

**NANYANG TECHNOLOGICAL UNIVERSITY  
NANYANG BUSINESS SCHOOL  
AD2101 Management Accounting**

**A) Course Description and Aims**

This course covers the strategic nature of management accounting and the relevance of accounting information for today's competitive business environment. Emphasis is placed on the provision of accounting information for planning, control and decision making; and the application of accounting information for supporting tactical objectives and strategic missions of organizations. The course is divided into four major parts. The first part is introductory to cost management and focuses on fundamental cost concepts and how costs can be measured and accumulated under different costing systems. The second part covers the practices in cost management and the use of essential accounting information in managerial planning, control and decision making. The third part exposes students to performance evaluation of business segments and sustainability of organizations in a globally competitive environment. The final part of the course links theories to practice in management accounting by providing students with real life scenarios to integrate knowledge and to promote skills in critical thinking and decision making.

The course aims to equip students with analytical skills for problem solving and managerial skills for decision making and business presentation. After the completion of this course, students should be equipped with a strong conceptual and technical knowledge in accounting and costing. Students should understand and appreciate how accounting and costing information support organizational planning, decision making and control. In particular, students should be able to apply their knowledge and skills to influence decisions that create value for organizational stakeholders and improve corporate social responsibility.

**B) Intended Learning Outcomes (ILO)**

By the end of this course, students should be able to:

ILO	Description
1	Discuss how management accounting fits into an organizational structure to support managerial and strategic decisions
2	Explain various cost concepts, cost behaviors and costing systems, and discuss how different views can affect approaches towards decision-making
3	Differentiate and compute cost of products or services using different costing systems
4	Discuss the strategic roles and objectives of cost allocation and apply various cost allocation methods
5	Record and present costing information in financial statements
6	Discuss the importance of strategy, risk and behavioral issues in budgeting process
7	Prepare and present master and flexible budgets and supporting schedules
8	Perform variance analysis and discuss the impacts of variances on business operation
9	Perform CVP analysis and discuss the effect of different cost structures on pricing decisions
10	Perform differential analysis and discuss the constraints, risk and legal issues relating to managerial and strategic decisions
11	Discuss organizational architecture and measure performance of managers and business units using financial and non-financial measurements
12	Apply the general transfer pricing rule and discuss the economic consequences and behavioral issues of transfer pricing
13	Discuss the relationships and implications of cost reduction, value chain, product life cycle and total quality management on business operation
14	Discuss corporate sustainability practices, and the implications and challenges in recognizing and measuring economic, environment and social impacts

### C) Course Content

Topic	Title
1	Introduction to managerial accounting
2	Product and service costing
3	Overhead cost allocation
4	Budgetary planning
5	Flexible budgeting, standard costs and variance analysis
6	Cost-volume-profit analysis and segment reporting
7	Differential analysis and decision making
8	Contemporary management practices
9	Performance measurement in decentralized organizations

### D) Assessments

Components	Weightage %	Team/Individual
Seminar Activities	15%	Team and Individual
CONNECT Online Homework	15%	Individual
Project and Presentation	20%	Team
Final Examination	50%	Individual
Total	100%	

### E) Weekly Proposed Schedule

Week	Topic
1	<b>Course Overview</b> Introduction to managerial accounting
2	<b>Product and Service</b>
3	<b>Overhead cost allocation</b>
4	<b>Budgetary Planning</b>
5	<b>Flexible budgeting, standard costs and variance analysis</b>
6	<b>Cost-volume-profit analysis and segment reporting</b>
7	<b>Differential analysis and decision making</b>
8	<b>Contemporary management practices</b>

<b>9</b>	<b>Performance measurement in decentralized organizations</b>
<b>10</b>	<b>Project presentation</b>
<b>11</b>	<b>Project presentation</b>
<b>12</b>	<b>Project presentation</b>
<b>13</b>	<b>Review</b>