

Budgeting

Academic Year: (2023 / 2024)

Review date: 20-04-2023

Department assigned to the subject: Business Administration Department

Coordinating teacher: SANTAMARIA SANCHEZ, LUIS

Type: Electives ECTS Credits : 6.0

Year : Semester :

OBJECTIVES

In this course, students will learn the basic techniques of budgeting in public administrations. It will provide students a thorough understanding of the foundations underlying traditional public budgeting, but also it will highlight the current trends in management of the budget. The course's primary goal is to give students the tools necessary to offer a rigorous public management, focused on the achievement of several goals such as efficacy, efficiency and economy.

The subject 'Budgeting' also contributes to the development of several instrumental and interpersonal competences and skills. In particular, budget characteristics as instrument of planning and control will help students to progress in the following instrumental issues:

- Capability to analyze and synthesize.
- Capability to organize and planning.
- Abilities of management information.
- Problem solving.

On the other hand, taking into account that the budget is interfunctional, since it coordinates and gathers information of several areas of the organization, and it should generate information to several stakeholders (shareholders, managers, creditors, customers, politicians etc) take decisions, the student of 'Budgeting' should develop the following interpersonal issues:

- Group work skills.
- Capability to work in interdisciplinary teams.
- Capability to communication.
- Ethical compromise.

DESCRIPTION OF CONTENTS: PROGRAMME

Regarding the contents of the programme, it is structured in three sections (although restricted by the accounting knowledge of the students). In section I we will study the foundations of budgeting in different organizations: for profit and non for profit, manufacturing and services organizations. In addition we will relate the contents with the peculiarities of a public organization. In fact, it is a methodological section. In section II we will study the budget of the Public Administration focusing our attention on the 'Presupuestos Generales del Estado'. In section III we will know different techniques of management control. Moreover, we will study the influence of several factors such as culture, management style, information systems, and the environment, with special mention to the role of the society in the management of public budgets.

PROGRAMME

Section I

- 1: Budget as an instrument of planning and control.
- 2: Development of a traditional budget.
- 3: Different types of budgets.
- 4: Budget in innovative costing systems.

Section II

- 5: Budget in the Spanish Public Administration.
- 6: Budget in international entities.

Section III

- 7: Techniques of budget control.
- 8: Management styles, motivation, incentives and budget control.

LEARNING ACTIVITIES AND METHODOLOGY

This course has an applied content where the lecturer's main role is to act as a guide and a tutor of the learning process. With this system, the student is encouraged to have a dynamic and participative attitude in class. We will analyze cases of study as well as solve exercises, by enabling the students to participate in this process (both individually and in teams).

In order to follow the lectures, material (slides) will be available in Aula Global. Given the interdisciplinary characteristic of this subject, there are several references linked to each chapter. Beyond these references, other references are offered to help the student to go into each topic in depth. Additional material will be provided along the different lectures (newspaper articles, examples of budgets, etc).

ASSESSMENT SYSTEM

Ordinary call

Assessment will be based on coursework according to the following criteria:

- Class participation: 20%. It will be assessed any specific contribution that links with the basic ideas put forward in class and that adds value to the debate. To this goal, the lecturer will face a theoretical question, a budget, an article, a case study, etc.
- Completion of tasks, exercises and case studies: 40%.
- Carrying out and presentation of a final work: 40%. It will be valued both the quality and interest of the work, as well as its presentation. The work should be focused on a specific case of budget management (firm, town hall, school, hospital, etc). The work can be developed individually or in team.

Extraordinary call

Final exam (100%)

% end-of-term-examination:	0
% of continuous assessment (assignments, laboratory, practicals...):	100

BASIC BIBLIOGRAPHY

- Charles T. Horngren; Alnoor Bhimani; George Foster; Srikant M. Datar Management and Cost Accounting, Prentice Hall Europe, 1999
- Jaime Sánchez Revenga Manual de Presupuestos y Gestión Financiera del Sector Público, Instituto de Estudios Fiscales, 2009

ADDITIONAL BIBLIOGRAPHY

- Albi, E.; González-Páramo, J.M.; López Casanovas, G. Gestión Pública: Fundamentos, técnicas y casos, Ariel Economía. Barcelona, 1997
- Horngren, C.T.; Datar, S.M.; Foster, G. Contabilidad de costos: Un enfoque gerencial. , Pearson Education. México D.F., 2007
- López, M.T. y Utrilla, A. Introducción al sector público español, Civitas. Madrid, 1994
- Monasterio, C. y Suárez Pandiello, J. Manual de Hacienda autonómica y local, Ariel. Madrid, 1998
- Rachling, R. Handbook of Budgeting, John Wiley and Sons.