

02341

## MANAGEMENT PROGRAMME

Term-End Examination

June, 2014

### MS-43 : MANAGEMENT CONTROL SYSTEMS

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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**Note :** (i) Attempt *any five* questions.

(ii) All questions carry *equal* marks.

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1. Explain the nature and purpose of Management Control. How is management control different from strategic planning ? Discuss the principal types of financial responsibility centres.
2. Define a profit centre and discuss the factors on which the degree of autonomy of profit centre/divisional managers will depend. What benefits does an organisation enjoy from profit decentralization ?
3. What are the important issues that need to be sorted out before finalising the budget ? Discuss the developments that have occurred over the past few years in relation to methodology which have a significant bearing on the process of budget setting.
4. Discuss in detail about Enterprise Resource Planning (ERP), highlighting clearly its features and benefits to a business enterprise. Explain the reasons for implementation of ERP by companies.

5. 'Risks have always been present in the banking system but their management has gained prominence over the recent years'. Discuss the various risks which are being faced by banks and how are they being contained by them ?
  6. Explain the following :
    - (a) Cybernetic paradigm for designing control system.
    - (b) Economic appraisal of Investment Centre.
  7. Discuss the concept of performance measurement. Explain the business performance model based on three performance dimensions as developed by Harald Bredrup. Also bring out the relationship between the three metrics.
  8. Discuss the following :
    - (a) Project planning and control through Programme Evaluation and Review Technique (PERT).
    - (b) Historical costs Vs Replacement costs.
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