management control* (MC) provided by Robert Anthony and Vijay Govindarajan (*Management Control Systems*, 12th edition, McGraw-Hill/Irwin, 2007), is as follows (**like almost all definitions, this one has both strengths and weaknesses**):

"Management control is the process by which managers influence other members of the organization to implement the organization's strategies" (p. 6)

[**One strength** of this definition is that it is short. **One weakness** is that it is short and glosses over many issues (for example, what does “influence” really mean? Who gets to set the organization's strategies?).]

Merchant and Van der Stede, in the 2017 edition of their book (*Management Control Systems: Performance Measurement, Evaluation and Incentives*, 4<sup>th</sup> edition, Pearson Education Limited, 2017) offer the following comments regarding MC:

“*Management control*” focuses on execution, and it involves the general question: Are our employees likely to behave appropriately? The question can be decomposed into several parts:

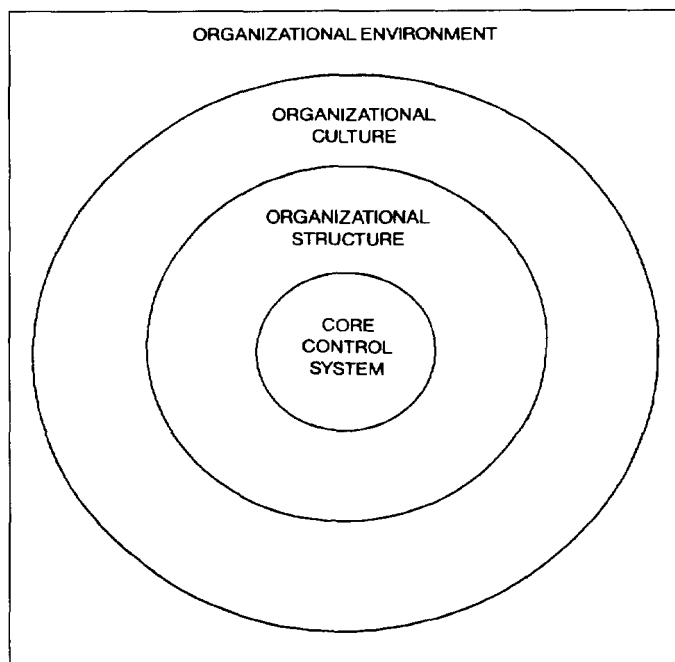
- First, do our employees understand what is expected of them?
  - Second, will they work consistently hard and try to do what is expected of them—that is, will they pursue the organization's goals in line with the strategy?
  - Third, are they capable of doing a good job?
- Finally, if the answer to any of these questions is negative, what can be done to solve the management control problems?” (p. 11)

All management students can benefit from a Management Control [MC] course, since it focuses on fundamental issues in performance management in organizations, including: the importance of (among other things) the crucial roles of accounting, compensation incentives, leadership, language and communication in making the organization succeed (or, at times, fail!). Risk, culture, and information technology are pervasive influences on MC, and *vice versa*. Three broad approaches to understanding integrated performance management and measurement systems have emerged (strategic performance measurement systems such as the Balanced Scorecard; levers of control; and performance management and control frameworks), while the need for re-thinking management control continues unabated, particularly during the pandemic in which many organizations, including governments, were and continue to be under intense pressure, with radical restructuring, and (sadly) failure not that uncommon. Even during “normal”, non-pandemic, times, management control is crucial; for example, the global economic crisis of 2008-2009 appeared to be at least partly a crisis in management control, as shown by Nortel, GM, and many other companies. And of course, the now-pervasive, emerging roles of AI further

emphasize the crucial necessity of management control systems and processes which are adaptive and ethical.<sup>15</sup>

RSM 422 examines *management control*, which may also be broadly defined as policies, tools and procedures that are employed to increase the likelihood that an organization achieves objectives. Management control under this definition involves the motivation, evaluation and rewarding of individuals constituting the organization so that they behave in ways consistent with organizational goals, which are themselves often contentious. This course will explore the ways management attempts to motivate, evaluate and reward members of the organization. Thus, RSM 422 is a highly integrative course, drawing upon a wide range of management and allied disciplines, with core courses in managerial and financial accounting being of major importance.

