

## Core Modules for MSc Construction Economics & Management

**BENVGCM1: The Economics of Construction - Economies, Sectors and Industries**

**BENVGCM2: The Economic Institutions of the Construction Industry**

**BENVGPM1: Project Management**

**BENVGPM8: Principles of Enterprise Management**

**BENVGCM1: The Economics of Construction - Economies, Sectors and Industries**  
(Graham Ive (*module leader*), John Kelsey and Alex Murray)

This module first introduces the approach and methods of economics, especially to decision-making, and economic and financial approaches to accounting, and then uses these in order to develop an understanding of the factors affecting, on the one hand, the efficiency, capacity, productivity and profitability of the construction sector, and on the other, the ways in which the construction sector and the construction process are organised.

The module is taught in 15 sessions, during weeks 2 to 6.

Lecture titles:

- Construction contracting as a business activity: business context and business performance
- The broad construction sector: business activities other than contracting
- Business context and performance: the 'five forces' model
- Production concepts: value added; wages and profits; real output
- Productivity concepts 1: output per unit of input
- Productivity concepts 2: productivity and prices; unit labour cost
- Project and Profitability concepts
- Financial accounting concepts
- Stock Market Concepts
- Team feedback session on assignment outlines
- Market concepts and construction markets
- Construction firms and projects
- Who owns the built environment? Who are the construction industry's clients? What are clients' objectives?
- The contracting system: a way of relating clients, projects and firms
- Team Q & A session on assignment

Assessment is by a single 3,000 word term paper, submitted about two thirds of the way into Term 1.

**BENVGCM2: The Economic Institutions of the Construction Industry**  
(Dr Chen-Yu Chang) (*module leader*) & Professor Michelle Baddeley )

This module is in two main parts. The first introduces the key ideas of macroeconomics using them to develop an understanding of the factors affecting the aggregate level of demand for construction firms within the contracting system and its constituent markets. The other part introduces students to the methods and concepts of modern microeconomics that can effectively be used to analyse the basic economic institutions, structures and relationships of construction. The perspective is that of decision-makers in a firm, facing constraints imposed by specific forms of competition and market context.

- Methodology and agenda of economics

Introduction to debates over the subject matter and methods of economics; some implications of these debates for business economics and construction economics.

## **BENVGCM2: The Economic Institutions of the Construction Industry cont...**

- Construction demand and capacity
  - Short-run macroeconomic models, theories and issues
  - Financial crises and debt deflation
  - Construction and property cycles (A) Evidence and (B) Theory

Construction firms and markets as institutions

Economic Theory of Construction Organisation:

- An Introduction to the general theory of Transaction Cost Economics (TCE)
  - Application of TCE to construction procurement route selection
  - Economic theory of subcontracting
- Incentives in construction organisations
  - Incentive contract between client and contractor
  - Incentives within construction firms (fixed v variable pay at all levels)
- Award mechanisms
  - An introduction to game theory
  - Basic auction theory and its application to project procurement

Assessment is by a single 2-hour unseen examination, in April-May.

## **BENVGPM1: Project Management (Dr Stephen Pryke (*module leader*) and John Kelsey)**

The structures and management issues experienced in construction projects are the focus of this module. Project management and organisational literature is used to illustrate the issues, supplemented by case study material. The issues addressed are to do with:

Information processing

Relationships

The former can be viewed conceptually as 'technical', the latter as the 'soft' end of management. They are in essence about efficiency and effectiveness respectively. Together they combine to provide a rounded approach to project management, yet there is tension between the two as the conceptual approaches are competing – technocratic versus behavioural. This is a creative tension, which the student is invited to navigate and make sense of, providing evidence through their own learning and the module assessments.

The learning material therefore addresses both analytical experience and case study material.

Lecture titles:

- Project Characteristics
- Turning Enterprise Strategy into Project Strategy
- Planning 1
- Planning 2
- Monitoring and Re-Planning
- Organisation and People 1
- Organisation and People 2
- Briefing and Forming the Project Coalition
- Project Leadership and Effective Project Organisations
- Managing the Construction Project - Site visit

Assessment is by a single 3,000 word term paper, due in at the end of Reading Week in the middle of term 1.

**BENVGPM8: Principles of Enterprise Management (Dr Hedley Smyth (*module leader*))**

The structures and management issues experienced in enterprises are the focus of this module. Management, organisational and project literature is drawn upon to illustrate the issues, supplemented by case study material. The issues addressed are to do with structure and process, are strategic as well as operational, rational as well as creative, and are about effectiveness and efficiency. Introducing students to key issues from the MBA curriculum, the module demonstrates that there are choices in the organisation and operation of the firm. These choices are suited to different aims and objectives. Strategic choice and operational decisions form part of the equation of effectiveness and hence competitive advantage in the marketplace.

The learning material therefore addresses both analytical experience of and in the firm and potential for the firm – a mix of theoretical and applied observation with normative input – that is, analysis about what ought to or could happen. Student learning occurs through lectures, group work, private reading and sharing learning from private reading.

Lecture titles:

- Enterprises
- Strategy
- Competitive Strategies
- Developing the Enterprise
- Film 12 Angry Men
- Decision Making and Negotiation
- Student Presentations on Case Studies
- Strategic Core Competencies
- Core Competencies and Continuous Improvement
- Organisational Learning and Knowledge Management
- Emotional Intelligence and Self-Awareness
- Emotional Intelligence and Decision Making
- Relationship Management
- Trust as a Competency and in Practice
- The Moral Economy

Assessment is by a single 2-hour unseen examination, in April-May.

For any further information please contact CEM  
Programme Director:  
John Kelsey  
[j.kelsey@ucl.ac.uk](mailto:j.kelsey@ucl.ac.uk)