



# **BFA261**

## **Management Accounting**

**Semester One 2009**

**School of Accounting and Corporate Governance**

**Faculty of Business**

## **Unit Outline**

**William Maguire**

You may also view this unit outline on MyLO

CRICOS Provider Code: 00586B

## **Contact details**

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## **BFA261 unit description**

The aim of this unit (BFA261) is to introduce you to the technical and analytical skills you will need to analyse relevant management accounting information. You will use these skills to inform your decisions in a variety of contexts. You will understand the power of management accounting to inform the decisions that people make for the good of both the organization and the broader community.

You will achieve the BFA261 aim by engaging in the process of management accounting. This unit focuses you on using management accounting as an information system that produces the information required to manage resources and create value. You will learn about and practise the processes and techniques of management accounting that focus on the effective and efficient use of organizational resources. With this knowledge and ability you will be able to support managers in their quest to enhance both customer and shareholder value. You will learn about how decision contexts vary from broad strategic planning and resource allocation decisions to the more specific cost and performance information necessary to monitor individual segments, products, or customers. The unit examines costing, cost management, budgeting, performance management, and pricing, at both operational and strategic levels.

## **Prior knowledge and skills**

The prerequisites for this unit are BFA103, Accounting and Financial Decision Making, and BEA140, Quantitative Methods.

## **Learning outcomes and generic graduate attributes**

### *Learning outcomes*

On completion of BFA261, you should be able to:

1. define and explain management accounting concepts, techniques, processes and systems;
2. use management accounting techniques and processes to identify issues and to make recommendations relating to using an organisation's physical and human resources efficiently and effectively;
3. analyse information relating to relevant revenues, costs, budget variances and the like to recommend an appropriate course of action;
4. access and organize information to communicate by written report, including well-reasoned arguments, numerical and graphic content, using technology as appropriate;
5. evaluate costs, benefits, and suitability of particular management accounting techniques, processes, and systems (e.g. cost system design, budgetary systems, pricing, performance measurement) to inform decisions relevant to a particular organisation in its context and environment.

### *Generic graduate attributes*

The University of Tasmania has defined generic graduate attributes which it expects all graduates will achieve through engagement with their studies. The table below shows the way in which the BFA 261 learning outcomes relate to the generic graduate attributes.

The BFA261 learning outcomes appear in the left-hand column of the table, while the generic graduate attributes appear in the right-hand column.

**LEARNING OUTCOMES**

On completion of this unit you will be able to

1. Define and explain management accounting concepts, techniques, processes and systems;
2. Use management accounting techniques and processes to identify issues and make recommendations for using an organization’s physical and human resources efficiently and effectively;
3. Analyse information relating to relevant revenues, costs, budget variances and the like to recommend an appropriate course of action.
4. Access and organize information to communicate by written report, including well-reasoned arguments, numerical and graphic content, using technology as appropriate
5. Evaluate costs, benefits, and suitability of particular management accounting techniques, processes, and systems (e.g. cost system design, budgetary systems, pricing, performance measurement) to inform decisions relevant to a particular organization in its context and environment.

*While globalization and social responsibility affect the conduct of management accounting, BFA261 touches on but does not address these issues directly – other units in your course of study do so*

**GENERIC GRADUATE ATTRIBUTES**

**Knowledge**

Graduates will have an in-depth knowledge in their chosen field of study and the ability to apply that knowledge in practice. They will be prepared for life-long learning in pursuit of personal and professional development

**Communication Skills**

Graduates will be able to communicate effectively across a range of contexts

**Problem-solving Skills**

Graduates will be effective problem-solvers, capable of applying logical, critical and creative thinking to a range of problems. They will have developed competencies in information literacy

**Global Perspective**

Graduates will be able to demonstrate a global perspective and inter-cultural competence in their professional lives

**Social Responsibility**

Graduates will act ethically, with integrity and social responsibility

**Assessment/learning outcomes/generic graduate attributes matrix**

Assessment tasks	Percent weighting			
1. Objective (multiple choice) tests	10%	10 tests;	1% each	
2. Simulation examination questions	10	5 tests;	2% each	
3. Assignment	20			
4. End of semester examination	60			
Total	100%			
<b>Learning Outcomes:</b>				
1	√	√	√	√
2	√	√	√	√
3	√	√	√	√
4	√	√	√	
5	√	√	√	
<b>UTAS generic graduate attributes:</b>				
Knowledge	√	√	√	√
Communication skills	√	√	√	
Problem-solving skills	√	√	√	
Global perspective				
Social responsibility				

## Learning resources

### *You:*

Your most important learning resource is you. The ability to learn comes from within – others can help you, but they cannot learn for you. You bring to this unit the knowledge and skills acquired from your schooling, preceding university units and your life experience. Use this as a basis for acquiring and applying new knowledge and skills.

