

**BUSI0027 Management Accounting I**  
**Course Syllabus and Outline**  
**Fall 2010**

**I. COURSE INFORMATION**

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**Prerequisite:** BUSI 1002 Introduction to Accounting

**Textbook:** Braun, Tietz, and Harrison. *Managerial Accounting*, 2/e. Pearson-Prentice Hall.

**II. COURSE DESCRIPTIONS**

This course covers basic topics of management accounting and introduces a business-management approach to the development and use of accounting information. In today's competitive marketplace, an excellent internal accounting system is essential for organizations to make better decisions. This course covers firms' internal accounting systems and their use in decision-making, planning and control. Major topics include cost classification, cost behavior, cost-volume-profit analysis, budget and variance analysis, and decision-making.

**III. COURSE OBJECTIVES**

1. Provide students with basic concepts of management accounting and the usefulness of internal accounting system;
2. Provide students with the capability to apply knowledge in decision-making scenarios;
3. Inculcate professionalism;
4. Develop students' communication skills.

#### IV. INTENDED LEARNING OUTCOMES (ILOs)

On completion of this course, students will be able to:

*ILO1.* Explain cost management concepts, product costing techniques, and planning & control systems;

*ILO2.* Use relevant information for making decisions;

*ILO3.* Prepare a master budget and a flexible budget, compare the budgets with actual results, analyze and interpret variances;

*ILO4.* Apply Management Accountants' Codes of Ethics to resolve an ethical situation;

*ILO5.* Develop verbal and writing communication skills and teamwork ability.

#### V. ALIGNMENTS OF PROGRAM AND COURSE ILOs

<b>Program ILOs</b>	<b>Course ILOs</b>
1. Acquisition and internalization of knowledge of accounting, business and economics	ILOs 1 & 2
2. Application and integration of knowledge	ILOs 3 & 4
3. Inculcating professionalism and leadership	ILOs 4 & 5
5. Mastering communication skills	ILO 5

#### VI. TEACHING AND LEARNING ACTIVITIES (TLAs)

*TLA1. Situation: Interactive lectures*

Basic knowledge of cost accounting and management accounting is presented with Powerpoint slides.

- In-class exercises: basic concepts and techniques are illustrated using examples. These exercises help students follow the lecturer closely and actively.
- In-class discussions: sometimes discussion questions are raised by the lecturer. Students are encouraged to participate in discussions and share opinions with their peers.
- Concept map: at the end of some sessions, the lecturer uses concept maps to provide an overview of the various topics covered and to demonstrate the inter-chapter links.

Major focus: ILOs 1, 2, 3 and 5;

Minor focus: ILO4.

*TLA2. Situation: Tutorials*

Practice questions and selective assignments are covered.

- Weekly tutorial assignments: assignments that reflect concepts and techniques learned are assigned to students every week. Students are expected to complete these assignments on an individual basis. These assignments give students practice opportunities.
- In-class interactive activities: students are required to attend all tutorials, participate in discussions, and present their answers to peers, etc.

Major focus: ILOs 1 and 5;

Minor focus: ILOs 2 and 4.

*TLA3. Situation: Outside-classroom activities*

- Group discussions: students are divided into groups to finish the case projects. Group members meet to discuss the case, work on the case as a team and contribute jointly to the written report for timely submission.
- Lecturer and tutor consultations: the lecturer and the tutor provide three hours of consultation each for every week.

Major focus: ILOs 1, 2 and 3;

Minor focus: ILO 4.

**VII. ASSESSMENT TASKS/ACTIVITIES (ATs)**

Tutorial attendance and assignments	10%
Group-based case written report	15%
Group-based case oral presentation	10%
Mid-term test	20%
<u>Final exam</u>	<u>45%</u>
Total	100%

*AT1. Tutorial Attendance and Assignments (10%)*

Students are required to attempt the assignments before you go to the tutorials. You are also expected to participate actively in tutorials. Quietly sitting in the tutorials does not count, but of course absenteeism from class will negatively affect the performance. Participation and assignments are evaluated per student by the demonstrator. The objective of the tutorials is to help you digest and apply the knowledge you have learned from the classes.

