BUSN7031

Management Accounting & Cost Analysis

Course Description

This course provides students with an understanding of management accounting concepts related to the management functions of planning, control, and decision making. The course covers management accounting fundamentals and introduces a range of management accounting tools, including job and process costing, variance analysis, activity based costing and the balanced scorecard, as well as behavioural responses to management accounting information. Students are introduced to the application of management accounting tools for pricing, budgetary control, cost allocation and performance evaluation as well as new developments in management accounting knowledge and techniques and how to assess these through cost-benefit analysis.

Course Learning Outcomes

Upon successful completion of this course students will be able to:

1. critically analyse and provide recommendations to improve the operations of organisations through the application of management accounting techniques;
2. demonstrate mastery of costing systems, cost management systems, budgeting systems and performance measurement systems;

3. demonstrate the need for a balance between financial and non-financial information in decision making, control and performance evaluation applications of management accounting;

4. evaluate the costs and benefits of different conventional and contemporary costing systems;

5. learn independently and to demonstrate high level personal autonomy and accountability;

6. learn within teams - to co-operate with team members, to assume leadership and to manage differences and conflicts;

7. evaluate complex ideas and tolerate ambiguity in managerial and organisational problem-solving.

**Research-Led Teaching**

This course draws upon business practices, case studies and the research experience of the convenor. The team assignment is set in a practical business context and requires students to conduct research and refer to past empirical accounting research.

**Continuous Improvement**

We use feedback from students, professional bodies and staff to make regular improvements to the course. In response to this feedback, design improvements from the previous version of the course include:

- More real world examples and case studies
- Tutorial quizzes to consolidating knowledge acquired through lectures and tutorials.

**Staff Feedback**

Students will be given feedback in various ways in this course, including verbal or written feedback on the return of assessment tasks, during class discussion, or during consultation with lecturers and tutors.

**Student Feedback**

All CBE courses are evaluated using Student Experience of Learning and Teaching (SELT) surveys, administered by Planning and Statistical Services at the ANU. These surveys are offered online, and students will be notified via email to their ANU address when surveys are available in each course. Feedback is used for course development so please take the time to respond thoughtfully. Course feedback is anonymous and provides the Colleges, University Education Committee and Academic Board with opportunities to recognise excellent teaching and to improve courses across the university. For more information on student surveys at ANU and reports on feedback provided on ANU courses, visit [http://unistats.anu.edu.au/surveys/selt/students/](http://unistats.anu.edu.au/surveys/selt/students/) and [http://unistats.anu.edu.au/surveys/selt/results/learning/](http://unistats.anu.edu.au/surveys/selt/results/learning/)

**Examination material or equipment**

Details regarding materials and equipment that is permitted in an examination room can be found on the ANU website: [http://www.anu.edu.au/students/program-administration/assessments-exams/examination-conduct](http://www.anu.edu.au/students/program-administration/assessments-exams/examination-conduct)
Information regarding permitted examination materials for the course will be available on the examination timetable website when the examination timetable is released: [http://timetable.anu.edu.au/](http://timetable.anu.edu.au/)

**COURSE SCHEDULE**

<table>
<thead>
<tr>
<th>Week</th>
<th>Topics</th>
<th>Readings*</th>
<th>Self-Study Questions*</th>
<th>Tutorial Questions*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction to Cost Terms and Concepts</td>
<td>Ch 1 Ch 2 (pp.28-46)</td>
<td>Ch 1: 22, 27</td>
<td>No tutorial this week</td>
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<tr>
<td></td>
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<td></td>
<td>Ch 2: 11, 20, 37</td>
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<tr>
<td>2</td>
<td>Cost Behaviour</td>
<td>Ch 3 Ch 4 &amp; App. 4-1</td>
<td>Ch 3: 19, 23, 25, 38</td>
<td>Ch 2: 38, 42</td>
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<tr>
<td></td>
<td>CVP Analysis</td>
<td></td>
<td>Ch 4: 14, 20, 23, 29</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Job and Process</td>
<td>Ch 5 &amp; App. 5-1</td>
<td>Ch 5: 6, 10, 17, 19, 25, 27, 30, 31, 32, 33, 42</td>
<td>Ch 3: 31, 37</td>
</tr>
<tr>
<td></td>
<td>Costing Systems</td>
<td></td>
<td>Ch 4: 47 (Quiz 1)</td>
<td></td>
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<tr>
<td>4</td>
<td>Activity-Based Costing and Management</td>
<td>Ch 6 (pp.208-231)</td>
<td>Ch 6: 12, 30, 45, 52</td>
<td>Ch 5: 35, 37, 44, 43</td>
</tr>
<tr>
<td>5</td>
<td>Replacement Lecture: Enterprise Systems &amp; Management Accounting</td>
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<td></td>
<td>Ch 6: 49, 51</td>
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<tr>
<td>6</td>
<td>Budgets and Flexible Budgets</td>
<td>Ch 10 &amp; App. 10-1 Ch 11</td>
<td>Ch 10: 3, 26, 28, 30</td>
<td>In-tutorial revision</td>
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<td>Ch 11: 24, 38, 41</td>
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<tr>
<td>7</td>
<td>Mid-semester Exam (No Lecture and Tutorial)</td>
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<tr>
<td>8</td>
<td>Overhead Cost Variances and Management Control</td>
<td>Ch 12</td>
<td>Ch 12: 13, 21, 23, 28, 39</td>
<td>Ch 10: 38</td>
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<td>Ch 11: 25, 29 (Quiz 2)</td>
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<tr>
<td>9</td>
<td>Team Assignment Finalisation (No Lecture and Tutorial)</td>
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<tr>
<td>10</td>
<td>Allocation of Support Department Costs</td>
<td>Ch 6 (pp.232-237) Ch 13 (pp.506-520)</td>
<td>Ch 13: 6, 21, 22</td>
<td>Ch 12: 41 (Assignment due)</td>
</tr>
<tr>
<td>11</td>
<td>Decision Making: Cost Management and Pricing Issues</td>
<td>Ch 8 Ch 7 (pp. 262-269) Ch 9 (pp. 342-352)</td>
<td>Ch 8: 2, 6, 19, 22 Ch 7: 17 Ch 9: 2, 22</td>
<td>Ch 13: 16, 31 (R1 only)</td>
</tr>
<tr>
<td>12</td>
<td>Measuring and Managing performance</td>
<td>Ch 15 (pp.580-601)</td>
<td>Ch 15: 8, 18, 19, 20, 34, 35</td>
<td>Ch 8: 40</td>
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<td>Ch 9: 24 (Quiz 3)</td>
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<tr>
<td>13</td>
<td>Capital Expenditure Decisions</td>
<td>Ch 18</td>
<td>Ch 18: 18, 23, 24</td>
<td>Ch 15: 27</td>
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<td>Ch 18: 22</td>
</tr>
</tbody>
</table>

