

School of Accounting and Commercial Law

## **MMPA 512 ADVANCED MANAGEMENT ACCOUNTING**

Trimester 3, 2011

### **COURSE OUTLINE**

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<b>Names and Contact Details</b>	<b>Office</b>	<b>Telephone</b>
<i>Course Coordinator &amp; Lecturer</i> Carolyn Fowler <a href="mailto:Carolyn.Fowler@vuw.ac.nz">Carolyn.Fowler@vuw.ac.nz</a>	RH 601	463 6506
<i>Lecturer</i> Ken Bates <a href="mailto:Ken.Bates@vuw.ac.nz">Ken.Bates@vuw.ac.nz</a>	RH 716A	463 6474
<i>Course Administrator</i> Pinky Shah <a href="mailto:Pinky.Shah@vuw.ac.nz">Pinky.Shah@vuw.ac.nz</a> Office hours: Monday-Friday, 8.30am-5pm	RH 728	463 6921

#### **Trimester Dates**

Teaching Period: Monday 14 November 2011 to Tuesday 20 December 2011.  
Examination Period: None. However, there is a final test on 24 January 2012.

#### **Withdrawal from Course**

1. Your fees will be refunded if you withdraw from this course on or before 18 November 2011.
2. The last date for withdrawal from this course is the three-quarter point of the teaching period, i.e. Tuesday 6 December 2012.

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**

- Monday: 12.40 - 3.30 pm RWW 315
- Tuesday: 12.40 - 3.30 pm RWW 315

## Course Prerequisites

The prerequisite for this course is MMPA 502. If you have not passed this course, please see the Course Coordinator.

## Planned Course Content

Week	Date	Topic	Readings	Case Presentations
1	14 Nov KB	Introduction to course Value Chain Analysis and Life Cycle Reporting	Chapters one and two	
1	15 Nov KB	ABC in services, from ABC to TDABC?	Appendix Supplementary reading.	
2	21 Nov KB	Strategic decision making	Chapter three	K2 (practice case) Groups 1, 2 and 3
2	22 Nov KB	Customer profitability analysis and customer value	Chapter six	Kenilworth ENT Clinic Group 1
3	28 Nov KB	Divisionalisation and transfer pricing	Chapter five	Pakit Ltd Group 2
3	29 Nov KB	Financial performance measurement and firm value	Chapter eleven Supplementary reading.	Seatoun Sports Shirts Group 3
<b>Weekend</b>				
4	5 Dec CF	Supplier value and inventory management	Chapter seven	
4	6 Dec CF	Quality costing and management	Chapter eight	Curry Delicious A Group 1
5	12 Dec CF	Environmental cost management	Chapter nine	Curry Delicious B Group 2
5	13 Dec CF	Critique of balanced performance measurement models.	Chapter ten Supplementary readings	Curry Delicious C Group 3
6	19 Dec CF	Activity-based management (ABM) Revision	Appendix Supplementary readings	
<b>6</b>	<b>20 Dec</b>	<b>Conference Paper Critique Due</b>		
<b>2012</b>	<b>24 Jan</b>	<b>Final Test (2 hours)</b>		

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

NOTE:

- KB – Ken Bates
- CF – Carolyn Fowler

## 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 Delivery

The course is delivered in two three-hour class per week for six weeks. Each class will consist of a mixture of lectures, class discussions, problem-based assignments, and for weeks 2 to 5, student presentations. The assigned chapters and readings for that week are expected to be completed prior to class. Lecturers may also post extra learning materials and readings on Blackboard. It is suggested that students regularly check blackboard for updates, announcements and materials.

## Expected Workload

It is expected that a students' workload in this course will be a total of 150 hours. The 150 hours is comprised of 36 hours of class time; background reading for lectures and case presentations – 36 hrs; critique preparation – 16 hrs; case presentation preparation and other learning activities – 36 hours, and review of material for the test – 26 hrs.

## Readings

*Set Course Text (to be purchased).*

Hunt, C., and Fowler, C. (2009), *Management Accounting: Strategic decision making, performance and risk*, Pearson Education New Zealand: Auckland.

