



## 011076 Managerial Accounting

|                        |   |          |                       |                       |                   |
|------------------------|---|----------|-----------------------|-----------------------|-------------------|
| <b>Course Code</b>     | 011076  |          | <b>Course Name</b>    | Managerial Accounting |                   |
| <b>Instructor</b>      | TBA   |          | <b>Other Teachers</b> | TBA                   |                   |
| <b>Course delivery</b> | Lectures  | Seminars | Guest Speakers        | Group Activities      | Field Trip(s)     |
|                        | √   | √        | √                     | √                     | √                 |
|                        | Tutorials   | Projects | Pitch(es)             | Presentations         | Outreach Workshop |
|                        | √   |          |                       |                       | Optional          |
| <b>Total Hours</b>     | 54 in-class contact hours + Self Study Hours<br>This course is worth 6 ECTS points. |          |                       |                       |                   |

### Course Description

This course focuses on the primary concepts and tools accountants use in generating information for management to use in areas such as planning, controlling and measuring. Students will be assessing how managerial accounting facilitates resourceful management and provides for efficiency. It looks into how performance can be accurately measured as well as the consequences of different practices in managerial accounting. Application of concepts explored throughout the course will be based on the individual case of each organisation to ensure optimum results and better-informed decisions.

Students will be examining different costing and budgeting methods, which they will be required to apply to the scenarios and case studies presented to them. Other issues will include professional and ethical dilemmas which could arise for individuals in the managerial accounting profession and how such issues should be properly addressed.

## **Brief Schedule and Topics**

1. An Overview of Managerial Accounting and the Business Environment
2. Cost Concepts, Cost behaviour, cost drivers and cost estimation
3. Cost Allocation
4. Budgeting and Control of Cost
5. Managing Cost
6. Managing Quality and Throughput
7. Inventory Management
8. Tactical and Capital Investment Decisions
9. Managing Performance
10. Customer profitability analysis
11. Balanced Scorecard
12. Ethics in managerial accounting

## **Learning Objective**

By the end of this course you should be able to:

- Understand key concepts within management accounting and correctly apply them to the different scenarios presented.
- Analyse data in determining important information and the applicable costing techniques in each case.
- Understand the different functions in the Excel spreadsheet used to solve issues within management accounting.
- Describe the role of managerial accounting within organisations and how they assist organisations in making important management decisions
- Demonstrate the ability to account for the different organisational contexts during the application of key concepts, methods and practical knowledge taught throughout the course.
- Prepare practical budgets, reports and performance measurement mechanisms which can be used by management.
- Identify ethical issues which could arise in management accounting and ways to effectively prevent or resolve these dilemmas.

## **Requirements**

Sound knowledge of topics covered in Accounting introductory courses is a necessary basis for satisfactory completion of this course. This course is open to undergraduate students.

## Reference Books

Managerial Accounting for Managers, 2nd edition. Noreen, Brewer, and Garrison, McGraw Hill, 2011.

Management Accounting: Information for Managing and Creating Value, 8th ed, Langfield-Smith, K., D. Smith, P. Andon, R. W. Hilton and H. Thorne, McGraw-Hill, 2018.

Course materials (including lecture notes, supplementary readings and solutions to assignment questions) are handed out during the class.

## Assessments

Assessments in this course include:

In class quizzes (2\* 20% each):

Length: A 45 minutes quiz conducted in the class.

Task: This is a closed book examination.

Details of the test will be announced and discussed in class.

In-class task (10%)

Task: An in-class case study task based on group discussion.

Details of the task will be announced and discussed in class.

Final examination (50%):

A two hours formal final examination will be scheduled by the lecture and conducted in the class.

Task: This is a closed book examination.

Students should expect a variety of differently structured questions such as multiple choice answers, short answer questions, and extended responses. Students are expected to attempt all components of the exam to the best of their abilities. Students will be provided with samples questions and a comprehensive explanation of exam instructions.

Please make sure that you are physically present in all classes, especially on examination dates.

No make-up tests or examinations will be provided.

