

School of Accounting and Commercial Law

ACCY 402 CURRENT ISSUES IN MANAGEMENT ACCOUNTING

Trimester One 2011

COURSE OUTLINE

Names and Contact Details

Course Coordinator & Lecturer:	Dr Carolyn Fowler carolyn.fowler@vuw.ac.nz	RH 603	463-6506
Lecturer:	Mr Ken Bates ken.bates@vuw.ac.nz	RH 716a	463-6474
Administration Coordinator:	Ms Danielle Van Resseghem danielle.vanresseghem@vuw.ac.nz	RH 708	463-7465

Trimester Dates

From Monday 28 February to 10 June 2011

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before 11 March 2011.
2. The standard last date for withdrawal from this course is 14 May. After this date, 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

Seminar Times: Thursday 9.30 am to 12.30 pm in RH GO1

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.

Course Delivery

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.

Course Content

	Dates		Topic	Lecturer
1	March	3	Introduction – A Multiple Theoretical and Method Approach to Management Accounting	Carolyn Fowler Ken Bates
2	March	10	The Development of Management Accounting	Carolyn Fowler
3	March	17	Case and Field Research in Management Accounting	Carolyn Fowler
4	March	24	Customer Profitability – Methods of Analysis	Ken Bates
5	March	31	Activity Based Costing and Services	Ken Bates
6	April	7	Costing and the Capacity Issue	Ken Bates
7	April	14	Critiquing the Balanced Scorecard	Ken Bates
			Mid Trimester Break	
8	May	5	Management Accounting Change: An Institutional Perspective	Carolyn Fowler
9	May	12	Strategic Change and Management Accounting: A Contingency View	Carolyn Fowler
10	May	19	Management Accounting, Budgets and Public Schools	Carolyn Fowler
11	May	26	Project Discussion and Preparation	Carolyn Fowler Ken Bates
12	June	2	Project Presentation	Ken Bates Carolyn Fowler

Prerequisites

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

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

Recommended (available on closed reserve at the Commerce Library)

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

Readings

Reading material, as given below will be distributed during the trimester.

Additional books.

The following books have been placed on closed reserve or 3-day loan in the Commerce Library.

- Chapman, C.S , ed., (2005), *Controlling strategy : management, accounting, and performance measurement*, Oxford ; New York : Oxford University Press.
- 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.
- Wickramasinghe, D. and Alawattage, C. (2007), *Management Accounting Change: Approaches and Perspectives*, Routledge: New York.

Assessment Requirements

1	Critique(s)	15%
2	Critique Presentation(s)	5%
3	Class Participation	10%
4	Research Project One	30%
5	Research Project Two	35%
6	Research Project Presentation	5%
		<hr/>
		100%

Note: 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 audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Examinations

This course has no end-of-term 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). If such a situation arises, please contact the Course Coordinator as soon as possible.

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).

Class Representative

The Honours Representative (selected at orientation) will act as the class representative for ACCY 402. That person's name and contact details will be 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

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

Use of Turnitin (if applicable)

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 subject to checking by Turnitin. 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.

Assessment Details

Critiques

Each student is required to present one or two assigned readings during the course (depending on class numbers). Each 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 readings handout. 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. State the purpose of the article.
2. Outline the main issue(s) addressed in the article and 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. Explain what you have learnt from the article and identify what the implications of the article are.

Students presenting selected readings are to submit (by email) to the lecturer the critique of their assigned article ***by noon on the Tuesday before the Thursday*** class.

2. Critique Presentation

(Weighting - 5%)

Approximately 30 minutes is allocated for a critique presentation, with a further 15 minutes for questions and discussion. Prior to your presentation, prepare PowerPoint Slides to help you facilitate your presentation and class discussion.

Students are required to e-mail their PowerPoint Slides to the lecturer by 8.30 a.m. on the day of their critique presentation. Students should also email these to the rest of the class.

3. Class Participation

(Weighting - 10%)

For effective discussion of each topic, it is very important that you read and understand the assigned articles (two per class session) beforehand.

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 the most interesting or significant sentence and identify why you made this selection; and
2. Formulate one question for group discussion, and prepare a possible response.

All students are required to submit their discussion question, significant sentence and a brief explanation as to why they find it interesting or significant to the lecturer by 8.30 a.m. on the day of class.

4. Research Project One

(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 One is to be submitted to the Course Coordinator in electronic form (Microsoft Word document or PDF) and in paper format by **9.30 a.m., 14 April 2011**.

5. Research Project Two

(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 One. *This paper should be no longer than 6,000 words.*

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

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

The Joint Project One and Two paper is to be submitted in electronic form (Microsoft Word document or PDF) and in paper format **by 4.00 p.m., Friday 10 June, 2011**. You should take this additional time between the presentation and submission date to include any relevant comments gained from your presentation.