**Focus:** ILOs 1, 2, 4, & 5.

### Grading Criteria

A+ A A-	B+ B B-	C+ C C-	D+ D	F
Extremely well prepared for class discussion, active in sharing views, attended at least 90% of classes.	Partially prepared for class discussion, quite active in sharing views and attended at least 80% of classes.	Not well prepared for class discussion, limited active in sharing views and attended at least 70% of classes.	Not well prepared for class discussion, no sharing of views and attended at least 60% of classes.	Never prepared for class discussion and no sharing of views and experience and attended less than 50% of classes.

#### *AT2. Group-Based Case Written Report (15%)*

Students form into groups to conduct analysis on a listed company. The detailed requirements are given in the next part.

**Focus:** ILOs 1, 2, & 5.

### Grading Criteria

Grade	<b>Depth and breadth of Coverage, critical elements, structure, language and conventions</b>
A+,A, A-	<p>All aspects were addressed and researched in great depth.</p> <p>Demonstrated a clear understanding of and the ability to apply the theory, concepts and issues relating to the topic.</p> <p>Clearly identified the most critical aspects of the task and adopted a critical perspective.</p> <p>Developed excellent argument and offered a logically consistent and well-articulated analysis and insight into the subject.</p> <p>Drew widely from the academic literature and elsewhere whilst maintaining relevance.</p> <p>All aspects conformed to a high academic / professional standard.</p>
B+, B, B-	<p>Most aspects were addressed and researched in depth.</p> <p>Demonstrated a good understanding and some application of the theory and issues relating to the topic.</p> <p>Identified critical aspects of the task and adopted a critical perspective.</p> <p>Showed some evidence of analysis, supported by logical argument and insight into the subject.</p> <p>Drew on relevant academic and other material.</p> <p>Most aspects conformed to a high academic / professional standard.</p>

C+, C, C-	<p>Most aspects were addressed and researched adequately.</p> <p>Demonstrated a good understanding of the theory, concepts and issues relating to the topic but limited application relating to the topic.</p> <p>Some presented argument showed some insight but not always consistent and logical.</p> <p>Drew upon an adequate range of academic and other material.</p> <p>Most aspects conformed to an acceptable academic / professional standard.</p>
D+, D	<p>Basic aspects were addressed and researched adequately.</p> <p>Demonstrated mainly description, showing basic understanding of the topic but no application.</p> <p>Showed little evidence of analysis but no clear and logical argument relating to the subject.</p> <p>Drew primarily upon course materials.</p> <p>Limited aspects conformed to academic / professional standards.</p>
F Fail	<p>Basic aspects were superficial, inadequate or absent.</p> <p>Demonstrated limited understanding of the topic and drew conclusions unrelated to the topic.</p> <p>The written work was not of an academic / professional standard.</p>

*AT3: Group-Based Case Oral Presentation (10%)*

Each group is required to present their major findings in the last week.

**Focus:** ILOs 1, 2 & 5

**Grading Criteria**

Grade	<b>Presentation fluency, body language, use of visual aids, time management, handling of Q&amp;A</b>
A+,A, A-	<p>Deep and Convincing analysis;</p> <p>Fluent and interesting presentation;</p> <p>Excellent use of visual aids and other presentation tools;</p> <p>Strictly keeping to the time limit;</p> <p>Excellent response in Q&amp;A.</p>

B+, B, B-	Reasonably convincing analysis; Reasonably fluent presentation; Reasonably good use of visual aids and other presentation tools; Strictly keeping to the time limit; Satisfactory response in Q&A.
C+, C, C-	Less than deep analysis; Reasonably fluent presentation; Some use of visual aids and other presentation tools; A bit exceeding the time limit; Satisfactory response in Q&A.
D+, D	Less than deep analysis; Presentation is not fluent; Very little use of visual aids and other presentation tools; A bit exceeding the time limit; Non-satisfactory response in Q&A.
F Fail	Wrong analysis; Presentation is not fluent; No use of visual aids and other presentation tools; Obviously exceeding the time limit; Non-satisfactory or no response in Q&A.

*AT3.Mid-term Test (20%)*

The one-and-a-half-hour mid-term test is scheduled **from 7:00 pm to 9:00 pm, 26 October in RHT (tentative)**. It is closed-book and covers the contents from the first five chapters. The objective of the mid-term test is to encourage students to review the knowledge they have learned on a timely basis, and help students digest and apply it.

