

School of Accounting and Commercial Law

ACCY 402
CURRENT ISSUES IN MANAGEMENT ACCOUNTING

Trimester One 2009

COURSE OUTLINE

Names and Contact Details

Administration Assistant:	Ms Marina Dobrovolskaya	RH 708	463-5775
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Course Coordinator & Lecturer:	Dr Carolyn Fowler	RH 603	463-6506
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Lecturer:	Ms Jenny Alves	RH 723	463-5233- extn 8538
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Lecturer:	Professor Keitha Dunstan	RH 705	463-6957
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Trimester Dates

Trimester 1 begins on Monday, 2 March and ends on Wednesday, 1 July, including the examination period.

Class Times and Room Numbers

Seminar Times: Wednesday 12.40 pm to 3.30 pm in RWW 414

Withdrawal dates: Information on withdrawal dates is available via
<http://www.victoria.ac.nz/home/admisenrol/payments/withdrawalsrefunds.aspx>.

Course Learning Objectives

This course introduces students to management accounting literature relating to the behavioural dimensions of management accounting and the design of management control and other management accounting systems.

Prerequisites

ACCY223 Management Accounting, and either ACCY302 Advanced Management Accounting OR ACCY314 Accounting and Society.

Course Content

	Dates		Topic	Lecturer
1	March	4	Introduction – A Multiple Theoretical Approach to Management Accounting	Carolyn Fowler
2	March	11	The Development of Management Accounting	Carolyn Fowler
3	March	18	Case and Field Research in Management Accounting	Jenny Alves
4	March	25	Management Accounting Change	Jenny Alves
5	April	1	Agency and Organisational Architecture	Keitha Dunstan
6	April	8	Performance Measurement and Rewards	Keitha Dunstan
			Mid Trimester Break	
7	April	29	Management Accounting, Control and Strategy	Carolyn Fowler
8	May	6	Contingency Theory and its role in Management Accounting Research	Carolyn Fowler
9	May	13	Performance Management, Uncertainty and Risk	Carolyn Fowler
10	May	20	Management Accounting and Control in Public Schools	Carolyn Fowler
11	May	27	Project discussion and preparation	Carolyn Fowler
12	June	3	Project Presentation	Carolyn Fowler

Expected Workload

There will be 3 hours per week of scheduled class contact time. In addition to this contact time, students are expected to spend at least an additional 12 hours per week on private study

Readings

Prescribed Text

Hoque, Z., 2006, *Methodological Issues in Accounting Research: theories and Methods*, Spiramus Press Ltd., London,

Readings

Reading material, as detailed later in this course outline, will be distributed during the trimester.

Additional books.

The following books, which may prove useful in this course, have been placed on closed reserve or 3-day loan in the Commerce Library.

- Chapman, C.S., Hopwood, A.G., and Shields, M.D. (eds), (2007), *Handbook of Management Accounting Research*, 1st ed., Elsevier: Amsterdam; Boston.
- Hopper, T., Northcott, D., and Scapens, R, (2007), *Issues in Management Accounting*, 3rd edn, Prentice Hall: Harlow, England; New York.
- Hoque, Z., 2006, *Methodological Issues in Accounting Research: theories and Methods*, Spiramus Press Ltd., London,
- Wickramasinghe, D. and Alawattage, C. (2007), *Management Accounting Change: Approaches and perspectives*, Routledge: New York.

Assessment Requirements

1. Critique preparation	15 %
2. Critique presentation	5%
3. Class participation	10%
4. Research Project 1	30%
5. Research Project 2	35%
6. Research Project 2 presentation	<u>5%</u>
	<u>100%</u>

Mandatory Course Requirements

In addition to obtaining an overall course mark of 50% or more, students must complete all items of assessment (1 to 6 above).

Examinations

This course has no formal examination.

Penalties

In fairness to other students, work submitted after the due date will incur a 5% penalty (of the mark obtained) for each day late (1 hour through to 24 hours equates to one day for purposes of determining each day late). A penalty may also be imposed if the work submitted is over the prescribed word limit.

Extensions may be granted with no penalty to those who meet the University's aegrotat rules (e.g. medical certificate, family bereavement).

Communication of Additional Information

Communication of additional information will be through email and class announcements.

Seminars

Class sessions will be primarily in the form of seminars, involving discussion of assigned weekly readings along with other material as determined and presented by the lecturer.