### *Prescribed text:*

**Horngren, CT, SM Datar, G Foster, M Rajan, C Ittner 2009. *Cost accounting: a managerial emphasis* 13e. Upper Saddle River NJ: Pearson Prentice Hall.**

You need ready access to this text. It is advisable to purchase your own copy. If this is not feasible, you should access it by other means, such as the library.

While there are many management accounting texts available, you should refer only to *Horngren et al* for this unit. *Horngren et al* provides all the information you need and reference to other texts may confuse owing to different approaches and different language. If you are having difficulty with the text, please see your unit co-ordinator.

It is important, however, to have a broader view of management accounting than that provided in the text, and this is best achieved by using the E-(electronic) resources available in the library.

### *E- (electronic) resources Library:*

Listed below are some journals relevant to management accounting. Access these via the E-journals web page within the library website, and see databases such as Science Direct, Proquest and Emerald for other journals. The textbook also provides reference sections at the end of each chapter.

- *Accounting Organisations & Society* (United Kingdom)
- *Australian Accounting Review*
- *Journal of Management Accounting Research* (USA)
- *Journal of Applied Management Accounting Research* (Australia)
- *Management Accounting Research* (United Kingdom)
- *Strategic Finance* (United Kingdom and USA)

## BFA261 Management Accounting - unit schedule

Please refer to MyLO for information regarding lecture outlines, homework, and tutorials.

Wk No.	Week beginning	Topic	Chapters in Horngren et al
1	23 Feb	Overview of BFA 261: Management Accounting The accountant's role in the organization Cost terms and purposes	1 2
2	2 March	Cost volume profit analysis	3
3	9 March	The design of cost management systems: job costing	4
4	16 March	The design of cost management systems: activity based management and activity based costing	5
5	23 March	Master budgets and responsibility accounting	6
6	30 March	Flexible budgets, direct-cost variances, and management control	7
7	6 April	Flexible budgets, overhead-cost variances, and management control	8
<b><i>Mid- Semester Break – (9-16 April)</i></b>			
8	20 April	Inventory costing and capacity analysis	9
9	27 April	Relevant information for decision making	11
10	4 May	Pricing decisions and cost management Transfer pricing	12 22
11	11 May	Strategy, balanced scorecard , and strategic profitability analysis Quality, time and the theory of constraints	13 19
12	18 May	Performance measurement	23
13	25 May	Semester review	

## Assessment details

### 1. Package of computer- administered tests

<i>Task description</i>	Twelve objective tests during the semester, comprising between ten and fifteen questions each. You will use MyLab to complete these online. MyLab will mark these questions and I will include your best ten best marks in your semester assessment record.
<i>Task length</i>	Timed computer session: duration and details to be advised
<i>Links to unit's learning outcomes</i>	1-3
<i>Assessment criteria</i>	The unit learning outcomes specify the criteria; the chapter learning objectives support these outcomes.
<i>Datse</i>	Weeks 2 to 13.

### 2. Package of simulated examination questions

<i>Task description</i>	Six examination-style questions/ problems during the semester. You will answer each of these questions in a tutorial session. We will collectively develop a mark plan. One of your peers will mark your answer. I will test-check the marking. I will include your five best marks in your semester assessment record.
<i>Task length</i>	Depends on the question; the maximum is thirty minutes.
<i>Links to unit's learning outcomes</i>	1-5
<i>Assessment criteria</i>	The unit learning outcomes specify the criteria; the chapter learning objectives support these outcomes.
<i>Dates</i>	To be advised.

### 3. Assignment

<i>Task description</i>	The task will be based on work covered in the first seven weeks – either cost management systems or budgeting systems. This involves calculations and reporting to management.
<i>Task length</i>	To be advised
<i>Links to unit's learning outcomes</i>	1-5
<i>Assessment criteria</i>	The unit learning outcomes specify the criteria; the chapter learning objectives support these outcomes
<i>Date due</i>	Monday, 6 April at 15.00 (3 p.m.)

