# Management Control Systems (Control systems)

## Prof. Manuela S. Macinati

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course has a double objective. On one hand, after an introduction to the approach contingent to the management control system, the course focuses on the features that the system takes in specific business settings and analyses its design and operating needs and characteristics. On the other hand, the course aims to raise students’ sensitivity towards the ‘organizational’ dimension of programming and control system, by emphasizing the capability to drive behaviours and decision making of corporate actors.

At the end of the course, students will be able to:

1. demonstrate knowledge and understanding of the approach contingent to the design of the management control system and its organizational dimension (advanced course) in order to be able to produce and apply original ideas to real context;
2. demonstrate knowledge and apply planning and logic criteria in different business settings, with reference to technical and accounting tools (analytical accounting, budgeting reporting) both to the system of centres of responsibility, transfer prices policy and compensation system and will demonstrate advanced *problem setting* and *problem-solving* skills;
3. critically interpret the information produced by the management control system and will formulate independent judgments even in complex situations with limited and incomplete information;
4. communicate clearly and with no ambiguities their own conclusions derived by the interpretation of the information processed by the management control system in order to support the receivers (specialists and non) of the management control system with appropriate arguments;
5. advance in management control studies in a more auto-directed and autonomous way.

***COURSE CONTENT***

The approach contingent to the design of management control systems.

Management control systems in specific types of companies: service, commercial, public, non-profit, project and healthcare organization and small and medium companies.

The ‘organizational’ dimension of management control system (mechanism of organization control, management by objectives and compensation systems, transfer prices).

***READING LIST***

S. Baraldi, *I sistemi di controllo direzionale. Contingency theory e criteri di progettazione*, McGraw-Hill, Milan, 2012.

S. Baraldi-A. Cifalinò-P. Sacco, *Materiale didattico per il corso di Programmazione e Controllo (sistemi di controllo)* – EDUCatt, 2019.

Case studies uploaded in the Blackboard area reserved for students enrolled in the course.

***TEACHING METHOD***

The course will utilize blended learning and will be 50% face-to-face lectures in class and 50% as distance learning online. Activities in distance learning will be taught through (asynchronous) video lessons, (synchronous through web conferences) practical webinars and feedback-live webinars. There will be highly interactive lectures, analysis of case studies, guided discussion and plenary reflection workshops. The analytical programme of the course will be posted on Blackboard*.*

***ASSESSMENT METHOD AND CRITERIA***

A)*Ongoing assessment*

For students who opt for the ongoing assessment: 50% of the assessment will be based on two tests (an individual one to be taken in class, weight 20%, and one as group assignment, weight 30%) submitted during the course as per the content and timelines published in the Blackboard area reserved for students enrolled in the course; 50% of the assessment will be based on a final written test. The final test may only be taken following passing marks of the tests assigned during the course. In order to pass the exam, the final test (to be taken on one of the 3 official exam dates following the end of the course) must be passed.

1. *Final assessment*

For students who opt for a final assessment: the exam will consist of a two-hour written exam (2 open-ended questions, 1 business case) based on one or more topics covered during the course (including case studies published on Blackboard).

Students’ preparation is assessed on the following criteria:

* deep knowledge and understanding of the systems and models studied;
* original, appropriate and deep exemplifications proposed in response to the request for practical applications of arguments;
* awareness of company and environment features that influence the issues studied;
* rigour in contextualising the issues studied and in identifying and arguing original solutions in real-life contexts;
* appropriateness and correctness in the choice and application of the quantitative and qualitative analysis models studied for the assigned problems;
* autonomy and rigour in interpreting and selecting the relevant information from among those assigned in order to examine problems studied, as well as highlighting possible information gaps, consequently identifying further information hypotheses on which to base the proposal of appropriate solutions;
* critical approach to the subject, also through discussing the advantages/ disadvantages of the models studied from a conceptual and practical point of view, and mastery of the links between the various aspects in which the planning and control system is divided;
* clarity, completeness, consistency and language mastery in communication.

***NOTES AND PREREQUISITES***

Preliminary knowledge

Students taking this course will need to have a basic knowledge of programming and control tools. Students not in possession of such prior knowledge shall be responsible for acquiring it through individual study so that they can attend the course effectively.

To this end, the following textbooks are suggested:

S. Baraldi-A. Cifalinò-P. Sacco (edited by), *I sistemi di programmazione e controllo,* Giappichelli, Turin, 2011.

S. Baraldi-A. Cifalinò-P. Sacco, *Esercizi svolti di programmazione e controllo,* Giappichelli, Turin, 2013 (fourth edition-revised reprint).

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG or on the Faculty notice board.