

School of Accounting and Commercial Law

MMPA 512 ADVANCED MANAGEMENT ACCOUNTING

Trimester 3, 2015

COURSE OUTLINE

<u>Names and Contact Details</u>	Office	Telephone
<i>Course Coordinator & Lecturer</i> Pala Molisa pala.molisa@vuw.ac.nz Office hours: TBA	RH 616	463 6154
<i>Lecturer</i> A/Prof Martien Lubberink martien.lubberink@vuw.ac.nz Office hours: TBA	RH 702	021 1347500
<i>Course Administrator</i> Rebekah Sage rebekah.sage@vuw.ac.nz Office hours: Monday-Friday, 8.30 am-5.00 pm	RH 728	463 6921

Trimester Dates

From the week starting Monday 16th November to the week ending Friday 19th February.

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before 27 November 2015.
2. The standard last date for withdrawal from this course is 26 January 2016.

After the last date stated in #2, students forced to withdraw by circumstances beyond their control must apply for permission on an '*Application for Associate Dean's Permission to Withdraw Late*' including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers

Thursdays: 12.40-3.30 pm

Venue: GB LT4 (Government Buildings Lecture Theatre 4), Pipitea Campus.

Teaching Format

The course is delivered primarily through one three-hour session per week for 11 weeks. Each three hour lecture session will consist of a mixture of lectures, class discussions and short problem-based tasks. The two hour lectures will be backed up by one hour seminars, in which student case presentations, discussion, and other activities will be used to demonstrate the practical application of management accounting tools and techniques. The assigned readings (text book chapters and additional readings) for each week are expected to be completed prior to class. Lecturers may also post extra learning materials and readings on Blackboard for review after lectures.

Group Work

Students are expected to dedicate 12 hours to prepare for their group assignment, in addition to the scheduled seminar time. On this course a fair amount of the time will be devoted to group work. We expect all group members to make a significant contribution to the group work, and we also expect the group to discover and utilize the strengths of individual group members. Independently of individual group roles, all group members are responsible for outputs generated by the group.

Expected Workload

It is expected that students will work for 150 hours across the course. Lectures and seminars account for 36 hours of this time; background reading for lectures and case presentations: 36 hours; critique preparation: 16 hours; case presentation preparation: 12 hours; post-lecture revision: 16 hours; and review of material for the final exam: 34 hours.

Prescription

Strategic applications of cost and management accounting.

Course Learning Objectives

Students who are successful in this course will be able to:

- (a) Discuss and evaluate various Strategic Management Accounting approaches with specific reference to the application of strategic cost management, value chain analysis and lifecycle management and reporting.
- (b) Critique the use of Activity-Based Costing for management decisions and apply customer profitability analysis.
- (c) Explain, calculate and apply inventory management concepts and practices.
- (d) Discuss the utility of alternative structural choices and approaches to transfer pricing.
- (e) Explain and examine environmental cost management.
- (f) Discuss and evaluate quality management and costing.
- (g) Explain and apply activity-based management principles.
- (h) Critique performance measurement (PM) systems and explain the principles of incentives and compensation.
- (i) Consider the development of management accounting and its future.

Course Content

A lecture, reading and case presentation schedule is provided on the last page of this course outline.

Readings

Required Material

The following textbook and materials are required for this course:

C, Hunt, C. Fowler and L. Drennan (2013), *Management Accounting: Strategic Decision Making, Performance and Risk*, 2nd ed., Pearson Education, New Zealand.

Additional Texts and Materials

In addition there are the following book which have been placed on closed reserve or 3-day loan in the Commerce Library. You may wish to refer to if you wish to find out more about a particular topic:

- Chapman, C.S., Hopwood, A.G. and Shields, M.D. (Eds), (2007) *Handbook of Management Accounting Research*, 1st ed., Elsevier: Oxford & Amsterdam.
- Hopper, T., Northcott, D. and Scapens, R. (2007) *Issues in Management Accounting*, 3rd ed., Prentice Hall: Harlow, England; New York.

