

1. a) What are the purposes of incentives?

b) What criteria could be used to evaluate incentive systems?
2. a) There has been number of approaches to Balanced Scorecard in practice. We may classify Scorecards into KPI (Key Performance Indicator) Scorecards, Strategy Scorecards and Stakeholder Scorecards. How KPI and Strategy Scorecards may be different from each other in terms of their content?

b) Balanced Scorecard is argued to translate strategy into action. What are the main assumptions concerning the design and use of a set of indicators (i.e. BSC) that underlie this argument?
3. Melnyk et. al., 2014 present a Performance Alignment Matrix. Describe and explain it.
4. Financial results controls that emphasize current-period accounting profits may cause managers to become excessively short-term oriented, or myopic. We discussed various remedies that can be used to alleviate the myopia problem. List those remedies and make sure you describe each in such a detail that a reader can understand what you mean.