

Strategy and Management Control System

Overview

Priyanka Darshana

MBA (Aus), ACMA (UK), CGMA, B B Marketing (Kelaniya)

Module aim

This module aims to impart knowledge, competencies, and skills relating to the notion of strategy and its connections with the practices of management controls in the organization, with reference to strategy concepts and emerging management control system practices.

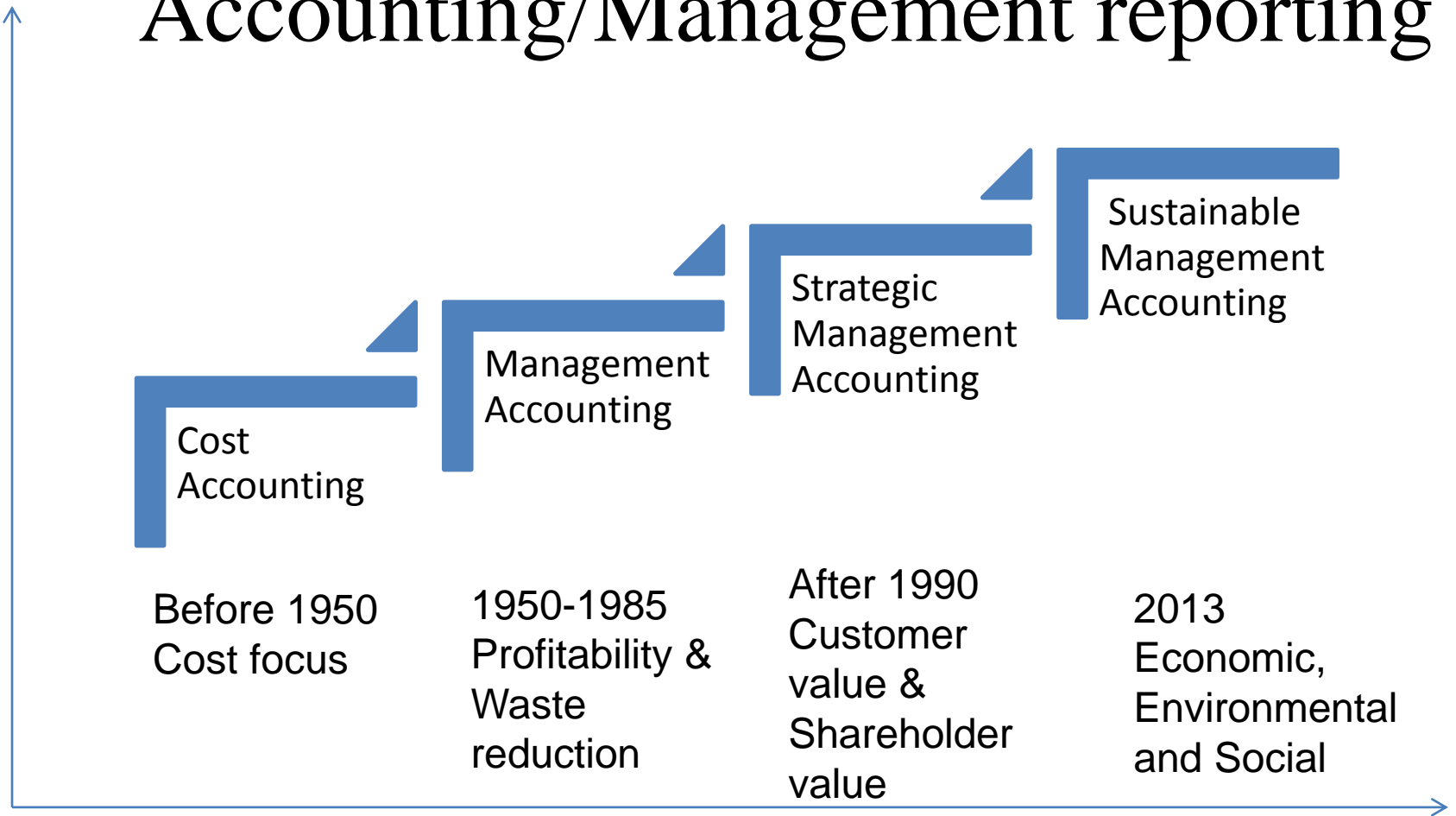
Intended learning outcome

By the end of this module, a student should be able to do the following:

- 1. Understand why, how and what concepts of strategy developed worldwide, making everybody strategic conscious
- 2. Understand why, how and what concepts of management control systems developed worldwide making everybody control conscious
- 3. Articulate the relationship between strategy and MCS, with an emphasis on the changing nature of management control systems

Diffusion of Management Accounting/Management reporting

Diffusion



1950-2013

Critic in traditional management accounting



In the 1980s management accounting was criticized for becoming too internally focused on operational issues and was providing little help to managers making strategic decisions.

Management Accounting & Strategy

“In increasingly dynamic environment the provision of strategically relevant information is paramount importance to formulate ,execute and control the business strategies Dixon & Smith (1993)

Management Accounting & Strategy

Strategic planning

Management Accounting
information

Strategic Control

Strategic execution

Management Control System (MCS)

A management control system is a logical integration of management accounting tools to gather and report data and to evaluate performance.



The Management Control System