- Horngren, C.T., Datar, S.M., Foster, G., Rajan, M. and Ittner, C. (2014) *Cost Accounting: A Managerial Emphasis*, 14th ed., Pearson Prentice Hall: Upper Saddle River, NJ.
- Hoque, Z. (2003) *Strategic Management Accounting*, 2nd ed., Pearson Education: Australia.
- Reeve, J. (2000) *Readings and Issues in Cost Management*, South-Western College Publishing, Thomson Learning: Canada.
- Langfield-Smith, K., Thorne, H. and Hilton, R.W. (2012) *Management Accounting: Information for Creating and Managing Value*, 6th ed., McGraw Hill: Australia.

Supplementary Readings

Additional readings may be recommended in lectures and/or indicated via Blackboard during the course.

Materials and Equipment

The Final Test is closed book. Materials permitted are:

- Non-programmable silent electronic calculators.
- Non-electronic foreign language/English translation dictionaries.

Assessment

Assessment Item	%	Due Dates	Course Learning Objectives Covered
Group case presentations and participation	15%	Presenting group: Case presentation and consultants' report, handed to lecturer immediately before case presentations (see course schedule). Non-presenting students: Submit a one page executive summary of the case, and ask suitable questions to the presenting group (in weeks 4, 5, 8 and 10)	Depending on the topic of the case
Research paper critique	25%	Submit critique by 2.00 pm on Friday 22 January 2016	Depending on the article critiqued by the student
Final Test	60%	2 hours; Closed book 12.40 pm on Thursday 18 February 2016	All

1. Group Case Presentations and Participation (15%)

Presenting Group

Students will be assigned to groups. Each group, with size of 4 to 5 students, will be responsible for the presentation of one assigned case study to the class. Plan for a presentation of 30 minutes max, to be followed by 15 minutes for questions and class discussion. For each case presentation, the presenting group will be acting as a team of consultants tasked to address a particular problem and present their recommendations to management.

The presenting group will outline the case problem, explain the relevant management accounting techniques they have used to address the problem and present the analysis performed with appropriate recommendations and conclusions. All group members are expected to take and answer questions from those attending the presentation.

An oral presentation **and** a written, executive style, report will be required, each worth 50% of the overall marks and all group members will receive the same mark. More detail is provided on the case presentation marking scheme, which will be circulated.

Note: the report written by the presenting group and the accompanying (printed) presentation slides will be handed to the lecturer immediately before the oral presentation. There will be an opportunity in the week 2 and 3 seminars to practice a case presentation and to gain feedback on your performance.

Non-presenting Students

In weeks when not presenting, each group is required to answer the case and prepare a one-page executive summary of the answer and submit it to the lecturer *at the start of* the presentation.

Each non-presenting group also needs to contribute at least one question to the discussion on the case. Marks will be awarded as a group based on the executive summary and participation in case discussion.

All students are expected to attend all presentations.

2. Research Paper Critique (25%)

This individual assessment is a written critique (maximum 1,500 words). Students will be assigned a research paper during the first 2 weeks of the trimester.

The written critique is to be in the form of a report to the chief executive of your (imagined or real) company and should provide a critique of the paper. The critique should be relevant to the company.

Further instructions on the critique will be given to the class and placed on Blackboard by the end of week 2.

Particulars: your reports should be attached to the assignment cover sheet which can be found in the course assessments folder on Blackboard. The reports should then be placed in the MMPA 512 assignment box on the mezzanine floor in Rutherford House no later than **2.00 pm on Friday 22 January 2016**. Please also submit one electronic copy via Blackboard (see the Turnitin section on the MPA Student Information Site on Blackboard for electronic submission instructions).

Please state the word count of your report and note that project reports that exceed 1,500 words will be subject to a 10% penalty per 100 words over the 1,500 word limit.

The mark allocation for the individual assessment will be as follows:

Report:	
Content	30%
Implications	30%
Recommendations	25%
Quality of writing, presentation, and referencing	15%

3. *Final Test (60%)*

The Final Test is closed book and two hours long on **12.40 pm on Thursday 18 February 2016**. It may cover material introduced during lectures throughout the whole course, and any extra work given by the lecturer(s).

The Final Test will contain questions related to a case that will be handed out in class in week 10.

Penalties

- ***Research Critique***

The critique must be handed in on or before the due date and time. In fairness to other students, any assignment submitted after the deadline will be subject to a penalty of 5% of the total marks available for every day or part of a day (including Saturdays and Sundays) that the assignment is submitted late. For example, an assignment marked out of 100 due by 2pm on Monday 1 January but submitted at 1pm on Wednesday 3 January, would have 10 marks deducted.