## Detailed Daily Schedule (TBC)

| Topic (tentative)  | Activities   |
|--|--|
| <b>An Overview of Managerial Accounting and the Business Environment;</b>  | Introduction; Lecture/seminar                        |
| <b>Cost Concepts, Cost behaviour, cost drivers and cost estimation</b><br>Product costing systems<br>Process costing and operation costing<br>Service Costing<br>Cost analysis | Lecture/seminar; Case Studies ; In Class Activities; |

|   |   |
|---|---|
| <b>Cost Allocation:</b><br>The traditional method of Cost Allocation<br>Activity-Based-Costing  | Lecture/seminar; Case Studies ; In Class Activities; <b>Quiz 1 (20%)</b>        |
| <b>Budgeting and Control of Cost</b><br>Budget approaches<br>Standard Costs<br>Variance analysis for cost control   | Lecture/seminar; Case Studies ; In Class Activities ;                           |
| <b>Managing Cost</b><br>Life-Cycle Costing<br>Target Costing<br>Pricing Decisions   | Lecture/seminar; Case Studies ; In-Class Activities;                            |
| <b>Managing Quality and Throughput</b><br>Managing resources and Quality Improvement  | Lecture/seminar; Case Studies ; In-Class Activities;                            |
| <b>Inventory Management</b><br>Economic order quantity (EOQ)<br>Just-in-time (JIT) Purchasing   | Lecture/seminar; Case Studies ; In Class Activities ; <b>Quiz 2 (20%)</b>       |
| <b>Tactical and Capital Investment Decisions</b><br>Short-term decision-making scenarios  | Lecture/seminar; Case Studies ; In Class Activities ;                           |
| <b>Managing Performance</b><br>Financial performance measures (ROI, RI and EVA)<br>Performance Measurement in Decentralized Organizations<br>Transfer pricing | Lecture/seminar; Case Studies; In-Class Activities                              |
| <b>Customer profitability analysis</b>  | Lecture/seminar; Case Studies; In-Class Activities                              |
| <b>Balanced Scorecard</b><br>Strategic profitability analysis<br>The theory of constraints  | Lecture/seminar; Case Studies ; In-Class Activities; <b>In Class task (10%)</b> |
| <b>Ethics in Managerial Accounting</b>  | <b>Final Exam (50%)</b>   |

Content is subject to change.

## Academic Integrity and Policies

[Tongji University Academic Policy](#) for international students makes reference to the Academic Policy for Undergraduates (Issuing on 20th, June 2005) and Academic Policy for Postgraduates.

### Academic Integrity

Students are expected to uphold the university's academic honesty principles, which are an integral part of the university's core values and principles. If a student fails to observe the acceptable standards of academic honesty, they could attract penalties and even disqualification from the course in more serious circumstances. Students are responsible for knowing and observing accepted principles of research, writing and any other task which they are required to complete.

Academic dishonesty or cheating includes acts of plagiarism, misrepresentation, fabrication, failure to reference materials used properly and forgery. These may include, but are not limited to: claiming the work of others as your own, deliberately applying false and inaccurate information, copying the work of others in part or whole, allowing others in the course to copy your work in part or whole, failing to appropriately acknowledge the work of other scholars/authors through acceptable referencing standards, purchasing papers or writing papers for other students and submitting the same paper twice for the same subject.

This Academic Integrity policy applies to all students of the Tongji University in all programmes of study, including non-graduating students. It is to reinforce the University's commitment to maintaining integrity and honesty in all academic activities of the University community.

### Policy

- The foundation of good academic work is honesty. Maintaining academic integrity upholds the standards of the University.
- The responsibility for maintaining integrity in all the activities of the academic community lies with the students as well as the faculty and the University. Everyone in this community must work together to ensure that the values of truth, trust and justice are upheld.
- Academic dishonesty affects the University's reputation and devalues the degrees offered.
- The University will impose serious penalties on students who are found to have violated this Policy. The following penalties may be imposed:
  - Expulsion;
  - Suspension;
  - Zero marks/ fail grade;
  - Marking down;
  - Re-doing/re-submitting of assignments or reports; and
  - Verbal or written warning.