**AC-260 MANAGEMENT ACCOUNTING**

| Resource Person: | Adeel S. Shaikh, CPA, CMA |
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| Contact Hours: | Displayed outside office |
| Office Address: | N-3/1 Room # 5 |
| Programme: | BSAF |
| Section: |  |
| Semester: | Fall 2023 |
| Course Pre-requisites: | AC-230 Cost Accounting |
| Credit Hours: | 3 |
| Course Type: | Core Course |
| Venue/Day/Time: | Wednesday Slot 3&4 |
| Course URL (if any): |  |

| **Course Description:** |
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| Management Accounting is the “Process of identifying, measuring, accumulating, analyzing, preparing, interpreting and communicating information to help the managers to fulfil organizational objectives”. This course is designed to enable students to learn the management accounting techniques to achieve a level of proficiency sufficient to guide management for effective utilization of economic resources. This course capitalizes the accounting techniques and methods covered in the previous courses and develop a conceptual foundation for establishing a result-oriented mechanism of administrative controls. This course surveys the types of control systems that can be instituted in different situations. It examines the planning, recording, reporting, analytical, and control processes, which generate information for management decisions in business organizations. It also discusses the role of management in the financial reporting process, the impact of the accounting information system on management’s strategic decisions and explores the tools and concepts of cost management systems. The practices of accounting information systems are analyzed to determine their management implications. |

| **Course Teaching Methodology:** |
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| Interactive Classes  Case based teaching  Class activities  Experiential Learning  Applied Projects |

| **Programme Educational Objectives (POs):** | |
| --- | --- |
| PO-1 | Critical Thinking and Decision Making |
| PO-2 | Effective Communication Skills |
| PO-3 | Ethics and Sustainability |
| PO-4 | Core Business Knowledge and Competence |
| PO-5 | Effective Teamwork and Leadership Skills |
| PO-6 | Industry Focus |
| PO-7 | Global Perspective (Internationalization) |
| PO-8 | Market Knowledge |
| PO-9 | Professional Track |

| **Programme Learning Outcomes (PLOs):**  **After completing this degree program, students shall be able to:** | | |
| --- | --- | --- |
|  | | **Mapping the PLOs with POs** |
| PLO-1 | Graduates must be able to use analytical and reflective thinking techniques to identify and analyze problems, develop viable alternatives, make effective decisions and apply appropriate quantitative and qualitative techniques in solving business problems. | PO-1 |
| PLO-2 | Graduates must be able to draft effective business documents and prepare and deliver effective oral business presentations using a variety of appropriate technologies. | PO-2 |
| PLO-3 | Graduates must be able to identify and analyze ethical conflicts and sustainability issues involving different stakeholders in order to develop viable alternatives and make effective decisions relating to business ethics and sustainability. | PO-3 |
| PLO-4 | Graduates must be able to demonstrate competency in the underlying concepts, theory and tools taught in the core undergraduate curriculum. | PO-4 |
| PLO-5 | Graduates must be able to work effectively in teams and understand group processes, leadership, conflict, power and culture in organizations. | PO-5 |
| PLO-6 | Graduates must be able to understand the dynamics of local industry and understand business as an integrated system and apply strategic planning tools to coordinate among the functional areas. | PO-6 |
| PLO-7 | Graduates must be able to identify and analyze relevant global factors that influence decision-making and develop viable alternatives and make effective decisions in an international business setting. | PO-7 |
| PLO-8 | Graduates must be able to know, and work in financial markets and roles within current trends and practices at both operational and strategic levels. | PO-8 |
| PLO-9 | Graduates must be able to possess and reflect the required learning to be able to earn professional credentials in the area of Accounting and Finance including CA and ACCA. | PO-9 |

| **Course Objectives (COs)** | |
| --- | --- |
| CO-1 | To develop and utilize accounting information for strategic decision-making. |
| CO-2 | To learn about the decision-making process in the field of accounting and finance. |
| CO-3 | To conduct and report responsibility accounting. |
| CO-4 | To understand the concept of transfer pricing and product decisions. |
| CO-5 | To make and use budgets for control purposes. |

