

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

SET A

**SCHOOL OF MANAGEMENT
END TERM EXAMINATION – MAY / JUNE 2024**

Semester : Semester VI - 2021

Course Code : BBA3005

Course Name : Management Control System

Program : BBA

Date : May 31, 2024

Time : 09.30am to 12.30pm

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART - A

ANSWER ANY 5 QUESTIONS

5 X 2 = 10M

1. Define output control. (CO1) [Knowledge]
2. Define performance management. (CO2) [Knowledge]
3. Name two methods that are widely accepted in determining transfer pricing. (CO3) [Knowledge]
4. Define arm length principle. (CO3) [Knowledge]
5. Define a strategy map. (CO4) [Knowledge]
6. Give any two objectives of transfer pricing (CO4) [Knowledge]
7. List three types of strategic plans (CO4) [Knowledge]

PART - B

ANSWER ANY 5 QUESTIONS

5 X 10 = 50M

8. The Management Control Process consists of various stages, each with its own distinct features. Comment. (CO1) [Comprehension]

9. Explain the significant advantages of profit center. (CO2) [Comprehension]
10. Define performance measurement. Discuss in detail the issues in measuring the performance of individuals, projects, or organizations. (CO3) [Comprehension]
11. The Management Control Process consists of various stages, each with its own distinct characteristics. Comment. (CO4) [Comprehension]
12. Rules serve as guidelines for members of an organization, allowing them to deviate from them under certain conditions or when it is in the group's best interest, as determined by their own judgment. Discuss the impact of rules in formal control system (CO4) [Comprehension]
13. Profit center facilitate management decision-making regarding funding allocation and devising strategies for low-performing units. Comment (CO2) [Comprehension]
14. Implementing a profit center method may not always be the most suitable answer. Comment. (CO3) [Comprehension]

PART - C

ANSWER ANY 2 QUESTIONS

2 X 20 = 40M

15. Budgeting is crucial for both businesses and individuals as it serves several vital purposes. By implementing effective budgeting strategies, we can make informed financial decisions and ensure a stable future. Keeping in mind the following statement discuss the importance of budget in an organization. Also, explain the common factors that the companies include in their budget. (CO4) [Application]
16. MCS is the need of an hour in modern-day organizations. Explain the differentiation strategies and controls used for the following organizations
1. Professional service organization
 2. Health care organizations
- (CO3) [Application]
17. Profit centers are certain divisions within a corporation that have the potential to contribute to the overall profitability of the organization. Profit centers have the responsibility of generating sales and earnings. Companies measure their profits and losses independently from other sections of the organization, which enables accountants to treat them as distinct, independent entities.
1. Discuss the way profit centers work.
 2. Explain the reasons profit centers are important for an organization
- (CO4) [Application]