Course Objectives

Any organization’s long-term competitive success is critically dependent on (1) its ability to appropriately organize and analyze high-quality information about its products, services, processes, organizational units, suppliers, and customers that fits its decision needs, (2) its ability to act rationally on that information, and (3) its ability to control its performance consistent with that information. The term managerial accounting refers to the set of information concepts, models, and systems that provide this information and control for managers. The main objectives are to:

- Understand how to analyze cost information to support decisions that are essential for long-term success in a company’s competitive environment
- Comprehend the conceptual bases for long-run and short-run managerial decision and determine what information is relevant to those decisions
- Consider the traditional tools and modern methods of management control and the use and analysis of managerial accounting information to support control

Managerial accountants are not only concerned with how cost data are transformed in to accounting information but more importantly how to use accounting information to aid managerial goals. The course should develop the student’s understanding, skill, and analytic ability in management accounting to the level where he or she can function effectively and efficiently as a professional management accountant in industry, public accounting, management consulting, government, or in personal business management.

Prerequisites

Restricted to students in a business major. Only one of the following may be counted: Business Administration 380E, 382T, Accounting 329, 359, 387 (Topic 1: Introduction to Managerial Accounting), 287 (Topic 5: Performance Management and Control).

Prerequisite: Accounting 311 or 311H, and 312 or 312H, with a grade of at least C- in each.

Be certain you meet these requirements or you will be dropped from the course. If you do not satisfy these prerequisites you should drop ACC 329 or the Office of the Dean of Undergraduate Programs will drop you from the course. Instructors may not waive prerequisites to their courses.

Required Materials

- Course Packet – Contains all business cases required for the course.
- Access to Course Website on Canvas
- Financial Calculator – HP10bII+ Financial Calculator is recommended. You may NOT use calculators that have text memory (e.g. for programs) or cell-phone calculators to take exams.
## Grading

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<tr>
<td>First Midterm Exam</td>
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<td>Second Midterm Exam</td>
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<td>Third Midterm Exam</td>
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<td>Group project (Proposal 15%; Presentation 5%)</td>
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<tr>
<td>Quizzes &amp; In-Class Assignments</td>
<td>10%</td>
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<td>Class participation</td>
<td>10%</td>
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I have adopted the University's plus/minus grading as the standard for all sections of the course. I believe that plus/minus grading permits me to better distinguish gradations in performance and provides better feedback to students on their performance.

Note - under the plus/minus grading system an undergraduate student needs a D- or better to receive credit for a class.

The grade you earn is performance based on the items listed above. To determine final grades I rank all of the students in the class from highest to lowest on the basis of total points. I then draw lines between A and A-, between A- and B+, etc.

No letter grades will be associated with scores on exams, quizzes, case studies, in-class exercises, etc. during the semester. You may roughly assess your performance during the semester based on the traditional grade cutoffs of 90% = A-, 80% = B-, 70% = C-, 60% = D-, and below 60% = F. At the end of the semester, I will calculate composite scores and assign grades in accordance with the guidelines and grading standards for the course. However, I reserve the right to adjust the final composite grades based on the class average and in accordance with the guidelines and grading standards for the course.

Incompletes will be given only in the RAREST of circumstances and according to university policy. There will be no opportunity to raise your course grade by doing “extra credit” work after the end of, or during, the semester. That would violate University policy.

There will be no opportunity to raise your course grade by doing "extra credit" work either before or after the end of the semester.

### Grade Appeals

If you believe a grading error has occurred, you must appeal within one week after the item is returned to the class or the grade posted on Canvas. Submit a written explanation of your concern, attached to the graded item in question, to me. After one week has passed, no appeals will be considered.

### Exams

Exams will be individually-completed, closed-book exams. The exams will emphasize fundamental managerial accounting techniques and concepts as covered in assigned chapters from the text, cases, and class discussions. They typically consist of multiple choice questions, essay questions, and short answer questions.

