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## MANAGEMENT PROGRAMME

Term-End Examination

December, 2017

### MS-043 : MANAGEMENT CONTROL SYSTEMS

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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*Note : Attempt any five questions. All questions carry equal marks.*

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1. Define the concept of strategy. Explain the Boston Consulting Group (BCG) model, General Electric (GE) planning model and highlight their usefulness in formulating business unit level strategies.
2. Distinguish between the following :
  - (a) Strategic planning and control and Management control.
  - (b) Operational control and Management Control.
  - (c) Historical Cost and Replacement Cost.
  - (d) Cost Centre and Revenue Centre.
3. What is Arm's Length Principle ? Explain the traditional transaction methods used for determination of transfer price.

4. What is a Profit Centre ? What are the characteristics of an efficient Profit Centre ? Discuss the various aspects involved in performance appraisal of a profit centre.
  5. Define Budgetary Control and the steps involved in budgetary control system. In what way is budgetary control different from Standard Costing ?
  6. What are the objectives of Reward and Compensation plan ? Discuss the various types of short term incentive plans.
  7. Explain Enterprise Resource Planning (ERP). Describe the features of ERP ? How is ERP beneficial to business enterprises ?
  8. What are development organisations ? Explain in detail the main elements of Management Control System for such organisations.
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