In his 1996 article, "Effective Organizational Control: A Framework, Applications, and Implications", *European Management Journal*, 14(6), pp. 596-611, Eric Flamholtz presents the following schematic representation of an organizational, or management control, system:



**Figure 1 Schematic Representation of an Organizational Control System**

<sup>15</sup> Sarah Bankins and Paul Formosa, (2023), "The Ethical Implications of Artificial Intelligence (AI) For Meaningful ", *Journal of Business Ethics*, 185, pp. 725–740. The paper is introduced as follows:

"The increasing workplace use of artificially intelligent (AI) technologies has implications for the experience of meaningful human work. Meaningful work refers to the perception that one's work has worth, significance, or a higher purpose. The development and organisational deployment of AI is accelerating, but the ways in which this will support or diminish opportunities for meaningful work and the ethical implications of these changes remain under-explored."

→→ We will use Flamholtz' representation as we start the course. Part of Class 2 and part of Assignment 1 are devoted to examining Flamholtz' model of management control (what he calls "organizational control"). His model is a useful starting point in understanding management control, but as we will see it is just a starting point.

### 1.3 'CULTURE' AND MCS

Notice that "culture" is an important aspect of both the Flamholtz and Malmi/Brown ways of looking at management control, and the complete report from which the above "Performance Management's Digital Shift" Executive Summary was extracted mentions the word "culture" 20 times over its 22 pages. This emphasis on "culture" is pervasive in the management literature and the popular press. This seems sensible since problems with organizational culture have been widely reported, including:

→ **"Third-party review finds 'toxic' culture at University of Prince Edward Island"**, Hina Alam, The Canadian Press, June 15, 2023, <https://globalnews.ca/news/9771094/upei-workplace-misconduct-allegation-review/>

→ **"Explosive Report Finds RCMP Has Toxic Culture of Racism, Misogyny & Homophobia"**, Nov 22, 2020, Pam Palmater, <http://indigenounationhood.blogspot.com/2020/11/explosive-report-finds-rcmp-toxic.html> (as noted in footnote 7, above)

→ **"Ontario's dentist watchdog plagued by 'toxic culture,' lawsuit alleges"**, (<https://www.thestar.com/news/canada/2017/07/05/ontarios-dentist-watchdog-plagued-by-toxic-culture-lawsuit-alleges.html>); referring to the Royal College of Dental Surgeons of Ontario, *Toronto Star*, By Robert Cribb, Wednesday, July 5, 2017

→ **"Uber Fires 20 amid Investigation into Workplace Culture"**, *New York Times*, by Mike Isaac, June 6, 2017, <https://www.nytimes.com/2017/06/06/technology/uber-fired.html?hp&action=click&pgtype=Homepage&clickSource=story-heading&module=first-column-region&region=top-news&WT.nav=top-news&r=0>

→ **"How Wells Fargo's Cutthroat Corporate Culture Allegedly Drove Bankers to Fraud"**

("Most Americans have assumed their bank accounts are sacrosanct. But with the major scandal unfolding at Wells Fargo, angry former employees illuminate the alarming pressure that allegedly led local bankers to defraud perhaps more than a million customers."), by Bethany McLean, May 31, 2017, <https://www.vanityfair.com/news/2017/05/wells-fargo-corporate-culture-fraud>

→ **"Whatever Police Culture is, It Needs Changing"**, *Toronto Star*, by Rosie DiManno, Thursday, Feb. 23, 2017, <https://www.thestar.com/news/gta/2017/02/23/whatever-police-culture-is-it-needs-changing-dimanno.html>

→ **"What You Can Learn From The Facebook Culture Crisis?"**, *Forbes*, by Bretton Putter, Jan. 16, 2019, <https://www.forbes.com/sites/brettonputter/2019/01/16/what-you-can-learn-from-the-facebook-culture-crisis/#401089254197>



## **2. Statement on Equity, Diversity and Inclusion**

The University of Toronto is committed to equity, human rights and respect for diversity. All members of the learning environment in this course should strive to create an atmosphere of mutual respect where all members of our community can express themselves, engage with each other, and respect one another's differences. U of T does not condone discrimination or harassment against any persons or communities.