Each student is required to present one or two assigned readings during the course (depending on class numbers). This presentation will be for 30 minutes, with a further 15 minutes for questions and discussion. A maximum of two articles are to be presented at each seminar session.

Students are to select the readings for their critique and presentation from the Seminar Programme at the back of this Course Outline (excluding the prescribed text chapters). By the end of the first week, each student must advise the Course Coordinator of the articles they have selected.

1. Critique Preparation

(Weighting 15%)

The following questions/points must be covered in your critique.

1. What is the purpose of the article?
2. What is (are) the main issue(s) addressed in the article? Outline the author's(s') main arguments.
3. Identify and evaluate the appropriateness of the theoretical framework(s) (if any).
4. Identify and evaluate the appropriateness of the methodology(s).
5. Select what to you is the most interesting or significant sentence in the article and explain why you find this sentence interesting or significant.
6. What have you learnt from the article and what are the implications of the article?

Students presenting selected readings are to submit (by email) to the lecturer(s) a critique or précis of the article by noon on the Monday before the class.

2. Critique Presentation

(Weighting - 5%)

On average 30 minutes is allocated for a critique presentation, with a further 15 minutes for questions and discussion. Prior to your presentation, prepare PowerPoint Slides or Overhead Projector Transparencies (teaching aids) to help you facilitate your presentation and class discussion.

Students are required to e-mail their teaching aids to the lecturer(s) by 9 a.m. on the day of their critique presentation.

3. Class Participation

(Weighting - 10%)

For effective discussion of each topic, it is very important that you read and understand the assigned articles (usually between two and three per class session) beforehand. Marks will be awarded for class participation.

Students are expected to attend all classes and participate fully in discussions. In order to assist you in this process of class participation you are required, for *each* of the assigned articles, to:

1. Select what to you is the most interesting or significant sentence and identify why you think it is interesting or significant; and
2. Formulate one question for group discussion, and prepare a possible answer.

All students are required to submit their significant sentences and a brief explanation as to why they find it interesting or significant to the lecturer(s) by 9.00 a.m. on the day of class.

4. Research Project 1 **(Weighting - 30%)**

Each student is required to complete a research essay/paper. The research paper is a project identifying a management accounting issue that the student would like to examine and a methodology that would provide an operational basis for this examination. The contemporary relevance of the identified issue must be supported both anecdotally (using news media and industry/professional literature support) and academically where possible (using refereed journal support). The paper should be *between 3,000 and 4,000 words* long.

Research Project 1 is to be submitted to the course co-ordinator in electronic form (Microsoft Word document or PDF) and in paper format by 9.00 a.m. **20 April 2009**.

5. Research Project 2 **(Weighting - 35%)**

Each student is required to complete a research paper. The research paper is a project that identifies and develops a theoretical framework suitable for examining the problem identified in Research Project 1. *This paper should be no longer than 5,000 words.*

Your topic for the Research Project 2 must be discussed with and approved by the Course Coordinator.

This paper will include the relevant aspects of Research Project 1.

The Joint Project 1 & 2 paper is to be submitted in electronic form (Microsoft Word document or PDF) and in paper format by 4.00 pm, **Friday 12 June**. You should take this additional time between the presentation and submission date to include any relevant comments gained from your presentation.

6. Research Project 1 & 2 Presentation **(Weighting - 5%)**

Each student is required to present his or her research project to the class on **Wednesday 3 June 2009** (i.e. week 12, the last week of the course).

Project 2 must be coherently coupled with Project 1 for this presentation.

Seminar Readings

Week 1: Introduction –A Multiple Theoretical Approach to Management Accounting

No assigned readings.

Week 2: The Development of Management Accounting

1. Luft, J., 1997, Long-Term Change in Management accounting: Perspectives from Historical Research, *Journal of Management Accounting Research*, Vol. 9, pp. 163-197.
2. Anthony, R., 1989, Reminiscences about Management Accounting, *Journal of Management Accounting Research*, Vol. 1, pp. 1-20.

