

MODULE DESCRIPTOR

MODULE TITLE	Advanced Management Accounting		
MODULE CODE	AC3200 (L6)	CREDIT VALUE	20 CREDITS / 10 ECTS
SCHOOL	SCHOOL OF BUSINESS AND MANAGEMENT		

MODULE AIMS

The module aims to develop students' problem-solving skills in respect of more complex problems in management accounting, and to develop the ability to critically appraise management accounting solutions to real world problems.

MODULE CONTENT

Indicative syllabus includes:

- Modelling and decision support. An overview of management accounting as a decision support system, covering information and decision theory, modelling and computer tools.
- Marginal Costing. The income effects of alternative cost accumulation systems including marginal costing, activity based costing and pricing decisions.
- Regression and Cost Behaviour analysis. Analysis of cost behaviour. Multiple regression analysis; linear and nonlinear models, learning curves, including interpretation of computer output.
- Budgeting. Planning and budgetary control. Cost variance investigation: mix and yield variance; planning and operational variances, review of current literature; development of models and strategies. Risk and uncertainty.

- Decision Making. Management accounting for decision making. Risk and uncertainty in decisions: Monte Carlo Analysis, probability modelling.
- Divisionalisation and Management Accounting. Divisionalisation and control.

The effects of divisionalisation on large industrial organisations as an aid to improving management control and efficiency

- Performance evaluation. A critical review of the various methods of performance evaluation and their impact on the behaviour of divisional managers. Ratios, quality and quality assurance. Residual income.
- Transfer pricing. The role, objectives and various bases for deriving transfer pricing systems.
- Information theory and variance analysis. The application of information theory to group variance analysis.
- Strategy and corporate objectives. The relevance of strategic management accounting as a framework for analysing corporate board objectives and their influence on divisional managers' goals and objectives.
- A selection of current Issues in management accounting e.g. quality assurance advanced manufacturing technologies, executive contracts and reward systems, strategic management accounting, value added, quality costs.

INTENDED LEARNING OUTCOMES

On successful completion of this module a student will be able to:	
1.	Critically analyse management accounting problems of planning, control and decision-making in complex, multi-divisional organisations
2.	Critically evaluate decision-making techniques in circumstances of uncertainty and risk
3.	Critique the various accounting theories concerned with current issues
4.	Apply problem solving skills in respect of more complex problems in management accounting
5.	Interpret output from computer packages as aids to solving problems in management accounting

TEACHING METHODS

Class contact time will be via a weekly lecture, and one group session comprising either a computer workshop (to introduce a computer dimension to problem solving and to ensure computer skills are developed) or a teaching workshop, or a discussion session. This is considered as the minimum contact time appropriate for students to develop their understanding and knowledge of management accounting. Work by students will also include guided reading and problem solving. Several textbooks are recommended as is additional reading.

Management accounting at Level six is a subject that involves acquiring some new knowledge and developing conceptual models but above all the critical appraisal of models and techniques of management accounting especially when it comes to applying those models to real world situations.

The teaching and learning strategy supports this in introducing in lectures discussion of assumptions and raising questions of applicability and validity. Group sessions not only develop technical problem solving skills (in areas that are new to the students) but also encourage students to develop their critical skills. A key part of the learning strategy involves the use of computers as modelling aids for complex problems.

It is essential to do the preparatory reading, at least in outline, before attending the lecture.

The lecture material may include further references. Chapters in the texts generally have substantial references to further reading at the end of each chapter.

As part of your preparation for each seminar you will be required to prepare answers to questions given in the lecture & seminar notes. The purpose of these questions, together with the discussion and feedback given, is to stimulate thought and research on the topic concerned and to assist you in developing essential skills. Note – your seminar answers to questions given in the lecture will be checked at the start of each seminar.

The assessment strategy – 30% coursework report and a 70% end of the year examination – is designed to allow students to gain proficiency in the fundamental technical and computational aspects of the subject. It is also designed to meet the Accountancy Professional Bodies exemption criteria as well as test the width and depth of a student's knowledge.

The module MIP, lecture materials and seminar questions and answers will be posted on the relevant pages of BlackBoard site.

Formative feedback on seminar and practice questions is provided to students on a weekly basis, with additional support available in the timetabled Technical Support Workshops.

ASSESSMENT METHODS

This module is assessed through assignments (30%) and an examination (70%).