## **3. Course Materials**

- Readings and case material on the course website.
- Other materials on the course website and other websites, including the university's e-journal collection.

## **4. Grading**

| Component                                                                     | Due Date                                 | Weight [%] |
|-------------------------------------------------------------------------------|------------------------------------------|------------|
| Class participation                                                           | Ongoing                                  | 10         |
| Assignment #1                                                                 | Monday, October 5, 1 pm<br>via Quercus   | 12.5       |
| Assignment #2                                                                 | Friday, November 20, 1 pm<br>via Quercus | 12.5       |
| Team business case research presentation [usually six-seven members per team] | To be arranged                           | 25         |
| Final Exam                                                                    | INFORMATION TO COME                      | 40         |

[See grading details below]

## **5. Written Assignments**

Please note that spelling and grammar will be considered in the evaluation of the assignments. That is, you may lose points for spelling mistakes and grammatical errors. Students who require additional support and/or tutoring with respect to their writing skills are encouraged to visit the Academic Success Centre ([www.asc.utoronto.ca](http://www.asc.utoronto.ca)) or one of the College Writing Centres ([www.writing.utoronto.ca/writing-centres](http://www.writing.utoronto.ca/writing-centres)). These centres are teaching facilities – not editing services, where trained staff can assist students in developing their academic writing skills. There is no charge for the instruction and support. *All assignments should be submitted electronically on the specified due dates.*

### **Plagiarism Detection**

Normally, students will be required to submit their course essays to the University's plagiarism detection tool for a review of textual similarity and detection of possible

plagiarism. In doing so, students will allow their essays to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the [University's Plagiarism Detection Tool FAQ](#) page from Centre for Teaching Support & Innovation.

## **(1) FIRST ASSIGNMENT [DUE, MONDAY, OCTOBER 5, 2026, 1 PM, VIA QUERCUS]:**

Details will be posted on Quercus.

## **(2) SECOND ASSIGNMENT [DUE FRIDAY, NOVEMBER 20, 2026, 1 PM, VIA QUERCUS]:**

Details will be posted on Quercus

## **6. Class Participation Grade**

Everyone is expected to have read the assigned material and to have prepared the assigned case(s) for discussion, prior to class.

As instructors, we want you to have every reasonable opportunity to participate in the course and therefore to earn a very good participation mark, and of course learn through your participation. We will consider the following as elements of your participation:

- Your interaction during team meetings with the instructor via ZOOM;
- Your constructive interaction during class;
- Uploading of four completed "Case Presentation Evaluation Forms" forms. These forms are to be prepared by non-presenters after a team business presentation, and the instructor will include these in the class participation grade (blank forms may be downloaded from the course website; **four case presentation evaluation forms will be accepted**).
- End-of-course self-assessment: You should prepare a short (maximum 200 words) self-assessment of your class participation, including a suggested mark, and submit it to the instructor on the day the last class. Details to follow.

***PLEASE SEE ALSO THE NOTE BELOW IN "CLASS 1"***

## **7. Team Business Case Research Presentation**

The teams, and the assignment of cases, will be set by the instructor at the start of the course. Team business presentations should be about 45 minutes in duration, including 5

minutes for Q&A. **A PowerPoint slide file must be provided to the instructor two days before the scheduled presentation.**<sup>16</sup>

Teams should meet with the instructor online to discuss their preparations for the presentation. These sessions will help the instructor in assessing the quality of the team's preparation and this will affect the grade given to the presentation.

## **8. Rotman Commerce Centre for Professional Skills Teamwork Support**

The team business case research presentation requires students to work in teams of usually six or seven.

Learning to work together in teams is a crucial transferrable skill you will use not only in your coursework, but also in your future careers. Support is available if you encounter common teamwork challenges such as:

- Team members feeling left out of the team.
- Team members not responding in a timely manner to communication.
- Division or quality of work among team members being unequal or unfair.

Consult the [Centre for Professional Skills Teamwork Resources page](#) for tips, strategies, and best practices. You can also [book an appointment with a teamwork mentor](#) through the RC Centre for Professional Skills Writing Centre. Teamwork mentors can help you resolve or mitigate conflict, strategize on planning, or improve team communication.