*Additional books.*

The following books 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.
- Horngren, C.T., Datar, S.M., Foster, G., Rajan, M., and Ittner, C. (2009), *Cost Accounting: A Managerial Emphasis*, 13th edn, Pearson Prentice Hall: Upper Saddle River, NJ
- Hoque Z., (2003), *Strategic Management Accounting*, 2nd edn., Pearson Education: Australia.
- Reeve, J. (2000) *Readings and Issues in Cost management*, South-Western College Publishing, Thomson Learning, Canada.

*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 in the final test are:

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

## Assessment Requirements:

### 1. Group Case Presentations

**To be assigned in class (week one)**

*Weighting: 20%*

The class will be allocated into small groups. Each group will be responsible for the presentation to the class of two case studies. The presentation should be planned to be about 30 minutes per group, and 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 (or an internal project work group) hired (or constituted) to address a particular problem and present their recommendations to management. An oral presentation and a written, executive style, report will be required, each worth 50% of the overall marks. More detail is provided on the case presentation marking scheme, which will be circulated. Students will also have the opportunity to participate in a practice case presentation and gain feedback on their performance.

The written report should be handed to the lecturer immediately BEFORE the oral presentation. The presenting group will need to outline the case problem, explain the relevant management accounting techniques they have used to address the problem and present the analysis undertaken and appropriate recommendations and conclusions, i.e. their proposed solution to the case. They will also be expected to answer questions from other groups, and justify their recommendations as necessary.

All other groups should have worked on the case and prepared their own answers and hence be in a position to “challenge” the presenting group if they have different interpretations or answers. The other groups will *each be required to ask at least one question* of the presenting group *who will gain marks for the quality of their answers*.

### 2. Conference Paper Critique

**Due on or before 2.00 pm 20 December 2011**

*Weighting: 20%*

This assessment is a written critique (maximum 1,500 words) of one assigned conference paper. In the first class, students will be assigned a conference paper from the programme of the fifth New Zealand Management Accounting Conference (as per handout) to be held at Victoria University of Wellington on 17 and 18 November. Therefore, as part of this assessment, students are required to attend the conference sessions (free of charge) between 9.00 am and 5.30 pm on the Thursday and 9.00 am and 1.00 pm on the Friday. Please talk to the course co-coordinator, if you can only attend part of the conference.

Copies of the assigned papers will be placed on blackboard

The critique should:

- state the purpose of the article;
- outline the author's main arguments;
- discuss the major areas of agreement/disagreement you have with the author's arguments;
- select what is to you the most interesting or significant sentence in the article and explain why you find this sentence interesting; and
- identify the implications of this article for management accountants and/or management practice.

Please place your completed critique in the appropriate box on the mezzanine floor of Rutherford House or email (in PDF or Word format) to [Pinky.Shah@vuw.ac.nz](mailto:Pinky.Shah@vuw.ac.nz) on or before 2.00pm, 20 December 2011.

### 3. Final Test

**Tuesday 24 January 2012 at 12.40 pm in RWW 315**

*Weighting: 60%*

The final test is two hours long and may cover material introduced during lectures during the whole course, and any extra work given by the lecturer(s).

These assessments meet the course objectives by:

- Covering the majority of topics taught in the course.
- Assessing the understanding and application of management accounting tools and techniques and the evaluation of management accounting theories and concepts.

#### ***Quality Assurance 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.*

#### **Penalties**

A penalty of five percent per day (inclusive of weekends) will be applied for all late critiques.

#### **Examinations**

There is no final examination for the course. However, students who enrol in the course are obliged to attend the Final Test on the 24 January 2012.

#### **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 class or posted on Blackboard.

## **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 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.

**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](http://www.victoria.ac.nz/home/study)

Find out about academic progress and restricted enrolment at <http://www.victoria.ac.nz/home/study/academic-progress.aspx>

The University's statutes and policies are available at [www.victoria.ac.nz/home/about/policy](http://www.victoria.ac.nz/home/about/policy), except qualification statutes, which are available via the Calendar webpage at <http://www.victoria.ac.nz/home/study/calendar.aspx> (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](http://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](http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx)

### **Faculty of Commerce and Administration Offices**

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

### **Te Putahi Atawhai - Maori and Pacific Mentoring Programme**

[http://www.victoria.ac.nz/st\\_services/tpa/index.aspx](http://www.victoria.ac.nz/st_services/tpa/index.aspx)