6. Research Project Presentation

(Weighting - 5%)

Each student is required to present his or her research project to the class on **Thursday 2 June 2011** (i.e. week 12, the last week of the course).

Project Two must be coherently coupled with Project One for this presentation.

Seminar Readings

Week 1: Introduction. A Multiple Theoretical and Method 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. Fleischman, R., 2009, Management Accounting: Theory and Practice, in *The Routledge Companion to Accounting History*, eds J.R. Edwards and S.P Walker, Routledge: London, pp.189-223.

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. 1-39.

See also Hoque, 2006, Chapter 22, pp. 461-476

Week 4: Customer Profitability – Methods of Analysis

1. Shanahan, Y., P., Lord, B., R., & Nolan, B., M. (2007). The use and perceived merit of customer accounting in New Zealand. *Accounting Research Journal*, 20(1), 47-59.
2. Lind, J., & Strömsten, T. (2006). When do firms use different types of customer accounting? *Journal of Business Research*, 59(12), pp. 1257-1266.

See also Hoque, 2006, Chapter 4, pp. 35-54 and Chapter 21, pp. 427-459

Week 5: Does Activity Based Costing Apply to Services?

1. Brignall, T. J., Fitzgerald, L., Johnston, R., & Silvestro, R. (1991). Product costing in service organizations. *Management Accounting Research*, 2(4), pp. 227-248.
2. Cooper, R. (1988) The rise of activity-based costing – part two: When do I need and Activity-based costing system? *Journal of Cost Management*. Fall, pp. 41-48

Week 6: Costing and the Capacity Issue

1. Cooper, R., & Kaplan, R. S. (1992). Activity-Based Systems: Measuring the Costs of Resource Usage. *Accounting Horizons*, 6(3), pp. 1-13.
2. Weinwurm, E.H. (1961). The importance of idle capacity costs, *The Accounting Review*, Vol.36, No.3 (July), pp.418-21.

See also Hoque, 2006, Chapter 8, pp. 129-159

Week7: Critiquing the Balanced Scorecard

1. Norreklit H. (2000). The balance on the balanced scorecard – a critical analysis of some of its assumptions, *Management Accounting Research*, 11, 65-88.
2. Davis, S., & Albright, T. (2004). An investigation of the effect of Balanced Scorecard implementation on financial performance. *Management Accounting Research*, 15(2), 135-153.

See also Hoque, 2006, Chapter 11, pp. 207-222

Week 8: Management Accounting Change: An institutional perspective

1. Siti-Nabiha, A. and Scapens, R., 2005, Stability and change: an institutionalist study of management accounting change, *Accounting, Auditing & Accountability Journal*, Vol 18, pp. 44-73.
2. Burns, J. and Scapens, R., 2000, Conceptualizing management accounting change: an institutional framework, *Management Accounting Research*, Vol. 11, pp. 3 – 25.

See also Hoque, 2006, Chapter 10, pp. 183-206

Week 9: Strategic Change and Management Accounting: A contingency view

1. Chenhall, R.H., and Langfield-Smith, K., 1998, The relationship between strategic priorities, management techniques and management accounting: an empirical investigation using a systems approach, *Accounting, Organizations and Society*, Vol. 23, No. 3, pp. 243-264.
2. Abernathy, M. A. & Brownell, P., 1999, The role of budgets in organizations facing strategic change: an exploratory study, *Accounting, Organizations and Society*, Vol. 24, pp. 189-204.

See also Hoque, 2006, Chapter 4, pp. 35-54

Week 10: Management Accounting, Budgets and Public Schools

1. 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 No. 1, pp. 4-28.
2. Edwards, P., Ezzamel, M., Robson, K., and Taylor, M. (1996), "Comprehensive and Incremental Budgeting in Education – The Construction and Management of Formula Funding in Three English Local Education Authorities", *Accounting, Auditing and Accountability*, Vol. 9, No. 4, pp. 4-37.

For the following important information, follow the links provided:

Academic Integrity and Plagiarism

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

General University Policies and Statutes

Find key dates, explanations of grades and other useful information at www.victoria.ac.nz/home/study.

Find out about academic progress and restricted enrolment at www.victoria.ac.nz/home/study/academic-progress.

The University's statutes and policies are available at www.victoria.ac.nz/home/about/policy, except qualification statutes, which are available via the Calendar webpage at www.victoria.ac.nz/home/study/calendar (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx

AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support

http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx

Faculty of Commerce and Administration Offices

<http://www.victoria.ac.nz/fca/studenthelp/>

Manaaki Pihipihinga Programme

http://www.victoria.ac.nz/st_services/mentoring/