If you are a student registered with Accessibility Services, and extensions are one of your academic accommodations, consult with your Accessibility Advisor about the teamwork in this course.

## **9. Final Exam**

**INFORMATION TO COME**

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<sup>16</sup> A business presentation that will develop communication and rhetorical skills is strongly encouraged. See also the following article for more information on some cautions when using PowerPoint and similar presentation media: Russell Craig and Joel Amernic, (2006), "PowerPoint Presentation Technology and the Dynamics of Teaching", *Innovative Higher Education*, Vol. 31, No. 3, pp. 147-160.

## **10. Policies and Procedures**

### **Missed Tests and Assignments**

Students who miss a term test or assignment for reasons entirely beyond their control (e.g. illness) may request special consideration **within 2 business days** of the missed midterm/test/assignment due date.

In such cases, students must:

1. Complete the Request for Special Consideration form: <https://uoft.me/RSMConsideration>
2. Provide documentation to support the request, eg. Absence Declaration from [ACORN](#), [Verification of Illness Form](#) etc.

**Please note:** Students may use the Absence Declaration on ACORN **\*one time per term\*** to report an absence and request consideration. **Any subsequent absence will require a Verification of Illness form or other similar relevant documentation.**

Students who do not submit their requests and documentation within 2 days may receive a grade of 0 (zero) on the missed course deliverable.

***The grade weighting for a missed assignment or other deliverable will be allocated to the final exam.***

**Final Exams:** If you miss the final exam in this course for a legitimate reason (illness, etc) you will need to contact your College Registrar to file a petition for a deferred exam. This deferred exam will be written at a later date as established by the Faculty of Arts & Science. Instructions can be found here: <https://www.artsci.utoronto.ca/current/faculty-registrar/petitions-appeals/preparing-petition>

### **Late Assignments**

All assignments are due on the date and at the time specified in Quercus. Late submissions will normally be penalized by 10% if the assignment is not received on the specified date, at the specified time. A further penalty of 5% will be applied to each subsequent day.

### **Commitment to Accessibility**

The University is committed to inclusivity and accessibility, and strives to provide support for, and facilitate the accommodation of, individuals with disabilities so that all may share the same level of access to opportunities and activities offered at the University.

If you require accommodations for a temporary or ongoing disability or health concern, or have any accessibility concerns about the course, the classroom or course materials, please [email Accessibility Services](#) or visit the [Accessibility Services website](#) for more information as soon as possible. Obtaining your accommodation letter may take up to several weeks, so get in touch with

them as soon as possible. If you have general questions or concerns about the accessibility of this course, you are encouraged to reach out to your instructor, course coordinator, or Accessibility Services.

### **Academic Integrity**

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarship at the University of Toronto. Participating honestly, respectfully, responsibly and fairly in this academic community ensures that the U of T degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

[\*The University of Toronto's Code of Behaviour on Academic Matters\*](#) outlines the behaviours that constitute academic misconduct, the process for addressing academic offences and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments:

- Using someone else's ideas or words without appropriate acknowledgement.
- Submitting your own work in more than one course without the permission of the instructor.
- Making up sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually).

On test and exams:

- Using or possessing any unauthorized aid, including a cell phone.
- Looking at someone else's answers
- Misrepresenting your identity.
- Submitting an altered test for re-grading.

Misrepresentation:

- Falsifying institutional documents or grades.
- Falsifying or altering any documentation required by the University, including (but not limited to) medical notes.

All suspected cases of academic dishonesty will be investigated by the following procedures outlined in the *Code of Behaviour on Academic Matters*. If you have any question about what is or is not permitted in the course, please do not hesitate to contact the course instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other U of T resources such as College Writing Centres or the Academic Success Centre.

### **Generative AI/ChatGPT, etc.**

Generative Artificial Intelligence (AI), and specifically foundational models that can create writing, computer code, and /or images using minimal human prompting, are proliferating and becoming ubiquitous. This includes not only GPT-4 (and its siblings ChatGPT and Bing), but many writing assistants that are built on this or similar AI technologies. There are now hundreds of these systems that are readily available.

