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Management Control and Performance Evaluation in Civil Construction

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The construction industry in Portugal has been characterized by periods of significant instability, requiring firms to continuously adapt to market demands in order to maintain their sustainability and competitiveness in project bidding and contract awards. In this context, organizations have strategically strengthened their management control and performance evaluation systems, with the aim of enhancing planning, monitoring activities, and supporting informed decision-making processes.

This study aims to identify, characterize, and analyze management control and performance evaluation practices within a company in the construction sector, assessing the suitability of the most commonly used tools in relation to the specific characteristics of the projects undertaken. Grounded in a pragmatist research philosophy, the study employs a qualitative approach, implemented through an action research strategy. Additionally, the work seeks to fulfill the requirements outlined in Article 10.º of the RIEEP of the OCC.

The choice of the construction sector is justified by its economic significance within the national context, as well as by the high complexity and dynamism inherent in large-scale, long-duration projects. Companies in this sector are characterized by substantial capital investments and significant labor requirements, while simultaneously being exposed to frequent legislative changes, volatility in raw material prices, increasingly stringent environmental regulations, and strong pressure to meet contractual deadlines. Within this framework, management control assumes a crucial role in consolidating companies' competitive position, both nationally and internationally.

This study aims to contribute to the literature on management control practices applied to construction projects, helping to address the scarcity of empirical evidence with tested results in this field. It also seeks to support managers and organizational controllers in understanding the relationship between management control and project execution efficiency, as well as in identifying the most appropriate performance evaluation tools for this type of project.

Keywords: Accounting, balanced scorecard, budget, civil construction, management control, performance evaluation, strategy.