

01479

MANAGEMENT PROGRAMME

Term-End Examination

June, 2011

MS-43 : MANAGEMENT CONTROL SYSTEMS

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

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

1. Explain the nature and purpose of Management Control Systems and discuss the considerations involved in designing Management Control System in an organisation.
2. Explain the concept of 'strategy' and discuss the various models used for formulating Business Unit Strategies.
3. What is a 'cost centre' ? Explain and distinguish between engineered cost centre and discretionary cost centres and discuss the implication that they create for management control system.

4. What are 'investment centres' ? Discuss the various approaches used for measuring the performance of investment centres.
 5. Explain the Arm's Length Principle and discuss the Transactional Profit Methods used for transfer pricing.
 6. Explain Performance Measurement. Discuss the various metrics used for performance management.
 7. Discuss the general and risk characteristics of banks. How can the risk in banks be controlled by the application of Management Control Systems ? Explain.
 8. What are the characteristics of a project organisation ? Explain how these features affect the control system design of a project.
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