The midterm exams will be administered in the evening on the date in the schedule below. Students with a regularly scheduled class during the exam time will be permitted to take a make-up exam after the regularly scheduled exam. Medical emergencies and family emergencies are the only valid reasons for missing the exam. In such instances, and you must provide prompt notification and documentation. If you miss the exam and you have a valid and documented reason for missing it, you may take a make-up exam.
Homework Assignments

I have listed recommended homework questions from the textbook for each chapter we will cover at the end of this syllabus and have posted the solutions on Blackboard. Homework should be used to prepare for class and exams. Students must be able to solve these recommended questions in order to understand the material and do well on exams. This phase of your study is intended to be a learning experience rather than a grading device. Working with fellow students is encouraged. You will NOT turn in homework assigned from the book.

Group Project

You will be randomly assigned to a four or five-member group at the beginning of the semester. Your group will write and present a proposal to start a new business venture on campus. There are three key learning objectives associated with this project. First, you will learn to apply the course material to a “real-world” setting. This allows you to better appreciate the different business decisions that managers face and how management accounting systems can help managers make more informed decisions. Second, you will learn to collaborate with others and work in a team. In any future career that you choose to pursue, you will have to work well with others who may be different from yourself. (See Tips for Working in a Group on Page 5-6) Third, you will gain practice in giving formal business presentations. The ability to present well is a skill that is critical to your future success.

Group Proposal (15%)

As a group, you will write a business proposal to showcase the various management accounting methods and techniques you have learned throughout this course. The detailed requirements of the proposal will be posted separately on Canvas. The proposal should be no longer than 15 pages.

The proposal will be graded based on the quality and accuracy of the analyses performed, the sufficiency of the detailed support for the assumptions underlying those analyses, the organization and clarity of the writing, and the practicality and creativity of the proposed business.

An executive summary of the proposal will be due on 3/3. The full proposal will be due on 4/26. Refer to the course schedule for further details.

Group Presentation (5%)

Each group will give a 15-minute presentation of its proposal on either 4/26, 4/28, or 5/3 (see course schedule). Every member of the group should participate in the presentation equally. Your peers will act as potential investors, and your goal is to convince them to invest in your proposed business.

The group presentation will be graded based on the organization and flow of the presentation, the group’s level of preparation and subject knowledge, the clarity and effectiveness of the oral delivery and use of visual aids, and the level of audience engagement.

Each student must be part of the group presentation. If a student does not participate in the group presentation, they will be assigned a score of zero for the entire group project.
Peer Evaluations

With a few exceptions, all group members will receive the same grade on the group proposal and presentation. Therefore, all group members should play an active role in the project. You will have the opportunity to conduct peer evaluations of your group members which, at my discretion, will be used to adjust individual grades.

Quizzes & In-class Assignments

During the semester, we will have a combination of at least 10 quizzes and / or in-class assignments (announced and unannounced). These assignments may actually cover material that we’ve yet to discuss in lecture. The intent of the quizzes and in-class assignments aren’t to be punitive. The intent is to ensure that students come to class prepared and ready to engage. Being prepared each day will improve your experience in the class and will ultimately lead to a higher grade. I understand that there are outside obligations that will sometimes cause you to be less prepared or possibly miss class; so you will be able to drop your lowest quiz/in-class assignment score.

Quizzes and in-class assignments will have likely have different point values (the more difficult, the more points assigned).

Class Participation

Your class participation grade will be determined based on your in-class contribution, both during lecture sessions and especially on case study sessions. The purpose of the business cases is to prepare you for important decisions that you could face in your future career. To enhance the learning environment, everyone MUST actively participate in the class discussions, providing summaries of issues, analyses, recommendations, and sharing personal experiences related to the course topics. My role is primarily to facilitate your analysis and discussion. I will cold call as a standard practice. After each class, I will make class participation notes, with particular attention to the quality of comments, not the quantity.

Being an active participant in class discussions requires preparation of the case and reading assignments. Moreover, to facilitate your preparation, I will provide several questions about each case that will serve as important points of discussion during the class. Please spend time answering each question and working through any analyses needed to support your answer.