#### **4. Examination**

All topics are examinable. This means that you can expect to be examined on any of the material covered during the course of the unit. While I will clarify the coverage of the unit before the final examination, I will not outline the content of the examination. I expect you to be ready to be examined on anything encapsulated in the unit schedule.

Closed book examination – three (3) hours + 15 minutes reading time.

The University Registrar conducts the final examination in the formal examination period at the end of the semester. See the *Current Students* homepage (Examinations and Results) on the University's website.

### **Expectations and responsibilities**

(See the Business Faculty's philosophy on teaching and learning in its *Guide for Students* on the University's web site)

#### **Your expectations**

Only you know what you expect to achieve on completion of BFA261; however, I assume that all of you seek to achieve at least a pass mark in this unit, and that many of you seek to do better than that. To realise your expectations requires learning, which is best achieved by your taking responsibility for your learning and applying effort to it.

#### **Our expectations**

The University's Code of Conduct for Teaching and Learning states

*Students are expected to participate actively and positively in the teaching/learning environment. They must attend cases when and as required, strive to maintain steady progress within the subject or unit framework, comply with workload expectations, and submit required work on time.*

The above statement implies:

- Study and learn independently. This is a feature of a *reflective approach* to learning in which you reflect or think carefully about what it is you are learning.
- Active participation promotes meaningful learning and develops independent, logical, analytical and critical thinking skills.

The professional accounting bodies (e.g. The Institute of Chartered Accountants in Australia, CPA Australia) and prospective employers seek these characteristics in graduates.

Attending classes is an important start, but it is not enough – the more you engage with management accounting by working with the material and participating in classes, the more you will learn.

The University has expectations regarding your responsibilities as you pursue your studies within the university environment (see above).

## **Your responsibilities**

The result you achieve is a function of the work you put into the unit; and this is your responsibility. Reflective learning and active participation in learning call for the following actions:

- Plan your time, noting commitments such as key submission dates in all of the units you are studying, to avoid pressure points and to ensure that you are able to prepare for each session;
- On average, plan to spend 9 - 12 hours of your time per week on BFA261 throughout the semester. A suggested allocation of time is:
  - Attend lecture (2 hours) and tutorial (1 hour);
  - Read your textbook, highlighting important parts and making appropriate short notes. Attempt questions/ exercises/ problems before lecture and tutorial (3 – 4 hours);
  - Consolidate material after class; and work on assignment (3-5 hours).
- Manage your study schedule and work throughout the semester. By attempting to apply the concepts to a problem, you appreciate which aspects you understand and which areas need further attention. If you do this, you will gain a far greater understanding, and achieve it much more easily, and your review time ("swot vac") will allow for consolidation and revision, rather than frantically catching up.
- Be prepared to ask questions as we work through questions/problems during each lecture and tutorial;
- Complete tasks;
- Make use of the support services available.
- Discuss problem areas with me and/or student representatives as they arise. You will elect a student representative for each tutorial group in week 3. Do not leave major areas of difficulty until the end of semester. See "our responsibilities" below for details.
- If you miss a lecture or tutorial, it is your responsibility to obtain the information that you have missed. Clearly, everything that is said or done will not appear on MyLO.
- Provide a medical certificate in good time if you are unable to complete any of the assessment tasks for medical reasons. An appropriate adjustment will be made to the final examination weighting. Work commitments are not considered an acceptable reason for failing to complete assessment. Alternative test papers will not be set.

## **How your final result is determined.**

To pass BFA 261 you must achieve at least 40% in the final examination, and an overall mark of at least 50%.

## **Our responsibilities**

The University is committed to high standards of professional conduct in all activities, and its commitment and responsibilities to you are of paramount importance.

### ***Facilitating your learning***

In the context set out above, our responsibility is to facilitate your learning by arranging lectures, tutorials, assessment, consultation outside of class and other assistance as detailed below.

### ***Lectures (one two-hour lecture each week)***

The purpose of a lecture is to overview the topic. As mentioned above, attendance at a lecture is a starting point only; it is not a substitute for reading your textbook or attempting the questions/ problems each week.

The lecture overview will be available on MyLO each week before the lecture. Bring a copy of the overview and your textbook to the lecture. The lecture will be based on the assumption that you have a copy of the overview and the text book with you.

### ***Tutorials (one-hour tutorial each week - commencing in Week 2)***

The aim of the tutorial is to apply and consolidate the material covered in the previous lecture. Attempt the homework questions/problems before the tutorial. Solutions to these questions/ problems will be available on MyLO once all tutorials for the week have been held.