- Students may use artificial intelligence tools, including generative AI, in this course as learning aids or to help produce assignments. However, **students are ultimately accountable for the work they submit.**
- Students must submit, as an appendix with their assignments, any content produced by an artificial intelligence tool, and the prompt used to generate the content.
- Any content produced by an artificial intelligence tool must be cited appropriately. Many organizations that publish standard citation formats are now providing information on citing generative AI (e.g., MLA: <https://style.mla.org/citing-generative-ai/> ).
- Students may choose to use generative artificial intelligence tools as they work through the assignments in this course; this use must be documented in an appendix for each assignment. The documentation should include what tool(s) were used, how they were used, and how the results from the AI were incorporated into the submitted work.

### **Email**

At times, the course instructor may decide to communicate important course information by email. As such, all U of T students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up and properly entered on ACORN. For more information visit [help.ic.utoronto.ca/category/3/utmail.html](http://help.ic.utoronto.ca/category/3/utmail.html).

Forwarding your utoronto.ca email to a Gmail or other type of email account is not advisable. In some cases, messages from utoronto.ca addresses sent to Gmail accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

### **Quercus and the Course Page**

The online course page for this course is accessed through Quercus. To access the course page, go to [q.utoronto.ca](http://q.utoronto.ca) and log in using your UTORid and password. Once you have logged in, you will be at the Quercus Dashboard. On this page you will see all of the courses you are presently enrolled in. If you don't see the course listed here but you are properly registered for the course in ACORN, wait 48 hours.

### **Recording Lectures**

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission, and may not do so unless permission is granted. Students who have been previously granted permission to record lectures as an accommodation for a disability are excepted. This includes tape recording, filming, photographing PowerPoint slides, Quercus materials, etc.

If permission for recording is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in any way. It is forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.

## **DETAILED COURSE OUTLINE**

### **CLASS 1 - INTRODUCTION TO THE COURSE; AN OVERVIEW LOOK AT MANAGEMENT CONTROL; USING CASES IN LEARNING ABOUT MANAGEMENT CONTROL**

**[Teams will be established for the Team Business Case Research Presentation]**

#### **AGENDA FOR CLASS 1:**

- Review Course outline.
- Management Accounting and Management Control: A sample discussion using the "Birch Paper Company" case in class.
- See Quercus for additional information.

### **CLASS 2 - AN INTRODUCTION TO MANAGEMENT CONTROL: (A) THE FLAMHOLTZ MODEL; (B) THE CRUCIAL ROLE OF THE CEO IN MANAGEMENT CONTROL**

#### **PART 1 OF CLASS 2: THE FLAMHOLTZ MODEL**

##### **Read:**

- **REQUIRED READING:** Eric Flamholtz, (1996), "Effective Organizational Control: A Framework, Applications, and Implications", *European Management Journal*, Vol. 14, No. 6, pp. 596-611 (see Quercus, Class 2 module)

#### **→→PART 2 OF CLASS 2: THE CRUCIAL ROLE OF THE CEO AND MANAGEMENT CONTROL**

**CLASS 3 - MANAGEMENT CONTROL AND DISRUPTION:  
(A) THE RISE OF “BIG BANG DISRUPTORS”, (B) THE  
RISE OF THE PANDEMIC DISRUPTION AND WORKING  
FROM HOME AS AN EXAMPLE, (C) THE “AI”  
DISRUPTION (D) THE TARIFF DISRUPTION OF 2025**

**(A) THE RISE OF “BIG BANG DISRUPTORS”**

**Read:**

- Robert S. Kaplan, (2006), "The Demise of Cost and Profit Centers", unpublished working paper [in the CLASS 3 module on Quercus]
- John M. Jordan, (2017), “Challenges to large-scale digital organization: the case of Uber”, Journal of Organization Design (2017) 6:11

**(B) THE RISE OF THE PANDEMIC DISRUPTION AND WORKING FROM  
HOME AS AN EXAMPLE**

**(C) THE “AI” DISRUPTION**

**(D) THE TARIFF DISRUPTION OF 2025/2026**

**CLASS 4 (A) MANAGEMENT CONTROL AND CULTURE;  
(B) MANAGEMENT CONTROL AND COMPENSATION-  
AN INTRODUCTION**

**(A) MANAGEMENT CONTROL AND CULTURE**

**Read:**

- **REQUIRED READING:** CORPORATE CULTURE AND THE ROLE OF BOARDS, FINANCIAL REPORTING COUNCIL, UK, JULY 2016 (<https://www.frc.org.uk/getattachment/3851b9c5-92d3-4695-aeb2-87c9052dc8c1/Corporate-Culture-and-the-Role-of-Boards-Report-of-Observations.pdf> )
- **REQUIRED READING:** Teaching note posted to the CLASS 4 module entitled “WHAT DOES CULTURE MEAN IN ORGANIZATIONS?”