**Focus:** ILOs 1, 2, & 5.

**Grading Criteria**

A+ A A-	B+ B B-	C+ C C-	D+ D	F
Provided accurate solutions to all problems, gave detailed and insightful	Provided accurate solutions to some problems, gave detailed responses to	Provided accurate solutions to a few problems, gave limited responses to	Provided inaccurate solutions to a few problems, gave unclear responses to	Skipped some problems or provided inaccurate solutions to most problems, gave

responses to essay questions and scored correctly on more than 90% of the multiple choice questions.	some essay questions and scored correctly on less than 90% of the multiple choice questions.	some essay questions and scored correctly on less than 80% of the multiple choice questions.	most essay questions and scored correctly on less than 70% of the multiple choice questions.	poor responses to most essay questions and scored correctly on less than 60% of the multiple choice questions.
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*AT4. Final Exam (45%)*

The final exam is closed-book, comprehensive and covers all the chapters on the course syllabus. The objective of the final exam is to further enhance your understanding of the basic concepts and theories and develop your ability to apply the knowledge in business situations.

**Focus:** ILOs 1, 2, 3, 4, & 5.

**Grading Criteria**

A+ A A-	B+ B B-	C+ C C-	D+ D	F
Provided accurate solutions to all problems, gave detailed and insightful responses to essay questions and scored correctly on more than 90% of the multiple choice questions.	Provided accurate solutions to some problems, gave detailed responses to some essay questions and scored correctly on less than 90% of the multiple choice questions.	Provided accurate solutions to a few problems, gave limited responses to some essay questions and scored correctly on less than 80% of the multiple choice questions.	Provided inaccurate solutions to a few problems, gave unclear responses to most essay questions and scored correctly on less than 70% of the multiple choice questions.	Skipped some problems or provided inaccurate solutions to most problems, gave poor responses to most essay questions and scored correctly on less than 60% of the multiple choice questions.

## VIII. GROUP-BASED CASE WRITTEN REPORT AND ORAL PRESENTATION

### *Step 1: Form Your Group*

Form your own group with 5 students in each group.<sup>1</sup> Let your demonstrator know about the composition of your group members by **16 September 2010**.

### *Step 2: Identify a Company*

You should identify a company with some unique management accounting practice, e.g., ABC, BSC, JIT, TQM, etc. The company should be listed in Hong Kong, China, or US.

#### Hint:

--Better to choose a company with wide media coverage of its notable management accounting practice;

--Possible source of reference include:

- ◆ The company's annual report (in particular, the MD&A section)
- ◆ Media coverage (e.g., Wall Street Journal in Factiva.com)
- ◆ The company's website

Please email the lecturer regarding the company you choose and the particular management accounting practice you would like to analyze by **28 October, 2010**.

### *Step 3: Submit a Written Report*

For the identified company, you are required to:

1. Introduce at least one management accounting practice in the company, e.g., ABC, BSC, JIT, TQM, etc;
2. Analyze the effect of the management accounting practice that you identified on the firm's operating activities and financial performance, by comparing its performance with
  - the industry average, or
  - that of its major competitor;
3. Analyze the company's cost structure (e.g., viable vs. fixed cost, manufacturing vs. non-manufacturing cost, direct vs. indirect cost, job costing or process costing, etc) and its effect on its pricing strategy and sales.
4. All analysis should be based on most recent financial statements of the company.

The deadline of submitting the written report is **8 December 2010**. Please submit an e-copy via email to your demonstrator.<sup>2</sup>

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<sup>1</sup> No more than 4 groups may have 6 students. No groups should have more than 6 or less than 5 students.

<sup>2</sup> You should receive a reply email from your demonstrator to acknowledge the report is successfully delivered.

Your report should contain the following major components:

***Part I: Executive Summary (1 page maximum)***

Executive summary should include (1) a brief introduction of the company, (2) highlights of your major findings.

***Part II: Body of Report (6 pages maximum, double-spacing, 12 pt font)***

***Part III: References***

You should follow APA style for your references. What is APA style? Please refer to

<http://flash1r.apa.org/apastyle/basics/index.htm>

***Part IV: Appendix***

Any tables, charts, or other relevant information.

