



ACC 381N  
MANAGERIAL ACCOUNTING  
Spring  
2014

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<b>Course Web Page</b>	via Blackboard (courses.utexas.edu)

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Managerial accounting focuses on how accounting and financial information is created and used **inside** an organization to assist an enterprise in implementing its business strategies to achieve its mission. Management accounting is a complement to financial statement analysis that tends to focus on annual reports, 10-K filings and similar other financial reports that are used primarily **outside** an enterprise by shareholders and the financial community when making decisions about investing in a company.

This course covers various aspects of how companies:

- Create internal financial information.
- Use this information as a component of strategic decision-making.
- Use this information to measure success (or failure) relative to a plan.

This course addresses how assumptions made in the design of performance measurement and control systems that use this financial information can sometimes distort analysis and introduce undesirable bias that can compromise an organization's mission.

We will use a combination of textbook readings and case study review and discussion to illustrate various course concepts. We will use specific problems presented in the textbook to provide a targeted look at more granular elements relevant to the cases and the concepts.

### **Textbook and Reading Materials**

*Managerial Accounting: Creating Value in a Global Business Environment, Global 9th Edition*, by Hilton and Platt, 2013.

Case studies and other readings as posted on Blackboard.

### **Course Components and Requirements**

**Textbook Reading** – The concepts presented in the textbook are the foundation of this class. To effectively learn the concepts we will cover, completing the assigned textbook readings and understanding the concepts presented therein is imperative. Successful learning and classroom discussions, including exploration of case studies that illustrate the textbook concepts, are dependent upon a thorough comprehension and understanding of the content in the textbook chapters assigned for reading.

**Cases** – Typically, one or more cases are designated for review and discussion during class sessions to illustrate and provide a basis for learning course concepts. Prior to each class, students should have read, evaluated and be knowledgeable of the cases to be reviewed in class. While there is no written work product to be submitted for the cases, the degree to which the student participates in this discussion and analysis will be evaluated by the instructor to determine the portion of the class participation grade.

component earned by the student. Each student is expected to actively participate during class in the discussion and analysis of each case.

**Suggested Problems** – As an adjunct to case facts and circumstances, problems in the textbook will be recommended to direct your attention to certain concepts and to provide practice related to certain accounting tools or techniques used in managerial accounting activities. While there may be a non-specific, intuitive answer to the problems at a conceptual level, it is important for the student to “work-through” the problem to a solution in order to gain experience with and develop an appreciation for the dynamics of management accounting. These problems are not collected or graded. The solutions will be reviewed in class or posted to Blackboard for your review.

**Examination** – A comprehensive, course examination is administered during the final class session. It may include problems, essay questions, and/or short answer questions. The scope of the examination is all concepts and subjects covered in this management accounting curriculum. This examination is the only test for this course.

## Preparation for Class

The speed at which the class moves through the course material illustrated in the syllabus can vary significantly from semester to semester. This pace is most affected by the degree to which a class demonstrates a desire to discuss and explore concepts and cases. Some classes have an overall culture and personality that is highly interactive while other classes do not have this attribute. Because of the unpredictability of this dynamic, it is important for each student to pay close attention to and be well aware of the designated times by which to complete the course readings that are set forth in the class schedule at the end of this syllabus. In general, readings for a class are expected to be completed at least a week in advance of the class in which they are scheduled to be discussed in the event there is a need to move on to a subsequent topic earlier than anticipated.

## Course Grade

This curriculum is 50% of the total curriculum that, when combined with the financial statement analysis curriculum, comprises a full course of record for ACC 381N. Your grade for the course as a whole is a result of an equally-weighted combination of your grades for each of managerial accounting and financial statement analysis.

Your grade for this managerial accounting curriculum is comprised of the following components:

Class Participation	25% of total grade
Final Exam	75% of total grade

## Attendance

Consistent class attendance by all students is important to the success of the learning experience and achieving the overall objectives of the course for all students both individually and collectively. Missing class can have an immediate effect on the class participation portion of your grade.

## McCombs Classroom Professionalism

The highest professional standards are expected of all members of the McCombs community. The collective class reputation and the value of the McCombs experience hinges on these standards. Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects. The McCombs classroom experience is enhanced when students:

- **Arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for both fellow students and faculty and it enhances learning by reducing avoidable distractions.

- **Display their name cards.** This permits fellow students and faculty to learn names, enhancing opportunities for community building and evaluation of in-class contributions.
- **Minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.
- **Fully prepare for each class.** Much of the learning at McCombs takes place during classroom discussions. When students are not prepared they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.
- **Attend the class section to which they are registered.** Learning is enhanced when class sizes are optimized. Limits are set to ensure a quality experience. When section hopping takes place some classes become too large and it becomes difficult to contribute. When they are too small, the breadth of experience and opinion suffers.
- **Respect the views and opinions of their colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.

## Class Websites

Password-protected class sites will be available for all accredited courses taught at The University. Syllabi, handouts, assignments and other resources are types of information that may be available within these sites. Site activities could include exchanging e-mail, engaging in class discussions and chats, and exchanging files. In addition, class e-mail rosters will be a component of the sites. Students who do not want their names included in these electronic class rosters must restrict their directory information in the Office of the Registrar, Main Building, Room 1. For information on restricting directory information see: <http://www.utexas.edu/student/registrar/catalogs/qi02-03/app/appc09.html>.