An extension or waiver (with no penalty) will be considered on the grounds of exceptional personal circumstances. Students must complete the 'Assignment Extension/Waiver Application Form' available on Blackboard and submit the form (with the relevant supporting documentation) to the MPA Administrator, preferably before the assignment due date.

Note: The submission of an application does not mean that the extension has been approved. Penalties, as detailed above, will apply if the extension is not granted.

- ***Test***

Unjustifiable absence from a test will result in a mark of 'zero' for that test and may result in a student not meeting the mandatory course requirements.

Students unable to take scheduled tests due to exceptional circumstances, must complete the 'Consideration of Exceptional Personal Circumstances for Tests Application Form' available on Blackboard. Submit this form to the MPA Administrator as early as possible, preferably before the test date.

Note: The submission of an application does not mean that the test requirement has been changed or waived. Penalties, as detailed above, will apply if it is not successful.

Exceptional Personal Circumstances include an impairment assessed by Disability Services, illness, bereavement, circumstances involving the health or wellbeing of a relative or close friend, compulsory attendance at court, national or international representative commitments, significant cultural commitments, or activities in which the student is representing the University.

*Note: Not being organised or failing to plan ahead are **not** exceptional circumstances.*

Use of Turnitin

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and submitted to Turnitin. A copy of submitted materials will be retained on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

Mandatory Course Requirements

In addition to achieving an overall pass mark of at least 50%, students must:

1. Fully participate in the Group Assessment, including both the preparation of the report and in the presentation.
2. Obtain at least 40% in the Final Test.

If you believe that exceptional circumstances may prevent you from meeting the mandatory course requirements, contact the Course Coordinator for advice as soon as possible.

Class Representative

A class representative will be elected in the first class, and that person's name and contact details made available to VUWSA, the course coordinator and the class. The class representative provides a communication channel to liaise with the course coordinator on behalf of students.

Communication of Additional Information

Additional information concerning this course will be provided in lectures and posted on Blackboard: <http://blackboard.vuw.ac.nz>. Urgent notices will be circulated by email.

Student feedback

Student feedback on University courses may be found at
www.cad.vuw.ac.nz/feedback/feedback_display.php

Link to general information

For general information about course-related matters, go to
<http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

Note to Students

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Course Content

Week	Date/ Lecturer	Lecture topic	Readings*	Seminar
1	19 Nov	Introduction to course	Chapters one and three	
	ML	Time Driven ABC and Activity Based Management (ABM)		
2	26 Nov	Target Costing and Lifecycle Reporting	Chapter two	Practice case 1: TDABC & ABM
	ML			All groups
3	3 Dec	Incentives, compensation & empowerment	Chapter five	Practice case 2: MowFast Ltd Case - All groups
	ML			
4	10 Dec	Critique of balanced performance measurement models	Chapter eleven	Group 1 Case: Incentives, compensation and empowerment
	ML			
5	17 Dec	Divisionalisation and transfer pricing	Chapter six	Group 2 Case: Balanced performance measurement models.
	ML			
Mid-Trimester Break (Tuesday 22nd December 2015 till Monday 4th January 2016 (inclusive))				
6	7 Jan	Financial performance measurement and firm value	Chapter twelve	Exercise: Transfer Pricing – all groups
	ML			
7	14 Jan	Quality costing and management	Chapter nine	The Quality Management Game - All groups.
	PM			
8	21 Jan	SMA and value chain analysis	Chapter four	Group 3 Case: Trailmaster Bicycle Co.
	PM			
Submit critique by 2pm on Friday 22 January 2016				
9	28 Jan	Environmental cost management	Chapter ten Supplementary reading	Exercise: Granite Peak Winery – All groups
	PM			
10	4 Feb	Customer profitability analysis and customer value	Chapter seven Supplementary reading	Group 4 Case: Environmental Cost Management.
	PM			
11	11 Feb	Supplier value and inventory management	Chapter eight	Exercise: Customer profitability analysis – All groups
	PM			COURSE REVISION
12	18 Feb	Final Test: Thursday 18 February 2016 at 12:40 pm.		
	PM			

*Readings are from the textbook unless otherwise specified.

The weekly topic timetable of this course content is a guideline only and variations may occur.

NOTE: **PM** = Pala Molisa, **ML** = Martien Lubberink