

GUJARAT TECHNOLOGICAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION (Part-Time)

Year III (Semester: –VI) (W.E.F. Academic Year 2017-18)

Subject Name: Management Control Systems (MCS)

Subject Code: 3569985

Subject Credits: 3

Total Marks: 150

1. Learning Outcome:

- Understand the importance of control system as a tool for strategy implementation.
- Comprehend the dilemma that a manager faces in budget preparation and resource allocation to various activities and centers in the organization.
- Equip the students with the practical understanding of the variations in the control systems of different types of organization.

2. **Course Duration:** The course duration is of **36 sessions of 75 minutes** each.

3. Course Contents:

Module No.	Modules / Sub-Modules	No. of Sessions	70 Marks (External Evaluation)
I	Introduction to Management Control Systems <ul style="list-style-type: none">• Basic Concepts• Boundaries of management Control – How different from Strategy Formulation• Goal Congruence & informal factors that affect it• The Formal Control System• Functions of the Controller Responsibility Centres <ul style="list-style-type: none">• Concept of Responsibility Centres• Revenue Centres• Expense Centres• Other Types - Administrative and Support Centres, R&D, Marketing	9	17
II	Responsibility Centres <ul style="list-style-type: none">• Profit Centres – General Considerations, BU as a Profit Centre, Measuring Profitability• Investment Centres – Measuring and Controlling Assets Employed, EVA v/s ROI, Additional Considerations, Evaluating the Economic Performance	9	18
III	Transfer Pricing <ul style="list-style-type: none">• Transfer of Goods & Services between Divisions and its Pricing.• Administration of Transfer Prices	9	18

	Management Control Process <ul style="list-style-type: none"> • Strategic Planning • Budget Preparation – Process, Behavioral Aspects, Quantitative Techniques • Analyzing Financial Performance – Variance Analysis, Limitations • Performance Measurement Systems. • Interactive Control • Management Compensation – Incentive Compensation Plans for BU Managers & Corporate Officers, Agency Theory 		
IV	Variations in Management Control <ul style="list-style-type: none"> • Controls for Differentiated Strategies – Corporate and BU Level Strategy • Service Organizations – Specific characteristics • Multinational Organizations – Cultural Differences, Transfer Pricing issues and Exchange Rates • Management Control of Projects – Nature, Project Planning, Execution and Evaluation 	9	17
V	Practical: <ul style="list-style-type: none"> • As a group students should study various control systems adopted in the organization of their choice and analyze how the control systems help achieve the organizational objectives at large. 	---	(30 marks CEC)

4. Teaching Methods:

The course will use the following pedagogical tools:

- Lectures
- Case Discussions and Role Playing
- Audio-visual Material (Using CDs/Clippings/ online videos)
- Assignments and Presentations

5. Evaluation:

The evaluation of participants will be on continuous basis comprising of the following elements:

A	Continuous Evaluation Component comprising of Projects / Assignments / Quiz / Class Participation / Class test / Presentation on specific topic etc.	(Internal Assessment- 50 Marks)
B	Mid-Semester examination	(Internal Assessment-30 Marks)
C	End –Semester Examination	(External Assessment-70 Marks)

6. Reference Books:

Sr. No.	Author	Name of the Book	Publisher	Year of Publication
1	Robert Anthony and Vijay Govindarajan,	Management Control Systems	Tata McGraw Hill	Latest Edition
2	Pradip Kumar Sinha	Management Control Systems	Excel	Latest Edition
3	N. Ghosh	Management Control Systems	PHI	Latest Edition

4	Joseph A. Maciariello and Calvi J. Kirby	Management Control Systems	PHI	Latest Edition
5	Ravindhra Vadapalii	Management Control Systems	Excel	Latest Edition

Note: Wherever the standard books are not available for the topic appropriate print and online resources, journals and books published by different authors may be prescribed.

7. List of Journals / Periodicals / Magazines / Newspapers, etc.

1. Journal of Management Control
2. Journal of Management Information Systems
3. Control systems Magazine