Week 3: Case and Field Research in Management Accounting

1. Merchant, K. and Van der Stede, W., 2006, Field-Based Research in Accounting: Accomplishments and Prospects, *Behavioural Research in Accounting*, Vol. 18, pg. 117.
2. Ahrens, T. and Dent, J., 1998, Accounting and Organizations: Realizing the Richness of Field Research, *Journal of Management Accounting Research*, Vol. 10, pg. 1.
3. Hoque, 2006, Chapter 22, pp. 461-476 [background reading only]

Week 4: Management Accounting Change

1. Shields, M., 1995, An empirical analysis of firms' implementation experiences with activity-based costing, *Journal of Management Accounting Research*, Vol. 7, pg. 148.
2. Siti-Nabiha, A. and Scapens, R., 2005, Stability and change: an institutionalist study of management accounting change, *Accounting, Auditing & Accountability Journal*, Vol 18, pg. 44.
3. Burns, J. and Scapens, R., 2000, Conceptualizing management accounting change: an institutional framework, *Management Accounting Research*, Vol. 11, pp. 3 – 25. [background reading only]

Week 5: Agency and Organisational Architecture

1. Hoque, 2006, Chapter 5, pp. 55-77.
2. Brickley, J.A. and Dark, F.H., 1987, 'The choice of organizational form: the case of franchising', *Journal of Financial Economics*, Vol. 18, pp.401-420.
3. Brickley, J.A, 1999, 'Incentive conflicts and contractual restraints: Evidence from franchising', *Journal of Law and Economics*, Vol.42 (2), pp. 745-774

Week 6: Performance Measurement and Rewards

1. Brickley, J.A., Smith Jr., C.W., and Zimmerman, J.L.,2002, Business ethics and organizational architecture, *Journal of Banking and Finance*, Vol. 26, pp. 1821-1835
2. Brickley, J.A., Linck, J.S., and Smith, Jr., C.W., 2003, Boundaries of the firm: Evidence from the banking industry, *Journal of Financial Economics*, Vol. 70, pp. 351-383.

Week 7: Management Accounting, Control and Strategy

1. Hoque, 2006, Chapter 7, pp. 105-128
2. Simons, R, 1991, 'Strategic orientation and top management attention to control systems', *Strategic Management Journal*, Vol. 12 (1), pp. 46-62.
3. Langfield-Smith, K., 1997, 'Management Control Systems and Strategy: A Critical Review'. *Accounting, Organizations and Society*, Vol. 22, pp. 207-232

Week 8: Contingency Theory and its role in Management Accounting Research

1. Hoque, 2006, Chapter 4, pp. 35-54
2. Chapman, C. S., 1997, 'Reflections on a contingent view of accounting', *Accounting, Organizations and Society*, Vol. 22, pp. 189-205.
3. Chenhall, R., 2003, 'Management control systems design within its organizational context: Findings from contingency-based research and directions for the future', *Accounting, Organizations and Society*, Vol. 28, pp. 127-168.

Week 9: Performance Management, Uncertainty and Risk

1. Otley, D., 1999, 'performance management: a framework for management control systems research', *Management Accounting Research*, Vol. 10(4), pp. 363-382
2. Bui, B., Hunt, C. and Fowler, C., 2008, 'A risk-focused performance management system framework for planning change in organisations subject to significant environmental pressures and uncertainty', Wellington, (Centre for Accounting, Governance and Taxation Research, 2008), Working Paper Series No 61, 37pp.
3. The risk management planning process section from: AS/NZS 4360:2004 '*Risk Management*' standard. Third edition. Jointly published by Standards Australia International Ltd, Sydney, and Standards New Zealand, Wellington. [background reading only]

Week 10: Management Accounting and Control in Public Schools

1. Hoque, 2006, Chapter 10, pp. 183-206;
2. Broadbent, J., Jacobs, K., and Laughlin, R., 1999, 'Comparing schools in the U.K. and New Zealand: Individualizing and socializing accountabilities and some implications for management control, *Management Accounting Research*, Vol. 10, pp. 339-361.
3. Tooley, S., and Guthrie, J., 2007, 'Budgeting in New Zealand secondary schools in a changing devolved financial management environment', *Journal of Accounting & Organizational Change*, Vol. 3 (1), pp. 4-28.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building on the ground floor (EA005). This counter is the first point of contact for:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

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 identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting mis-referencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. *At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin.* You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials 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.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to www.victoria.ac.nz/home/about/policy/students.aspx

For information on the following topics, go to the Faculty's website www.victoria.ac.nz/fca under Important Information for Students:

- Academic Grievances
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means *no cheating*. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.

It is still plagiarism even if you re-structure the material or present it in your own style or words.

Note: including the work of others will not be considered plagiarism as long as the work is acknowledged by appropriate referencing.

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website:

www.victoria.ac.nz/home/studying/plagiarism.html

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 6015. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.