| **Course Learning Outcomes (CLOs):**  **After completing this course, students shall be able to:** | | |
| --- | --- | --- |
|  | | **Mapping the CLOs with PLOs** |
| CLO-1 | Be able to utilize accounting information for strategic decision making. | CO-1, CO-2 |
| CLO-2 | Be able to conduct Activity Based Budgeting | CO-5 |
| CLO-3 | Be able to conduct and interpret Variance Analysis | CO-5 |
| CLO-4 | Be able to make, report and analyze segment reporting. | CO-3 |
| CLO-5 | Be able to calculate transfer pricing and take make/buy decisions | CO-4 |
| CLO-6 | Be able to conduct Performance Measurements of systems and people. | CO-2 |

| **Assurance of Learning and Assessment Items:** | |
| --- | --- |
| **Assessment Item** | **Application/ Objectives**  **PLO / CO / CLO** |
| Quizzes | CLO1-CLO6 |
| Project | CLO-2 |
| Class Participation | CLO1-CLO6 |
| Midterm | CLO1-CLO6 |
| Final Exam | CLO1-CLO6 |

| **Assessment Structure and Grading Policy\*:** | | |
| --- | --- | --- |
| **Assessment Item** | **Weight (%)** | **Execution Plan** |
| Quizzes | 10% | Multiple (Unannounced) |
| Project | 25% | One-time assessment |
| Class Participation | 5% | Whole semester |
| Midterm | 25% | One-time assessment |
| Final Exam | 35% | One-time assessment |
| **Total** | **100** |  |

*\*Rubrics for all assessments (including mid and final exams) will be provided separately to the students.*

| **Weekly Sessions Plan:** | | | |
| --- | --- | --- | --- |
| **Week** | **Topics / Contents** | **Activity** | **Application/Objectives**  **PLO / CO / CLO** |
| 1 | **Introduction & Orientation to the course** |  | CLO-1 |
| 2-3 | **Budgeting: Profit Planning and Control Systems**   * Sales budget * Production budget * Material budget * Labor budget * Overhead budget * Expense budget | Quiz\* | CLO-2 |
| 4-5 | **Budgeting: Profit Planning and Control Systems**   * Cash budget * Projected financial Statements * Master budget | Quiz\* | CLO-2 |
| 6 | **Standard Costing**   * Direct material price variance * Direct material quantity variance * Direct labor rate variance * Direct labor efficiency variance * Sales price variance * Sales quantity variance | Quiz\* | CLO-3, CLO-6 |
| 7 | **Standard Costing + Revision (Midterm)**   * Planning variance * Operational variance | Quiz\*  Assignment-1 | CLO-3, CLO-6 |
| 8 | **Midterm Exam** |  |  |
| 9-10 | **Responsibility Accounting**   * Responsibility centers * Total Quality Management | Quiz\* | CLO-4, CLO-6 |
| 11 | **Responsibility Accounting**   * Performance reports * Segmented reporting | Quiz\*  Assignment-2 | CLO-4, CLO-6 |
| 12 | **Decision-Making**   * Relevant costs and benefits * Accept / reject a special order | Quiz\*  Assignment-3 | CLO-5 |
| 13 | **Decision-Making**   * Add or drop a product * Make or buy a product * Qualitative vs. quantitative analysis | Quiz\*  Assignment-4 | CLO-5 |
| 14 | **Pricing Methods**   * Profit maximizing pricing * Cost plus pricing | Quiz\* | CLO-5 |
| 15 | **Emerging Issues**   * Target costing * Value analysis * Cost reduction schemes | Quiz\* | CLO-5, CLO-6 |
| 16 | **Revision of the course** |  |  |
| 17 | **Final Term Examination** |  |  |

\*Quizzes will be unannounced

| **Primary Text Book (s):** |
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| * Managerial Accounting by Ronald Hilton (9th edition) |

| **Reference / Supplementary Reading (s):** |
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| * Managerial Accounting by Ray H. Garrison, (Latest Edition) * Management Accounting By Hansen / Moven (Fourth Edition) |

| **Useful Online / Web Resources:** |
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| * On LMS |