ACCOUNTING AND MANAGEMENT CONTROL in Spring 2021 (BA5001)

Course Code	BA5001	**Professor(s)**	Natalya Shiryaeva
Prerequisites	None	**Office Number**	G-2A03
Class Schedule	F: 15:20-16:40 in PL-3 T: 10:35-11:55 in PL-3	**Office Hours**	M/R 16:00-18:00 and by appointment
Credits	4	**Email**	nshiryaeva@aup.edu
Semester	Spring 2021	**Office Tel. Ext.**	please use email

Course Description

Management accounting and control involves the processes managers adopt to make decisions based financial and non-financial information to exert influence on other members of the organization in order to accomplish organizational strategies.

The course aims at providing an understanding of the issues around that goal, presenting the main managerial accounting and control tools and systems. We will discuss their implementation in concrete organizational settings. A particular emphasis will be put on strategic-level accounting, budgeting, cost management, performance reporting, goal congruence, etc.

The course will be a combination of cost determination and management analysis with focus on both traditional and contemporary concepts. We will begin by examining how product and customer costs are estimated and the impact this information has on the organization’s strategy formation and decision-making. We will pay specific attention to cost behavior to develop your ability to use cost information in decision-making. We will then proceed to an in-depth examination of cost information for decision-making in both short and long term situations, highlighting some of the potential traps for managers in using management accounting information and control systems out of context or inappropriately. We will begin to wrap up with a discussion of various methods managers use in performance evaluation, illustrating how managers may use some of the tools we learned in the course. Finally, we will work on how all of this contributes to an organisation’s overall performance in internal reports, public financial statements and investor / stakeholder operational reports.

Course Learning Outcomes

Understand the key features of cost and managerial accounting, with a specific emphasis on activity based costing, cost allocation, financial statement analysis and ratio analysis.
Design and use control tools (planning, budgeting, variance analysis, balanced scorecards, performance evaluation) and adapt them to an organizational strategy.
Obtain familiarity with the most current practices of planning and control.
Start a reflection about management systems, and the difficulties of coordination and control, related to empowerment and responsibility in light of accountability and representation of the organization to investors and stakeholders.
Step back from immediate figures of interpretation and discuss their possible significance and meanings in an organizational and a larger societal context.

General Education

Course Outline

This is a tentative course schedule and will be revisited as the course progresses.

Week 1:   Introduction to Management Accounting and Performance Measurement Concepts

Tuesday – January 19

Course introduction

Lecture BGN – **PROLOGUE**, Managerial Accounting: An Overview

Please Purchase Books & Coursepack by January 21

Practice Exercises: EP-1, EP-2, EP-3, EP-5, EP-8, EP-11, EP-12

Friday – January 22

CASE: Canadian Firearms Program (Coursepack) – (ad hoc groups – read in advance/discuss in class)

Week 2: Cost Concepts

Tuesday – January 26

Lecture BGN – **Chapter 1:** Managerial Accounting and Cost Concepts

Practice Exercises: E1-1, E1-4, E1-11, E1-21, P1-23, P1-17, 6A-8 (Chapter 6)

Bonus Exercise: P1-13 (p.54) – submit via Blackboard by 10:30 am on Tuesday February 2nd.

Friday – January 29

CASE: **Superior Manufacturing Company** (Handout) – assignment is on Blackboard

Week 3: CVP Analysis

Tuesday – February 2

Quiz BGN (Ch. 1)

Lecture BGN - **Chapter 6:** Cost-Volume-Profit Relationships

Reveiw problem CVP Relationships with the step by step solutions – p. 245.

Practice Exercises: *The Foundational 15 p. 250, + E6-1, E6-5, E6-10, E6-13, E6-14, E6-17, E6-18, 6A-1, 6A-3*

Friday – February 5

CASE: Energy Devices, Inc. (Handout) – Group Analysis (prepare in advance)

Bonus Exercise: P6-20 (p.255) – submit via Blackboard by 3:00 pm on, Friday February 12th.