***Step 4: Oral Presentation***

The oral presentation of your major findings is scheduled in the last week (25 November 2010 and 30 November 2010) tentatively. The presentation order will be determined by lottery. Every group is given 15 minutes – 10 minutes for presentation and 5 minutes for Q&A. **Every group member is required to be involved in the presentation and Q&A.**

Both the lecturer and the students (other than the presenting group itself) will evaluate the oral presentation. The final score is the average of the two. Details of the oral presentation will be announced later.

## IX. ACADEMIC CONDUCT AND IMPORTANT POLICIES

- a) Plagiarism and copying of copyright materials are serious offences and may lead to disciplinary actions. You should read the chapters on “Plagiarism” and “Copyright” in the Undergraduate/Postgraduate Handbook for details. You are strongly advised to read the booklet entitled “What is Plagiarism” which was distributed to you upon your admission into the University, a copy of which can be found at [www.hku.hk/plagiarism](http://www.hku.hk/plagiarism). A booklet entitled “Plagiarism and How to Avoid it” is also available from the Main Library.
- b) The course enrollment is charged by the faculty office. Please approach the staff in the faculty office for any queries about course enrollment, class quota, etc. In no circumstances should you approach the lecturers who have no control on this.
- c) **There is no make-up test for the mid-term test.** If you are absent from the mid-term test without eligible reasons/documents, you will not earn any marks on the mid-term test. If you are absent from the mid-term test with eligible reasons/documents, your score on the final exam will be applied higher weight (including weight on final exam and mid-term test).
- d) **There is no make-up session for the oral presentation.** If you are absent from the oral presentation without eligible reasons/documents, you will not earn any marks on the oral presentation. If you are absent from the oral presentation with eligible reasons/documents, your score on the final exam will be applied higher weight (including weight on final exam and mid-term test).
- e) A make-up exam will be given if you miss the final exam with valid reasons/documents.

## X. COURSE OUTLINE

Topic	Reading	Assignments
Lecture 1: Sep 2 and Sep 7 <b>Introduction to Management Accounting</b>	Chapter 1	E1-24B, P1-34B, P1-35B
Lecture 2: Sep 9 and Sep 14 <b>Building Blocks of Managerial Accounting</b>	Chapter 2	E2-37B, P2-53B, P2-54B
Lecture 3: Sep 16 and Sep 21 <b>Job Costing</b>	Chapters 3	E3-32B, E3-33B, E3-34B, E3-38B <i>*Groups to be formed by 16 Sep 2010</i>
Lecture 4: Sep 28 and Sep 30 <b>Activity-Based Costing, Lean Production, and Costs of Quality</b>	Chapter 4	E4-35B, E4-40B, E4-41B
Lecture 5: Oct 5 and Oct 7 <b>Process Costing</b>	Chapter 5	P5-51A, P-5-52A, P5-53A
Lecture 6: Oct 12 and Oct 14 <b>Cost Behavior</b>	Chapter 6	E6-46B, E6-47B, E6-49B, P6-65B, P6-67B
Lecture 7: Oct 14 and Oct 26 <b>Cost-Volume-Profit (CVP) Analysis</b>  <i>Mid-Term Test: 7 pm to 9 pm, Oct 26 (Tue), tentative Lectures on Oct 28 are cancelled due to mid-term test</i>	Chapter 7	E7-37A, E7-43B, E7-51B  <i>*Case topics to be confirmed by 28 October 2010</i>
Lecture 8: Nov 2 and Nov 4 <b>Short-Term Business Decisions</b>	Chapter 8	P8-41A, P8-42A, P8-43A, P8-44A, P8-45A, P8-46A,

Lecture 9: Nov 9 and Nov 11 <b>The Master-Budget and Responsibility Accounting</b>	Chapter 9	P9-59A, P9-63A
Lecture 10: Nov 16 and Nov 18 <b>Flexible-Budgets and Standard Costs</b>	Chapter 10	P10-64A, P10-66A, P10-67A
Lecture 11: Nov 18 and Nov 23 <b>Performance Evaluation and the Balanced Scorecard</b>	Chapter 11	P11-39A, P11-40A
Lecture 12: Nov 25 and Nov 30 <b>Group-Based Case Oral Presentation</b>		<i>*Deadline to submit group-based case written report: <b><u>8 December 2010.</u></b></i>