**(B) MANAGEMENT CONTROL AND COMPENSATION- AN INTRODUCTION**



**CLASS 5—MANAGEMENT CONTROL, ETHICS, AND THE IMPORTANCE OF “FAIRNESS” IN PRIMARY/SECONDARY AND HIGHER EDUCATION ORGANIZATIONS: A VERY LIMITED SAMPLE**

Read the following article posted to the CLASS 5 MODULE: Ann E. Tenbrunsel and David M. Messick, “Ethical Fading: The Role of Self-Deception in Unethical Behavior”, Social Justice Research, Vol. 17, No. 2, June 2004.

**Class Discussion:**

**Case: We will examine some MCS ethical issues in the case "Management Control and the For-Profit School Business" (see the CLASS 5 module on Quercus and download or read online)**

**CLASS 6 - MANAGEMENT CONTROL: DESIGNING AND IMPLEMENTING A BALANCED SCORECARD—BEYOND PERFORMANCE MEASUREMENT TO MANAGEMENT REVOLUTION?**

**Read:**

- Re-read from CLASS 3: Robert S. Kaplan, (2006), "The Demise of Cost and Profit Centers", unpublished working paper [in the CLASS 3 folder on Quercus]]
- **REQUIRED READING:** R.S. Kaplan and D.P Norton, (2001), "Transforming the Balanced Scorecard from Performance Measurement to Strategic Management: Part I", *Accounting Horizons*, "15(1), pp. 87-104
- **REQUIRED READING:** R.S. Kaplan and D.P Norton, (2001), "Transforming the Balanced Scorecard from Performance Measurement to Strategic Management: Part II", *Accounting Horizons*", 15(2), pp. 147-160

**FIRST HOUR:**

**→→PRESENTATION BY CASE RESEARCH TEAM A: CASE AVAILABLE FROM COURSE WEBSITE, “THE ROYAL CANADIAN MOUNTED POLICE AND THE BALANCED SCORECARD: A PANACAEA FOR ALL THE RCMP’S CHALLENGES?”**

**SECOND HOUR:**

**→→Short lecture on the Balanced Scorecard concept as a management practice.**

**CLASS 7 - ALIGNING PERFORMANCE GOALS AND INCENTIVES- MANAGEMENT CONTROL AND COMPENSATION (I):  
WAS “EVA” THE ANSWER? IS FINANCIAL ACCOUNTING THE PROBLEM?**

**Read:**

- See descriptions of EVA at <http://www.investopedia.com/university/EVA/> and at [http://en.wikipedia.org/wiki/Economic\\_Value\\_Added](http://en.wikipedia.org/wiki/Economic_Value_Added)
- "Eli Lilly is Making Shareholders Rich. How? By Linking Pay to EVA", *FORTUNE*, September 9, 1996, pp. 173-174.
- Young, S.D., (1997), "Economic Value Added: A Primer for European Managers", *European Management Journal*, 15(4), pp. 335-343
- Young, S.D., (1999), "Some Reflections on Accounting Adjustments and Economic Value Added", *Journal of Financial Statement Analysis*, 4(2), Winter 1999, pp. 7-20
- Amernic, J.H., D. Losell, and R.J. Craig, (2000), "'Economic Value Added' as Ideology Through a Critical Lens: Towards a Pedagogy for Management Fashion", *Accounting Education: An International Journal*, 9(4), pp. 343-367

**FIRST HOUR**

**→→PRESENTATION BY CASE RESEARCH TEAM B: CASE AVAILABLE FROM COURSE WEBSITE, "ELI LILLY AND COMPANY EVA® BONUS PLAN: A CRITICAL EVALUATION OVER TIME"**

**SECOND HOUR**

- See Quercus for information.

