



GUJARAT TECHNOLOGICAL UNIVERSITY

Program Name: Master of Business

Administration Level: PG

Branch: Financial Management

Course / Subject Code: MB03095031

Course / Subject Name: Management Control System

w. e. f. Academic Year:	2025-26
Semester:	3
Category of the Course:	Interdisciplinary Elective (Minor 1)

Prerequisite:	Any Graduate
Rationale:	The aim of the course is to enable students to develop the knowledge of financial and organizational control, including the systems and tools used by managers. This course ensures that the activities and decisions of individuals and departments within an organization are linked with its overall goals and objectives. This course provides an understanding on how to achieve common organizational goals, enhancing coordination and coherence across different levels and functions through establishing performance metrics and goals. It envisages strategic planning, budgeting, resource allocation, performance measurement, evaluation, and responsibility center allocation. Students will be able to critically analyses the situation and can develop management control system in Public, private and multinational organization. They can develop the ability to use relevant concepts in discussions of management control systems and to reflect critically on these control solutions.

Course Outcome:

After Completion of the Course, Student will able to:

No	Course Outcomes	RBT Level
01	Explain management control basics for framing corporate-level strategies for MNCs.	Understanding
02	Discuss the structure of control process in an organization and evaluate control system for business organization considering business specific problems.	Create
03	Analyze transfer pricing strategies used by MNCs in context of tax savings, analyze divisional performance and responsibility accounting.	Analyze
04	Analyze the process part of management control, identify strategies to remove communication gaps in designing control systems for a company.	Analyze
05	Construct the project of Management Control System in Multinational organization, service organization and Multinational Organization.	Create

**Revised Bloom's Taxonomy (RBT)*



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Teaching and Examination Scheme:

Teaching Scheme (in Hours)			Total Credits L+T+ (PR/2)	Assessment Pattern and Marks				Total Marks
L	T	PR	C	Theory		Tutorial / Practical		
				ESE (E)	PA / CA (M)	PA/CA (I)	ESE (V)	
3	0	0	3	70	30	50	0	150

Course Content:

Unit No.	Content	No. of Hours	% of Weightage
1.	Introduction to Management Control Systems 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 The Structure of Management Control Systems	10	25
2.	The Structure of Management Control Systems. - Responsibility Centres - Concept of Responsibility Centres - Revenue Centres - Expense Centres - Other Types - Administrative and Support Centres, R&D, Marketing - 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	15	25
3.	Transfer of Goods & Services between Divisions and its Pricing. - Administration of Transfer Prices - Investment Centers, Measures and Controls of Assets. - Divisional performance and Responsibility accounting, Various Control issues.	10	25



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4.	The Process Part of Management Control: • Planning, Budgeting, Performance Analysis and Rewarding. • Strategic Planning. Planning of Existing and Proposed Programs; Budget Preparation. • Its Process and Techniques. Analysis of Performance through Variance. • Developments in Performance Measurement System (PMS), Balance Score Card.	10	25
5.	Practical: Application of MCS in the following: a. Service organization b. Non-profit organization c. Projects d. Defining control variables and check point for event management. A project on to analyze how an actual organization plans, monitors, and evaluates its performance to achieve strategic objectives.	--	--
Total		45	100

Suggested Specification Table with Marks (Theory):

Distribution of Theory Marks (in %)					
R Level	U Level	A Level	N Level	E Level	C Level
20	30	20	20	10	0

Where R: Remember; U: Understanding; A: Application, N: Analyze and E: Evaluate C: Create (as per Revised Bloom's Taxonomy)

Suggested case studies: (More cases may be taken up in addition to these)

- Balanced Scorecard Implementation at Philips
- Fall of Arthur Andersen

References/Suggested Learning Resources:

(a) Books:

No.	Author	Name of the Book	Publisher	Year of Publication / Edition
1	Robert Anthony and Vijay Govindarajan	Management Control Systems	Tata McGraw Hill	Latest
2	Pradip Kumar Sinha	Management Control Systems	Excel	Latest
3	N. Ghosh	Management Control Systems	PHI	Latest
4	Joseph A. Maciariello and Calvi J. Kirby	Management Control Systems	PHI	Latest
5	Ravindhra Vadapalii	Management Control Systems	Excel	Latest



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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.

(b) List of journals/periodicals/magazines/newspapers:

1. Journal of Management Control
2. Journal of Management Accounting Research
3. Control (Magazine)

Pedagogy:

- ICT enabled Classroom teaching
- Case study
- Practical / live assignment
- Interactive class room discussions

Suggested Project List, if any:

1. To study the BCG Matrix and apply it to their chosen company.
2. To study Porter's Five Forces Model and apply it to their chosen company's industry.
3. To understand concepts of control and structure of control process in an organization and its application.
4. To Evaluate control system for business organization considering business specific problems.
5. To Analyze the process part of management control, identify strategies to remove communication gaps in designing control systems for a company.

Suggested Activities for Students, if any:

- Expert session to be conducted
- Group presentation

CO- PO Mapping:

Semester 3	Course Name: Management Control System				
	POs				
Course Outcomes	PO1	PO2	PO3	PO4	PO5
CO1	3	2	1	2	3
CO2	3	2	1	3	2
CO3	3	3	2	2	2
CO4	3	3	1	2	2
CO5	2	3	1	2	3

Legend: '3' for high, '2' for medium, '1' for low and '-' for no correlation of each CO with PO.

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