### ***Consultation time***

This provides an opportunity for one-on-one consultation. Weekly consultation time will be advised.

### ***Assistance***

- Talk to me if you are experiencing difficulties with your studies or assignments, have personal or life planning issues, disability or illness that may affect your course of study. If you have difficulty
  - of an administrative nature (eg tutorial allocation), see me.
  - of an academic nature, please ask questions during tutorial sessions
  - for individual assistance, see me during my consultation hours or make an appointment to see me at another time.
- If you have any concerns in relation to any of your units, then in the first instance you should discuss the matter with your lecturer. However, if you do not feel comfortable approaching your lecturer, or if you have a discussion with your lecturer and are not satisfied with the outcome, then you are encouraged to contact one of the Ombudspersons listed below, who also teach in the School of Accounting & Corporate Governance.

Mr Peter Collett  
Room: 502, Faculty of Business  
Building, Hobart  
Ph: (+61 3) 6226 2192  
email: [Peter.Collett@utas.edu.au](mailto:Peter.Collett@utas.edu.au)

Ms Sue Conway  
Room D111  
Launceston  
Ph: (+61 3) 6324 3068  
email: [Susan.Conway@utas.edu.au](mailto:Susan.Conway@utas.edu.au)

Discussions with your ombudsperson will be kept in the strictest confidence. If you wish to pursue the matter further, he/she will provide advice as to how to do so. The University also has formal policies, which can be accessed at:  
[http://www.admin.utas.edu.au/ac\\_serv/complaints\\_info.html](http://www.admin.utas.edu.au/ac_serv/complaints_info.html)

- Refer to the *Current Students* homepage at: <http://www.utas.edu.au/students> which sets out a range of University-wide support services available to you including Student Services, International Services and Learning Development.
- Visit the library website at <http://www.utas.edu.au/library/> for assistance in accessing the Library,
- Contact the service desk for assistance with MyLO

Website: <http://www.utas.edu.au/servicedesk/student/index.html>.

Telephone: 6226 1818;

Email: [servicedesk@utas.edu.au](mailto:servicedesk@utas.edu.au)

### ***Review of results and appeals***

You may request that we review the mark given to your original submission (in accordance with Rule of Academic Assessment 2, Clause 22.1). Under the Rule of Academic Assessment 2, clause 23, you may also request a review of your final result in a unit. For further information see: <http://acserv.admin.utas.edu.au/rules/Rule2.doc>

### **Preparing and submitting your assignment**

- Read the Faculty's *Guide for Students* which advises on presentation and submission of assignments.
- Read and comply with the information on plagiarism presented below.
- Obtain a copy of the cover page for your assignment from the BFA261 MyLO site.
- Sign the declaration that all material submitted is your own except where there is clear acknowledgement or reference to the work of others. This declaration relates to the University's rules on plagiarism – see below.
- Submit your assignment via the relevant assignment box on level 5, Commerce Building, Hobart campus.
- Your assignment will be marked as quickly as possible after all have been submitted, and returned with the grade and relevant comments.
- Attach a signed and approved late submission form if you submit an assignment after the due date. Consistent with the Faculty's policy on late submission, extensions of time will only be granted on medical or compassionate grounds. They will **not** be granted because of work or other commitments. Make your request for an extension to the unit coordinator in writing on the School's

Application for Late Submission Form (available on MyLO) before the due date of the assignment. Attach medical certificates or other evidence which assist in justifying the extension sought. Failing that, the penalty for late submission of assignments in this unit is 10% of the available mark for each week-day that the assignment is late (i.e. excluding Saturdays and Sundays)

- If you submit over-length work you will be asked to resubmit the work within 48 hours. There will be an automatic 10% penalty of available marks and 10% for each day until the assignment is resubmitted.

**THE FOLLOWING SECTION RELATES TO ALL THE UNITS FOR WHICH YOU ARE ENROLLED. IT IS NEVERTHELESS IMPORTANT.**

### **Occupational health and safety (OH&S)**

The University is committed to providing a safe and secure teaching and learning environment. In addition to specific requirements of this unit you should refer to the University's policy at: [http://www.admin.utas.edu.au/hr/ohs/pol\\_proc/ohs.pdf](http://www.admin.utas.edu.au/hr/ohs/pol_proc/ohs.pdf)