Week 4: Segment Reporting

Tuesday – February 9 - MINI BREAK 1 - SWITCH TO ON-SITE CLASSES

Friday – February 12

Quiz BGN (Ch. 6)

Lecture BGN - **Chapter 7**: Variable Costing and Segment Reporting: Tools for Management

Reveiw problem 1 & 2 with the step by step solutions – p. 307-310

Practice Exercises: *The Foundational 15 p. 313, + E7-1, E7-4, E7-5, E7-6, E7-16*

Bonus Exercise: P7-14 P7-15 & P7-17 (p.320) – submit via Blackboard by 3:00 pm on, Friday February 19th.

Week 5: _Kaizen & Midterm I -

Tuesday – February 16

Glass, Ira (2010) NUMMI (Streaming audio file) This American Life, http://www.thisamericanlife.org/radio-archives/episode/403/nummi

CASE: NUMMI (Coursepack) – Group Analysis (prepare in advance)

Friday – February 19

Midterm I – Covers BGN Ch. P, 1, 6 & 7, cases & course discussion to this point (open book, open notes)

Week 6: ABC / Quantitative Narratives

Tuesday – February 23

Lecture BGN **- Chapter (2)& 4**: Job-Order Costing & Activity-Based Costing: A Tool to Aid

Decision Making

Practice Exercises: *The Foundational 15 p. 169, + E4-2, E4-3, E4-4, E4-7, E4-11, 4-16*

Bonus Exercise: P4-18 – submit via Blackboard or in Connect by 10 am on Tuesday, March 9th .

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Friday – February 26 MINI BREAK 2

Week 7: ABC / Quantitative Narratives

Tuesday – March 2

CASE*: Colorscope, Inc. (coursepack) – see Blackboard for you Group assignment (prepare in advance)*

Friday – March 5

CASE*: Owens & Minor, Inc. (A) – see Blackboard for you Group assignment (prepare in advance)*

Week 8: Budgeting & Profit Planning

Tuesday – March 9

Quiz BGN (Ch. 4)

Lecture: BGN **- Chapter 8:** Master Budgeting

Reveiw problem with the step by step solutions – p. 362

Practice Exercises: *The Foundational 15 p. 366, + E8-1 thought to E8-8, 8-28, 8-29.*

Bonus Exercise: P8-24 – submit via Blackboard or in Connect by 10 am on Tuesday, March 16th .

Friday – March 12

CASE*: Becton Dickinson:* *Designing the New Financial Planning Process (coursepack)*

see Blackboard for you Group assignment (prepare in advance)

Week 9: Budgets and Performance Analysis

Tuesday – March 16

Quiz BGN (Ch. 8)

BGN - **Chapter 9**: Flexible Budgets, Standard Costs and Variance Analysis

Reveiw problem with the step by step solutions – p. 420

Practice Exercises: *The Foundational 15 p. 424, + E9-1, E9-2, E9-4, 9-5, E9-13, E9-14, E9-15*

Bonus Exercise: P9-23 & 9-17 – submit via Blackboard or in Connect by 10 am on Tuesday, March 23rd .

Friday – March 19

CASE: Town of Bellington (handout) – Group Analysis (read in advance**/group activity in class**)

Week 10: Differential Analysis

Tuesday – March 23

Quiz BGN (Ch. 9)

Lecture BGN - **Chapter 11:** Differential Analysis: The Key to Decision-Making

Practice Exercises: *The Foundational 15 p. 469, + E11-1, through to E11-13,*

Bonus Exercise: P11-22 & P11-23 – submit via Blackboard or in Connect by 10 am on Tuesday, March 30th.