## Notebook/Laptop Computers in Class

Students are welcome to use their notebook computer during class to view class slides and to take notes. Since attention to the instructor's presentation and the thoughts and comments of classmates is important, using notebooks during class to perform non-class related activities, including browsing the internet or reading or composing email or similar messages, is inappropriate, just as it would be in a business meeting. Notebooks are to be off and closed during the group case study presentations to the class and during presentations by guest speakers.

## Religious Holidays

This class accommodates religious holidays in accordance with University policies. If you intend to be absent from class to observe a religious holiday, you must notify the instructor of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment or a project to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

## Policy on Scholastic Dishonesty

The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program's Statement on Scholastic Dishonesty at <http://www.mcombs.utexas.edu/BBA/Code-of-Ethics.aspx>. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website

at <http://deanofstudents.utexas.edu/sjs/> to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

## **Policy on Student Privacy**

A web-based, password-protected class site is available for this course. This syllabus, handouts, assignments, class presentations and other resources will be available within this site. Site activities include exchanging emails, engaging in class discussions and chats, and exchanging files. In addition, class email rosters will be a component of this site. Students who do not want their names included in these electronic class rosters must restrict their directory information in the Office of the Registrar, Main Building, Room 1.

## **Students with Disabilities**

The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities at 471-6259.

## **Emergency Evacuation**

Please note the following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, <http://www.utexas.edu/safety/> :

- .. Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside.
- .. Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building.
- .. Students requiring assistance in evacuation should inform their instructor in writing during the first week of class.
- .. In the event of an evacuation, follow the instruction of faculty or class instructors.
- .. Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention Services office.
- .. Behavior Concerns Advice Line (BCAL): 512-232-5050

Further information regarding emergency evacuation routes and emergency procedures can be found at: [www.utexas.edu/emergency](http://www.utexas.edu/emergency).

**ACC 381N  
Managerial Accounting  
Class Schedule, Content and Assignments  
Spring  
2014**

**CLASS DATE: JANUARY 13, 2014 (Complete reading and prep by January 13, 2014)**

**Course and Curriculum Introduction**

**Concept # 1                      Costs, Expenses and Margin**

<i>Text Reading</i>	Chapter 1 and 2
<i>Suggested Problems</i>	2-28
<i>Case Prep</i>	<i>Caribbean Internet Cafe</i>

**CLASS DATE: JANUARY 22, 2014 (Complete reading and prep by January 13, 2014)**

**Concept # 2                      Budgeting**

<i>Text Reading</i>	Chapter 9
<i>Other Reading</i>	Jensen, "Paying People to Lie," <i>EFM</i> Hope and Fraser, "Who Needs Budgets?" <i>HBR</i>
<i>Suggested Problems</i>	9-28, 9-32, 9-34, 9-42
<i>Case Prep</i>	<i>Hanson Ski</i> <i>Codman &amp; Shurtleff</i>

**Concept # 3                      Cost Assignment and Costing Models**

<i>Text Reading</i>	Chapters 3 and 4
<i>Other Reading</i>	Hesser, "Why Wine Costs What it Does," <i>NYT</i>
<i>Suggested Problems</i>	3-28, 3-32, 3-34, 3-35
<i>Case Prep</i>	<i>Seligram ETO</i>

**CLASS DATE: JANUARY 27, 2014 (Complete reading and prep by January 22, 2014)**

**Concept # 4                      Activity-Based Costing**

<i>Text Reading</i>	Chapter 5
<i>Other Reading</i>	Cooper and Kaplan, "Assigning the Expenses of Capacity Resources"
<i>Suggested Problems</i>	5-26, 5-27, 5-28, 5-29, 5-46
<i>Case Prep</i>	<i>Siemens EMW</i>

**CLASS DATE: FEBRUARY 3, 2014 (Complete reading and prep by January 27, 2014)**

**Concept # 5 Cost-Volume-Profit Analysis**

<i>Text Reading</i>	Chapter 7
<i>Suggested Problems</i>	7-25, 7-28, 7-29, 7-33, 7-42
<i>Case Prep</i>	<i>Bill French, Accountant</i>

**Concept # 6 Decision Making: Relevant Costs and Benefits**

<i>Text Reading</i>	Chapter 14 McCartney, "How Airlines Spend Your Airfare," <i>WSJ</i>
<i>Suggested Problems</i>	14-33, 14-44, 14-46, 14-47
<i>Case Prep</i>	<i>Baldwin Bicycle</i>

**CLASS DATE: FEBRUARY 10, 2014 (Complete reading and prep by February 3, 2014)**

**Concept # 7 Investment Centers and Transfer Pricing**

<i>Text Reading</i>	Chapter 13
<i>Suggested Problems</i>	13-35, 13-46, 13-48
<i>Case Prep</i>	<i>Compagnie du Froid</i>

**Concept # 8 Standard Costing and Operational Performance Measures**

<i>Text Reading</i>	Chapter 10
<i>Suggested Problems</i>	13-24, 13-25, 13-26, 13-42, 13-43
<i>Case Prep</i>	<i>Citibank Performance Evaluation</i>

**CLASS DATE: FEBRUARY 17, 2014 (Complete reading and prep by February 10, 2014)**

**Concept # 9 Levers of Control**

<i>Other Reading</i>	Simons, "Control in an Age of Empowerment," <i>HBR</i> Kirby, "The Cost Center That Paid Its Way," <i>HBR</i>
<i>Suggested Problems</i>	None
<i>Case Prep</i>	<i>Automation Consulting</i>

**CLASS DATE: FEBRUARY 24, 2014 – COURSE EXAM**