### **My Learning On Line - MyLO**

MyLO is an internet service that has been adopted by the University and will be used in this unit. MyLO may be accessed on computers in computing laboratories at the University or on your computer at home or at work. Information about accessing and using this service, about required computer specifications and frequently asked questions, and about how to get help if you experience difficulties, is available at the following University website: <http://www.utas.edu.au/coursesonline>

You are strongly advised to visit this site and become familiar with the features of MyLO, especially if you have not used it before. You will probably be using it in other units that you are studying as well. Here are some important points about accessing our web site:

#### ***Access to MyLO***

You can access your MyLO course from the Student Page on the University's web site: **Current Students** ↪ **LOGIN MyLO@UTAS** or go directly to the web address noted above:

- Enter your email POP account "Username" (for example, dsmith) and your "Password". These are identical to the pop account/email username and password that you are given with your enrolment confirmation form. If you forget your pop account username, contact the Help Desk (see below under 'getting assistance with MyLO). Both MyLO and e-mail passwords must remain the same. If you are going to change your password, change your e-mail password first.
- When you enter your user name and password, click on OK and choose "BFA261" from the list of units (subjects) in which you are enrolled. [NOTE: Another box may periodically appear when using the University network which asks you to verify your user name & password, this is simply a security device – enter your password when asked & click OK].

- MyLO will automatically check that your browser is properly configured. If the MyLO ‘browser checker’ window appears – scroll down to make sure you have a tick in each area shown – then close the window.
- From the Unit’s homepage click on the area you wish to access e.g. “Unit Information”. A table of contents will appear on the left hand side of your screen. Scroll through the list until you find what you want & click the underlined topic.

## Academic referencing

In your written work you will need to support your ideas by referring to scholarly literature, and other sources of information such as the accounting regulatory bodies. It is important that you understand how to correctly refer to the work of others and maintain academic integrity. Failure to appropriately acknowledge the ideas of others constitutes academic dishonesty (plagiarism), a matter considered by the University of Tasmania as a serious offence.

The appropriate referencing style for this unit is the Harvard referencing method. In addition to the *Faculty Guide for Students*, you are encouraged to read Fleet, W, Summers & Smith, B. (2006), *Communication Skills Handbook for Accounting*, which provides detailed information about using the Harvard referencing system. Further information on presentation of assignments, including referencing styles is available at: <http://www.utas.edu.au/library/assist/gpoa/gpoa.html>

You can also access information about the referencing style used in this unit in the *Faculty of Business Guide for Students* available via MyLO or from the School’s website - <http://www.utas.edu.au/accg/studentres.htm>.

Please read the following statement on plagiarism. Should you require clarification please see your unit coordinator or lecturer.

## Plagiarism

Plagiarism is a form of cheating. It is taking and using someone else's thoughts, writings or inventions and representing them as your own, for example: using an author's words without putting them in quotation marks and citing the source; using an author's ideas without proper acknowledgment and citation; or copying another student's work.

If you have any doubts about how to refer to the work of others in your assignments, please consult your lecturer for relevant referencing guidelines, and the academic integrity resources on the web at <http://www.utas.edu.au/tl/supporting/academicintegrity/index.html>.

The intentional copying of someone else’s work as one’s own is a serious offence punishable by penalties that may range from a fine or deduction/cancellation of marks and, in the most serious of cases, to exclusion from a unit, a course or the University. Details of penalties that can be imposed are available in the Ordinance of Student Discipline – Part 3 Academic Misconduct, see <http://www.utas.edu.au/universitycouncil/legislation/ord9.pdf>

The University reserves the right to submit assignments to plagiarism detection software, and might then retain a copy of the assignment on its database for the purpose of future plagiarism checking.

For further information on this statement and general referencing guidelines, see <http://www.utas.edu.au/plagiarism/> or follow the link under 'Policy, Procedures and Feedback' on the **Current Students** homepage.

**Students with disabilities –University & Faculty Equity Plans:**

[http://services.admin.utas.edu.au/equity/Equity\\_Plan/Text/index.htm](http://services.admin.utas.edu.au/equity/Equity_Plan/Text/index.htm)

Goal 1 of the University of Tasmania Equity Plan provides for: “An inclusive teaching and learning environment that values diversity, supports the pursuit of academic excellence and produces high quality education and employment results for all students and staff.” The University’s Equity Plan can be accessed at:

The Faculty of Business Equity Plan facilitates the University Plan at an operational level and has developed an ‘Action Plan’. The Action Plan for Goal 1 lays down procedures to ensure that students have equal access to lecture and course materials. The School of Accounting & Corporate Governance complies with these procedures.