* Horngren, Datar, Rajan, Wynder, Maguire, and Tan (2014)

Note: Ch = Chapter; pp. = pages; App. = Appendix
Assessment Summary

<table>
<thead>
<tr>
<th>Item</th>
<th>Description/Coverage</th>
<th>Due Date</th>
<th>Value (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tutorial Quizzes</td>
<td>Topics to date – details below</td>
<td>Weeks 3; 8 &amp; 12</td>
<td>10</td>
</tr>
<tr>
<td>Mid-semester Exam</td>
<td>Coverage: Topics covered in Weeks 1 to 4, up to, and including, “Activity Based Costing and Management”</td>
<td>Week 7</td>
<td>20</td>
</tr>
<tr>
<td>Team Case Study</td>
<td>See handout to be released on Wattle</td>
<td>Week 10</td>
<td>20</td>
</tr>
<tr>
<td>Final Exam</td>
<td>Coverage: All topics covered during semester</td>
<td>Examination period</td>
<td>50</td>
</tr>
</tbody>
</table>

Learning Outcomes-Assessment

This table illustrates how each assessment item provides evidence about your achievements against each learning outcome.

<table>
<thead>
<tr>
<th>Tutorial Quizzes</th>
<th>Team Case Study</th>
<th>Mid-Semester examination</th>
<th>Final Examination</th>
</tr>
</thead>
<tbody>
<tr>
<td>• LO1</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>• LO2</td>
<td>√</td>
<td>√</td>
<td>√</td>
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<tr>
<td>• LO3</td>
<td>√</td>
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<td>• LO4</td>
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<tr>
<td>• LO5</td>
<td>√</td>
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<td>• LO6</td>
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<td></td>
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<tr>
<td>• LO7</td>
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</tr>
</tbody>
</table>

Tutorial Quizzes

<table>
<thead>
<tr>
<th>Timing</th>
<th>Weeks 3, 8 &amp; 12, at the end of the tutorial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration</td>
<td>10 minutes each</td>
</tr>
<tr>
<td>Instruction</td>
<td>10-15 multiple choice questions quiz to be held at the end of the designated tutorial. The average mark of tutorial quizzes will be taken into consideration. Please bring a pencil, an eraser and a non-programmable calculator for the quiz.</td>
</tr>
<tr>
<td>Purpose and coverage</td>
<td>To test your understanding of the topics to date. Week 3 quiz covers contents up to Week 2 lecture; Week 8 quiz covers contents from Week 4 and Week 6 lectures; Week 12 quiz covers contents from Week 8 up to Week 11 lectures.</td>
</tr>
</tbody>
</table>
Team Case Study

<table>
<thead>
<tr>
<th>Due Date</th>
<th>2nd May 2016 (Week 10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Details</td>
<td>This is a team case study assignment to be completed in teams of 3 to 4 students. Further details will be available on Wattle latest by Week 5.</td>
</tr>
<tr>
<td>Presentation requirement</td>
<td>Assignments are to be word-processed, using the Times New Roman font size 12 (or equivalent). The line spacing must be at least a line and a half and there must be a minimum page margin 2.5 cm on all sides. Use of strict, professional expression is expected</td>
</tr>
</tbody>
</table>

**Assignment Submission**

The ANU is using Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University’s approach to managing Academic Integrity. For additional information regarding Turnitin please visit ANU Online.

