
Designing Management Control Systems: Levers, Budgets and Performance Training Course

31 May – 4 June 2027
Tokyo





Designing Management Control Systems: Levers, Budgets and Performance Training Course

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Programme Summary

Designing management control systems is the subject of this five-day training course for senior managers, finance directors and control leaders at a managerial level, ending in a control system design pack for one business unit. Organisations set budgets, targets and authority limits, yet these often work as separate tools that fail to guide behaviour or reveal drift early. The programme moves from control principles and levers, through budgets, measures and variance evidence, to authority design and monitoring, then to a worked design pack. Mars Training Centre UK delivers this programme in designing management control systems.

The Business Case

When budgets, performance measures and delegated authority are designed apart, managers receive mixed signals and deviations surface late. Leaders who build these elements into one system can steer a unit with fewer surprises and a clear record of who decides what.

- Forecast Reliability: Improves as targets, tolerance bands and variance review follow one agreed routine.
- Decision Delay: Falls as authority limits and escalation routes are set before they are needed.
- Control Breakdowns: Surface sooner as monitoring evidence is reviewed against defined indicators.

Principles and Evidence Base

- Simons' Levers of Control: Its four levers, beliefs, boundary, diagnostic and interactive systems, structure Sessions 1 to 3.
- COSO Internal Control - Integrated Framework: Its five components of internal control guide the design and monitoring work of Sessions 3 and 4.
- Responsibility accounting: Assigning targets and results to the managers who can influence them shapes the budget and measure work of Session 2.

Intended Participants

- Senior managers who set targets and authority limits for a division or function.
- Finance directors who own budgets, forecasts and variance reporting.
- Heads of internal control who must link management control to the control framework.
- Operations leaders who run units against agreed measures and delegated limits.

The programme serves manufacturing, services, public bodies and financial institutions.



Learning Outcomes

1. Participants will be able to evaluate a management control system against the four levers of control.
2. Participants will be able to construct a set of performance measures with targets and tolerance bands for a unit.
3. Participants will be able to diagnose causes of variance and unreliable control data.
4. Participants will be able to design a delegation of authority matrix with escalation routes.
5. Participants will be able to prioritise monitoring activities against the components of internal control.
6. Participants will be able to justify a control system design to an executive committee.

Programme Structure

Day 1: Control Principles and Levers

Which controls does a management team need, and what is each meant to achieve?

- Simons Four Levers Model
- Beliefs and Boundary Statements
- COSO Five Components Map
- Control Purpose and Scope Statement
- Management Control Gap Inventory

Day 2: Budgets, Measures and Variance Evidence

Do budgets and measures give managers a signal they can act on?

- Budget Structure and Ownership Review
- Performance Measure Selection Grid
- Target and Tolerance Band Setting
- Variance Analysis Reading
- Control Data Reliability Check

Day 3: Authority, Responsibility and Control Activities

Who decides what, and which controls make those decisions safe?

- Delegation of Authority Matrix
- Responsibility Centre Design
- Control Activity Specification
- Interactive Review Meeting Design
- Information Flow Map



Day 4: Monitoring and Assurance

How does management know that the controls keep working?

- Monitoring Activity Plan
- Diagnostic Control Dashboard
- Control Deficiency Rating Scale
- Escalation and Corrective Action Log
- Control Reporting Pack

Day 5: Applying Management Control Systems Design to One Unit

Is the design pack ready for an executive committee to approve?

- Applying the Session 1 Gap Inventory to the Chosen Unit
- Testing the Session 2 Measures Against Unit Targets
- Matching the Session 3 Authority Matrix to Control Activities
- Checking the Session 4 Monitoring Plan for Coverage
- Completing the Management Control System Design Pack

Methodology

The programme is built around case analysis. Participants work in small teams on anonymised business units from manufacturing and services, and test each design choice as an executive committee would, with the figures in front of them.

- Suggested activity: Sorting an existing set of controls into the four levers and finding the gaps.
- Suggested activity: Rewriting a target with a tolerance band and an owner who can influence it.
- Suggested activity: Redrawing an authority matrix so each approval has a limit and an escalation route.

Capstone Output

Each participant completes a control system design pack for one business unit. It holds a lever map, a measure and target set, an authority matrix, a monitoring plan and a reporting pack. It is used to brief an executive committee and to guide the next budget cycle.

Frequently Asked Questions

Is designing management control systems suitable for managers without an accounting background?

Yes. Designing management control systems is set at managerial level and assumes you read budgets and performance reports, not that you hold an accounting qualification.



Which models does designing management control systems rest on in this training?

Designing management control systems rests on Simons' Levers of Control and the COSO Internal Control - Integrated Framework, supported by responsibility accounting.

How is the design pack from designing management control systems used at work?

You use the design pack to brief an executive committee, reset targets and authority limits, and plan the monitoring of the next budget cycle.

How does designing management control systems differ from a programme on internal audit practice?

Designing management control systems centres on how management sets targets, limits and monitoring, while an internal audit programme centres on how auditors test controls independently.