

**Name of the Subject:** MANAGEMENT CONTROL SYSTEMS  
**Course Code and Subject Code:** CC 302, MCS  
**Course Credit:** FULL (50 SESSIONS OF 60 MINUTES EACH)

**Course Description**

Every organization is meant for achieving pre-set goals and objectives. Well thought-out strategies are being implemented for this purpose. Execution of these strategies assumes as much importance as formulation itself. Management control systems are designed in order to implement these strategies successfully. The process of implementation of the strategies and the dilemma faced by managers are the main focus of this course. It envisages strategic planning, budgeting, resource allocation, performance measurement, evaluation, and reward/responsibility centre allocation. Thus, the main objective of this course is to equip the students with the skills for effective implementation of strategies and resolving the attendant problems.

**Evaluation pattern:**

Class participation and Attendance	10%
Quizzes	10%
Case Presentations	10%
Mid Term Examination	30%
End Term (University) Examination	40%

**Pedagogy:**

- Lectures
- Case study
- Group Discussions

Session	Course Content	Percentile weightage
1 - 3	<ul style="list-style-type: none"> <li>• The Nature of Management Control Systems</li> </ul>	5%
4 - 6	<ul style="list-style-type: none"> <li>• Understanding the concept of Strategy</li> <li>• Corporate Level Strategy</li> <li>• Business Unit Strategy</li> </ul>	5%
7 - 9	<ul style="list-style-type: none"> <li>• Behaviour in Organizations : Goal Congruence</li> <li>• Internal Factors that influence Goal Congruence</li> <li>• The Formal Control System and types of organizations</li> </ul>	5%
10 - 13	<ul style="list-style-type: none"> <li>• Responsibility Centers, Revenue Centers, Expense Centers</li> <li>• Administrative and Support Centres</li> <li>• Research and Development Centers</li> </ul>	10%

	<ul style="list-style-type: none"> <li>• Marketing Centers</li> </ul>	
14 - 17	<ul style="list-style-type: none"> <li>• Profit Centers- General Considerations</li> <li>• Business Units and Profit Centers</li> <li>• Other Profit Centers</li> <li>• Measuring Profitability</li> </ul>	10%
18 - 21	<ul style="list-style-type: none"> <li>• Transfer Pricing - objectives of Transfer Prices</li> <li>• Transfer Pricing Methods</li> <li>• Pricing Corporate Services</li> </ul>	10%
22 - 24	<ul style="list-style-type: none"> <li>• Measuring and Controlling Assets Employed</li> <li>• EVA versus ROI</li> <li>• Evaluating the Economic Performance of the Entity</li> </ul>	10%
25 - 27	<ul style="list-style-type: none"> <li>• Nature of Strategic Planning</li> <li>• Analysing Proposed New Programmes and Ongoing Programmes</li> <li>• Strategic Planning Process</li> </ul>	5%
28 – 31	<ul style="list-style-type: none"> <li>• Budget Preparation Process</li> <li>• Behavioural Aspects</li> <li>• Quantitative Techniques</li> </ul>	10%
32 - 36	<ul style="list-style-type: none"> <li>• Analyzing Financial Performance Reports</li> <li>• Calculating Variances and Limitations of variance analyses</li> </ul>	5%
37 – 40	<ul style="list-style-type: none"> <li>• Performance Measurement Systems</li> <li>• Interactive Control</li> </ul>	5%
41 – 43	<ul style="list-style-type: none"> <li>• Management Compensation- Characteristics of Incentives</li> <li>• Compensation Plans</li> <li>• Incentives for Corporate Officers and Business Unit Managers</li> <li>• Agency Theory</li> </ul>	5%
44 – 45	<ul style="list-style-type: none"> <li>• Controls for Differentiated Strategies</li> <li>• Corporate Strategy, Business Unit Strategy, Top Management Style</li> </ul>	5%
46 – 48	<ul style="list-style-type: none"> <li>• Service Organizations: General</li> <li>• Professional Service Organizations</li> <li>• Financial Service Organizations</li> <li>• Health Care Organizations and Non Profit Organizations.</li> </ul>	5%
49 – 50	<ul style="list-style-type: none"> <li>• Multinational Organizations</li> <li>• Management Control of Projects</li> </ul>	5%

**Text Book:**

1. Management Control Systems, Robert Anthony and Vijay Govindarajan, McGraw Hill Publication, 12<sup>th</sup> edition.

**Reference Books:**

1. Management Control Systems, Pradip Kumar Sinha, Excel Publication, Latest Edition.
2. Management Control Systems, N Ghosh, PHI Publication, Latest Edition.
3. Modern Management Control Systems, Kenneth A Merchant, Pearson Publication, Latest Edition.