Online submission: Assignments are submitted using the course Wattle site. Submitted assignments must include the cover sheet provided on Wattle. Please keep a copy of the completed assignment for your records.

**Extensions and Penalties**

Extensions and late submission of assessment pieces are covered by the Student Assessment (Coursework) Policy and Procedure.

The Course Convener may grant extensions for assessment pieces that are not examinations or take-home examinations. If you need an extension, you must request it in writing on or before the due date. If you have documented and appropriate medical evidence that demonstrates you were not able to request an extension on or before the due date, you may be able to request it after the due date.

Late submission of assessment tasks without an extension are penalised at the rate of 5% of the possible marks available per working day or part thereof. Late submission of assessment tasks is not accepted after 10 working days after the due date, or on or after the date specified in the course outline for the return of the assessment item.

**Returning Assignments**

Students should check Wattle for instructions regarding the return of marked assignments.

**Examinations**

**Mid Semester Examination**

In Week 7, topics covered from Weeks 1 to 4 up to, and including, “Activity Based Costing and Management” will be examined. You will be advised of the examination time on Wattle, in lectures and on the notice board outside the ABIS Office. This examination is closed book but the following are permitted:

- Translation dictionaries with signed permission forms. Permission forms for translation dictionaries are available from the Wattle or the RSA School Office foyer. Electronic dictionaries are not allowed.
- Non-programmable calculator.
Final Examination

The final examination will involve a 3 hour paper, plus a 15 minute reading time. The examination will be based on the topics scheduled in weeks 1 to 12 inclusive. The examination will be a closed book. Permitted materials for the final examination:

- Translation dictionaries with signed permission forms. Permission forms for translation dictionaries are available from the Wattle or the RSA School Office foyer. Electronic dictionaries are not allowed.
- Non-programmable calculator.

Scaling

Your final mark for the course will be based on the raw marks allocated for each assignment or examination. However, your final mark may not be the same number as produced by that formula, as marks may be scaled. Any scaling applied will preserve the rank order of raw marks (i.e. if your raw mark exceeds that of another student, then your scaled mark will exceed or equal the scaled mark of that student), and may be either up or down.

Referencing Requirements

It is the responsibility of each individual student to ensure that:

1. you are familiar with ANU policy for academic integrity
2. work submitted for assessment is original
3. appropriate acknowledgement and citation is given to the work of others
4. you declare your understanding of, and compliance with, the principle of academic integrity by completing the appropriate cover sheet when submitting assessment items

For information on academic honesty and integrity please refer to http://academichonesty.anu.edu.au/

READING LISTS

Prescribed Texts


Students are expected to have previewed the relevant reading(s) prior to each lecture. There are other texts for an alternative coverage of the material.

Other references


**Online references**

ANU Library catalogue at [https://anulib.anu.edu.au/](https://anulib.anu.edu.au/)


**TUTORIAL REGISTRATION**

Tutorial and /or Seminar signup for this course will be done via the Wattle website. Detailed information about signup times will be provided on Wattle or during your first lecture. When tutorials are available for enrolment, follow these steps:

1. Log on to [Wattle](https://wattle.anu.edu.au), and go to the course site.
2. Click on the link “Tutorial signup here”
3. On the right of the screen, click on the tab “Become Member of ……” for the tutorial class you wish to enter.
4. Confirm your choice

If you need to change your enrolment, you will be able to do so by clicking on the tab “Leave group…” and then re-enrol in another group. You will not be able to enrol in groups that have
reached their maximum number. Please note that enrolment in ISIS must be finalised for you to have access to Wattle.

COMMUNICATION

Email

If necessary, the lecturers and tutors for this course will contact students on their official ANU student email address. Information about your enrolment and fees from the Registrar and Student Services’ office will also be sent to this email address.

Announcements

Students are expected to check the Wattle site for announcements about this course, e.g. changes to timetables or notifications of cancellations. Notifications of emergency cancellations of lectures or tutorials will be posted on the door of the relevant room.

Course URLs

More information about this course may be found on:
• Programs and Courses (http://programsandcourses.anu.edu.au/2016/course/BUSN7031)
• the College of Business and Economics website (https://www.cbe.anu.edu.au/students/student-information/college-courses/) and
• Wattle (https://wattle.anu.edu.au), the University's online learning environment. Log on to Wattle using your student number and your ISIS password.

POLICIES

The University offers a number of support services for students. Information on these is available online from http://www.anu.edu.au/students/get-involved

ANU has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University’s academic standards, and implement them. You can find the University’s education policies and an explanatory glossary at: http://policies.anu.edu.au/

Students are expected to have read the Academic Misconduct Rules 2014 before the commencement of their course.

Other key policies include:

• Student Assessment (Coursework) Policy (https://policies.anu.edu.au/ppl/document/ANUP_004603)
• Student Assessment (Coursework) Procedure (https://policies.anu.edu.au/ppl/document/ANUP_004604)
• Student Surveys and Evaluations (https://policies.anu.edu.au/ppl/document/ANUP_004601)
• Copyright (http://copyright.anu.edu.au/)