

DEREE COLLEGE SYLLABUS FOR: AF 4242 COST AND CONTROL MANAGEMENT														
(Updated Spring 2024)		UK LEVEL: 6 UK CREDITS: 15 US CREDITS: 3/0/3												
PREREQUISITES:	AF 2007 Financial Accounting AF 3116 Management Accounting or EC 3470 Managerial Economics													
CATALOG DESCRIPTION:	The role of the management accountant in complex modern industrial organisation. Costing systems and activity-based costing; implementation issues in modern costing systems; control systems and control philosophies; performance appraisal and the balanced scorecard.													
RATIONALE:	Management accounting helps organisations to create value through improved decision making. The course aims to provide insights and techniques that enable users of cost accounting information to make decisions about, planning for costing and pricing, implementation, monitoring, evaluating and adapting organisations with the aim to achieve specified goals.													
LEARNING OUTCOMES:	As a result of taking this course, the student should be able to: 1. Apply the procedures and processes involved with product and service cost accumulation systems including job-order costing, process costing, activity-based costing, and life cycle costing. 2. Analyze various aspects of pricing decisions, especially in competitive environments. 3. Critically assess different models of management control and performance measurement systems 4. Demonstrate understanding and application of standard costing and variance analysis in a variety of contexts.													
METHOD OF TEACHING AND LEARNING:	In congruence with the learning and teaching strategy of the college, the following tools are used: ➤ Classes consist of lectures and class discussion. ➤ Office Hours: Students are encouraged to make full use of the office hours of their instructor, where they can ask questions and go over lecture material. ➤ Use of blackboard, where instructors post lecture notes, assignment instructions, timely announcements, as well as additional resources.													
ASSESSMENT:	<table><tr><td colspan="2">Summative:</td></tr><tr><td>First Assessment: Individual Essay (1,500-1,650 words)</td><td>30%</td></tr><tr><td>Second Assessment: Individual Power-Point Presentation</td><td>10%</td></tr><tr><td>Final Examination: 2-hour written examination (closed-book, in-class, problems/essays combination)</td><td>60%</td></tr><tr><td colspan="2">Formative:</td></tr><tr><td>Formative assessment</td><td>0%</td></tr></table>		Summative:		First Assessment: Individual Essay (1,500-1,650 words)	30%	Second Assessment: Individual Power-Point Presentation	10%	Final Examination: 2-hour written examination (closed-book, in-class, problems/essays combination)	60%	Formative:		Formative assessment	0%
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	<p>The formative includes: exercises/problems/discussion questions/articles and aims to prepare students for the examination.</p> <p>The 1st Assessment tests Learning Outcome 1. The 2nd Assessment tests Learning Outcome 1. The Final Examination tests Learning Outcomes 2, 3 and 4.</p> <p>Students are required to resit failed assessments in this module.</p>
INDICATIVE READING:	<p>REQUIRED READING:</p> <p>Hansen, D., Mowen M., and Heitger, D. (2022). <i>Cost Management</i>. Cengage Learning Inc.</p> <p>Journal articles, accessible through the Library, as assigned by the instructor.</p> <p>RECOMMENDED READING:</p> <p>Hilton, R., and Platt, D. (2020). <i>Managerial Accounting: Creating Value in a Dynamic Business Environment</i>. McGraw Hill Education</p> <p>Proctor, R. (2012). <i>Managerial Accounting for Business Decisions</i>. Prentice-Hall Inc., 4th Ed.</p> <p>Blocher, E. J., Stout, D. E., Juras, P. E., and Smith, S. (2019) <i>Cost Management: A Strategic Emphasis</i>. McGraw-Hill Education.</p> <p>Rajan, M., Datar, S. M. and Horngren, C. T. (2015). <i>Cost Accounting – A Managerial Emphasis</i>. Pearson Education, 15th Ed.</p> <p>Dugdale, D. Jones, C. and Green S. (2005) <i>Contemporary management accounting practices in UK manufacturing</i>. Vol 1, No. 13, CIMA, London. Available at www.cimaglobal.com/Documents/Thought-leadership-docs</p> <p>Lukka, K. and Granlund, M. (1996) <i>Cost accounting in Finland. Current practices and trends of development</i>, The European Accounting Review, 5(1) 1-28.</p> <p>Bjornenak, T. (1997) <i>Diffusion and accounting: The case of ABC in Norway</i>, Management Accounting Research, 8(1), 317</p> <p>Ask, U. and Ax. C (1992) <i>Trends in the development of Product Costing Practices and Techniques - A survey of Swedish Manufacturing Industry</i>, Paper presented at the 15th Annual Congress of the European Accounting Association, Madrid</p> <p>Ballas, A and Venieris, G. (1996) <i>A survey of management accounting practices in Greek firms</i>, in Bhimani, A. (ed) <i>Management Accounting European Perspectives</i>, Oxford University Press, 123-39</p> <p>Al-Omiri, M. and Drury C. (2007) <i>A survey of the factors influencing the choice of product costing systems in UK organizations</i>, Management Accounting Research, 18(4), 399-424</p>

INDICATIVE MATERIAL: (e.g. audiovisual, digital material, etc.):	N/A
COMMUNICATION REQUIREMENTS:	Effective written and oral communication skills using appropriate terminology.
SOFTWARE REQUIREMENTS:	Word and Excel for Windows
WWW RESOURCES:	<ul style="list-style-type: none"> • Students are expected to use databases available through the ACG library. • www.cimaglobal.com
INDICATIVE CONTENT:	<ol style="list-style-type: none"> 1. Introduction <ol style="list-style-type: none"> 1.1 Management Accounting and the Role of Cost Management 2. Cost Management <ol style="list-style-type: none"> 2.1 Job Costing 2.2 Activity-based Costing 2.3 Process Costing 2.4 Life-cycle Costing 3. Pricing Decisions <ol style="list-style-type: none"> 3.1 Strategic Pricing 4. Operational Level Control <ol style="list-style-type: none"> 4.1 Standard Costs 4.2 Flexible Budgets and Profit-Variance Analysis 4.3 Operational Performance Measurement: Sales and Direct Cost Variances 4.4 Operational Performance Measurement: Indirect Cost Variances 5. Management level Control <ol style="list-style-type: none"> 5.1 Design of Management Control Systems for Motivation and Evaluation 5.2 Cost, Revenue and Profit Centers 5.3 Strategic Performance Measurement 5.4 Balanced Scorecard