**CLASS 8 - FIRST HOUR: ALIGNING PERFORMANCE GOALS AND INCENTIVES- MANAGEMENT CONTROL AND COMPENSATION (II):  
ASSESSING THE EVOLVING ROLE OF PERFORMANCE MEASURES IN COMPENSATION;  
SECOND HOUR: A BROADER VIEW OF COMPENSATION IN A SMALL ORGANIZATION:  
CROWN POINT CABINETERY**

**FIRST HOUR: ALIGNING PERFORMANCE GOALS AND INCENTIVES-  
MANAGEMENT CONTROL AND COMPENSATION (II): ASSESSING THE  
EVOLVING ROLE OF PERFORMANCE MEASURES IN COMPENSATION**

**→→PRESENTATION BY CASE RESEARCH TEAM C: CASE AVAILABLE  
FROM COURSE WEBSITE, “EMERGENT BIOSOLUTIONS: MANAGEMENT  
CONTROL AND COVID-19 VACCINE PRODUCTION”**

**SECOND HOUR:  
A BROADER VIEW OF COMPENSATION IN A SMALL ORGANIZATION:  
CROWN POINT CABINTRY**

Aligning performance goals and incentives at Crown Point Cabinetry

**CLASS 9 - MANAGEMENT CONTROL AND THE  
STRENGTH OF ‘CULTURE’: THE CASE OF NUCOR**

**→→PRESENTATION BY CASE RESEARCH TEAM D: CASE AVAILABLE  
FROM COURSE WEBSITE, “NUCOR 2016”**

Nucor Corporation is the largest steel producer in the United States. Its reported financial results have, given its industry, been remarkably stable over many decades.

- **REQUIRED READING:** Article available on the Quercus website in the CLASS 9 module: Pankaj Ghemawat, (1995), “Competitive Advantage and Internal Organization: Nucor Revisited”, Journal of Economics & Management Strategy, 3(4), pp. 685-717.

**CLASS 10- “MANAGEMENT CONTROL AND SERVICE  
ORGANIZATIONS DURING THE PANDEMIC AND  
BEYOND: SENIOR LONG-TERM CARE IN ONTARIO,  
COVID-19, AND THE CASE OF SIENNA SENIOR LIVING”**

**Read:** The case assigned for today.

**→→ PRESENTATION BY CASE RESEARCH TEAM E: CASE AVAILABLE  
FROM COURSE WEBSITE, “SENIOR LONG-TERM CARE IN ONTARIO,  
COVID-19, AND THE CASE OF SIENNA SENIOR LIVING”**

## **CLASS 11- MANAGEMENT CONTROL, SAFETY CULTURE, AND WHISTLEBLOWING: THE CASE OF BOEING**

**Read the following articles in the CLASS 11 MODULE:**

→→Gregory P. Shea and Gad Allon, 2025, “Boeing: Wait, There’s More”, Strategy & Leadership, Vol. 53 No. 2, 2025, pp. 160-173

→→Hilary Monk, David Knights, Margaret Page. 28 May 2015, “Whistleblowing Paradoxes”,

from: The Routledge Companion to Ethics, Politics and Organizations Routledge [available as an e-book via the University of Toronto library website]

**→→PRESENTATION BY CASE RESEARCH TEAM F: CASE AVAILABLE FROM COURSE WEBSITE, “THE BOEING COMPANY AND SAFETY CULTURE: COMPLEXITY, DOUBLESPEAK, AND THE CRISIS OF MANAGEMENT CONTROL?”**

## **CLASS 12- CEOs AND MANAGEMENT CONTROL: THE INTERACTION BETWEEN MANAGEMENT CONTROL AND THE 'TONE AT THE TOP'; COURSE REVIEW**

### **FIRST HOUR**

**→→PRESENTATION BY CASE RESEARCH TEAM G: CASE MATERIAL AVAILABLE FROM COURSE WEBSITE, “THE UNIVERSITY OF PRINCE EDWARD ISLAND 2023: A REPORT, RESIGNATIONS, AND REFORM?”**

### **SECOND HOUR**

Course Review Comments