



# GUJARAT TECHNOLOGICAL UNIVERSITY

Syllabus for Master of Business Administration, 4<sup>th</sup> Semester

Subject Class: Functional Elective

Subject Name: Management Control System (MCS)

Subject Code: 4549286

With effective  
from academic  
year 2018-19

## 1. Learning Outcomes:

Learning Outcome Component	Learning Outcome (Learner will be able to)
Business Environment and Domain Knowledge (BEDK)	<ul style="list-style-type: none"> <li>Analyse the basic concepts of control and structure of control process in an organization.</li> </ul>
Critical thinking, Business Analysis, Problem Solving and Innovative Solutions (CBPI)	<ul style="list-style-type: none"> <li>Evaluate control system for business organization considering business specific problems.</li> </ul>
Global Exposure and Cross-Cultural Understanding (GECCU)	<ul style="list-style-type: none"> <li>Analyse different management control strategies for MNC at corporate level.</li> <li>Analyse transfer pricing strategies used by MNCs in context of tax savings.</li> </ul>
Social Responsiveness and Ethics (SRE)	<ul style="list-style-type: none"> <li>Analyse &amp; interpret Management Control System for Not for profit organizations so as to make them socially responsible.</li> </ul>
Effective Communication (EC)	<ul style="list-style-type: none"> <li>Identify strategies to remove communication gaps in designing control systems for a company.</li> </ul>
Leadership and Teamwork (LT)	<ul style="list-style-type: none"> <li>Analyse role of leaders in terms of goal setting and goal congruence in corporate management.</li> </ul>

## Correlation Levels:

1 = Slight (Low); 2 = Moderate (Medium); 3 = Substantial (High), “-“= no correlation

Sub. Code: 4549286	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9
LO1: Analyse the basic concepts of control and structure of control process in an organization.	3	-	2	3	-	-	-	3	1
LO2: Evaluate control system for business organization considering business specific problems.	2	1	3	-	2	-	-	1	1
LO3: Analyse different management control strategies for MNC at corporate level.	2	2	2	-	3	-	-	-	-
LO4: Analyse transfer pricing strategies used by MNCs in context of tax savings.	1	1	2	-	3	-	-	-	1
LO5: Analyse & Interpret Management Control System for Not for profit organizations so as to make them socially responsible.	1	1	2	1	-	1	3	-	-
LO6: Identify strategies to remove communication gaps in designing control systems for a company.	1	2	2	3	-	2	2	-	1
LO7: Analyse role of leaders in terms of goal setting and goal congruence in corporate management	-	3	-	2	-	3	1	2	-



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**Course Duration:** The course duration is of 40 sessions of 60 minutes each.

## 2. Course Contents:

Module No:	Contents	No. of Sessions	70 Marks (External Evaluation)
I	Introduction to Management Control Systems and the Environment of Management Control. The Nature of Management Control, Basic Concepts- Behaviour Aspects of Organizations, Goal Congruence and Factors Influencing the Congruence.	10	18
II	The Structure of Management Control Systems. Responsibility Centres. Definition, Types – Revenue & Expense Centres, Engineered and Discretionary Expense Centres – Profit Centres, Various Measures of Profits.	10	18
III	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	17
IV	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. Compensation for Management Staff – Different Compensations Plans for Corporate Officers and SBU Managers	10	17
V	<b>Practical:</b> Application of MCS in the following: a. Service organization b. Non-profit organization c. Projects d. Defining control variables and check point forevent management.	---	(30 marks CEC)

## 3. Pedagogy:

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

## 4. Evaluation:

Students shall be evaluated on the following components:

A	Internal Evaluation	(Internal Assessment- 50 Marks)
	• Continuous Evaluation Component	30 marks
• Class Presence & Participation	10 marks	
• Quiz	10 marks	



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<b>B</b>	<b>Mid-Semester examination</b>	<b>(Internal Assessment-30 Marks)</b>
<b>C</b>	<b>End –Semester Examination</b>	<b>(External Assessment-70 Marks)</b>

## 5. Reference 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

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.

## 6. List of Journals/Periodicals/Magazines/Newspapers / Web resources, etc.

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