

02421

## MANAGEMENT PROGRAMME

Term-End Examination

June, 2012

### MS-43 : 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. What are the various elements of control systems ? Discuss the nature and purpose of management control.
2. What is a Responsibility Centre ? Why are responsibility centres established ? Explain the concept of Cost Centres and distinguish between Engineered Cost Centres and Managed Cost Centres.
3. Explain the concept of 'Arm's Length Principle'. Discuss the methods used for the application of this principle.

4. What is an 'Investment Base' ? Explain how is investment base measured ?
  5. What is performance measurement ? Discuss the various metrics used for performance management and identify the purpose for which they are being used ?
  6. What are the objectives of reward and compensation plans ? Discuss the various organisational incentive plans.
  7. Explain the unique features of insurance companies and discuss the management control implications of these features.
  8. What are the characteristics of a project organisation ? Discuss their affect on the control system design of a project.
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