Friday – March 26

Quiz BGN (Ch. 11)

CASE: PCL-A Breakdown in the Enforcement of Management Control- *see Blackboard for you Group assignment (prepare in advance)*

Week 11: Midterm II & Performance Measurement

Tuesday – March 30

Midterm II – BGN Ch. 4, 8, 9, & 11, cases and course discussion (open book, open notes)

Friday – April 2

CASE*: Boston Lyric Opera – see assignment on Blackboard*

Week 12: Capital Budgeting

Tuesday – April 6 - FACULTY RETREAT & EASTER MONDAY 5 APRIL

Friday – April 9

BGN - **Chapter 12:** Capital Budgeting Decisions

Reveiw problem with the step by step solutions – p. 588

Practice Exercises: *The Foundational 15 p. 592, + E12-1, E12-2, E12-3, E12-5, E12-6, E12-7*

Bonus Exercise: P12-19 & P12-20 –hand in on paper at the start of the class, Tuesday April 16tht.

Week 13: Cash Flow is King

Tuesday – April 13

CASE*: Green Valley Medical Center (coursepack)*

Friday – April 16

Quiz BGN (Ch. 12)

BGN – **Chapter 13** : Statement of Cash Flows

Reveiw problem with the step by step solutions – p. 637 (optional)

Practice Exercises: *The Foundational 15 p. 642, + E13-1, E13-2, E13-3, E13-4*

Bonus Exercise: P13-10 (long) –hand in on paper at the start of the class, April 25th.

Week 14: Financial Analysis

Tuesday – April 20

CASE*: EU Design's Rise in the Apparel and Fashion Industry: Formalizing Management and*

Incentive Systems

Friday – April 23

Quiz BGN (Ch. 13)

BGN - **Chapter 14:** Financial Statement Analysis

Reveiw problem with the step by step solutions – p. 681

Practice Exercises: *The Foundational 15 p. 683, + E14-1, E14-2, E14-3, E14-4, 14-5, 14-6*

Bonus Exercise: P14-17 –hand in on paper at the start of the class, April 27th.

Week 15: Review and Exam preparation

Tuesday – April 27

Quiz BGN (Ch. 14)

Final Exam Review & Course Conclusions

Week 16: Holiday & Reading Week

May 1 No Class (May Day Holiday – Library closed)

May 4 Reading Day

Textbooks

Title	Author	Publisher	ISBN	Required
Introduction to Managerial Accounting, 8th ed	Brewer, Garrison, Noreen	MCGRAW HILL	9781526889188	Yes

Attendance Policy

Covid-19 temporary amendments:

Students studying at The American University of Paris are STILL EXPECTED TO ATTEND ALL scheduled classes. Due to the Covid-19 pandemic, students will have the option of attending classes remotely when special circumstances apply. For example, when students are placed under quarantine by the French authorities or by their doctor, or when students present symptoms of Covid-19 and are directed, by their doctor or the AUP Health Office, to remain home. It is still the student's responsibility to be aware of any specific attendance policy that their professor might have set in the course syllabus. In particular, Students attending remotely from distant Time Zones should check with their professors about the specific attendance policy for remote learners.

Students studying at The American University of Paris are expected to attend ALL scheduled classes, and in case of absence, should contact their professors to explain the situation. It is the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus. The French Department, for example, has its own attendance policy, and students are responsible for compliance. Academic Affairs will excuse an absence for students' participation in study trips related to their courses.

Attendance at all exams is mandatory.

IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.

Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will receive an “F” for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level.

Students must be mindful of this policy when making their travel arrangements, and especially during the Drop/Add and Exam Periods.

Grading Policy

Final grades will be weighted based on performance within the various criteria as follows. These calculations may be adjusted as we progress through the semester:

Attendance, Class Participation, Class & Controlled Assignments Including Reflective Journal submitted weekly – 7%	40%
Midterm Exams & Final Assessment	60%
Bonus Assignments	<+7%>

Grading Scale

My overall grading philosophy is as follows: **I grade numerically but will periodically convert your weighted total grade to a letter grade and inform you.**

Other

Important Notice: In the Anglo-American academic tradition a professor has full control of the content and organization of a course, materials, classroom, and grading practices and may modify it at any time based on assessment and progress of students. It is more likely I will have to do that than not.