Often, an assigned case will represent your first exposure to a particular issue or problem. Moreover, you will find that many of the important performance management and control problems we address are both difficult and lacking clear-cut or “correct” solutions. Do not let this discourage you! Developing answers to case questions before the class discussion greatly enhances the learning process about the materials.

Communication

The use of Canvas is required for this course. It is your responsibility during the first week of class to ensure that you can access the class site on Canvas. I will post the related class notes on Canvas. Printing out the class notes and bringing them to class will allow you to better follow along with our class discussions.

I will frequently make announcements and communicate with the class via email. I will use your email address posted on Canvas. If you want to update this email address, go to your UT Direct page and, under personal info/all my addresses, change your email address.
My TA and I have regularly scheduled office hours for consultation on matters pertaining to the course. Students are encouraged to take advantage of these hours to discuss their problems and to secure assistance where needed throughout the semester. An appointment for office hours or a telephone conference outside of the regularly scheduled times can be made. You can also email me or the TA with any questions you have at anytime.

**McCombs Classroom Professionalism Policy**

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

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

- **Minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.

- **Prepare fully for each class.** Much of the learning in the BHP program takes place during classroom discussions. When participants 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 you are registered.** Learning is enhanced when class sizes are optimized. Limits are set to ensure a quality classroom experience. If, on a particular day, you need to attend a section other than the one to which you are registered, please inform me prior to class.

- **Respect the views and opinions of your colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.

- **Turn off all electronic devices.** Close all laptops, cell phones, tablets, and other electronic devices. All class participants are expected to devote their full attention to the topic at hand. When participants become a distraction to themselves and others, they are doing themselves and their peers a major disservice.

**Tips for Working in a Group**

The ability to work effectively in a team environment with others who may be different from yourself is an essential skill. Below are some important tips that are adapted from the late Professor Randy Pausch:

- **Meet people properly.** Exchange contact information, and make sure you know how to pronounce everyone’s names. Exchange phone #s, and find out what hours are acceptable to call during.

- **Find things you have in common.** You can almost always find something in common with another person, and starting from that baseline, it’s much easier to then address issues where you have differences. If nothing else, you probably have in common things like the weather.

- **Make meeting conditions good.** Have a large surface to write on, make sure the room is quiet and warm enough, and that there aren’t lots of distractions. Make sure no one is hungry, cold, or tired. Meet over a meal if you can; food softens a meeting. That’s why they “do lunch” in Hollywood.
• **Let everyone talk.** Even if you think what they’re saying is stupid. Cutting someone off is rude, and not worth whatever small time gain you might make. Don’t finish someone’s sentences for him or her; they can do it for themselves. Remember: talking louder or faster doesn’t make your idea any better.

• **Check your egos at the door.** When you discuss ideas, immediately label them and write them down. The labels should be descriptive of the idea, not the originator: “the troll bridge story,” not “Jane’s story.”

• **Praise each other.** Find something nice to say, even if it’s a stretch. Even the worst of ideas has a silver lining inside it, if you just look hard enough. Focus on the good, praise it, and then raise any objections or concerns you have about the rest of it.

• **Put it in writing.** Always write down who is responsible for what, by when. Be concrete. Arrange meetings by email, and establish accountability. Remember that “politics is when you have more than two people” – with that in mind, always CC (carbon copy) any piece of email within the group, or to me, to all members of the group. This rule should *never* be violated; don’t try to guess what your group mates might or might not want to hear about.

• **Be open and honest.** Talk with your group members if there’s a problem, and talk with me if you think you need help. Working with others is not always easy. If we all go into it knowing that’s an issue, we should be comfortable discussing problems when they arise. Be forgiving when people make mistakes, but don’t be afraid to raise the issues when they come up.

• **Avoid conflict at all costs.** When stress occurs and tempers flare, take a short break. Clear your heads, apologize, and take another stab at it. Apologize for upsetting your peers, even if you think someone else was primarily at fault; the goal is to work together, not start a legal battle over whose transgressions were worse. It takes two to have an argument, so be the peacemaker.

• **Phrase alternatives as questions.** Instead of “I think we should do A, not B,” try “What if we did A, instead of B?” That allows people to offer comments, rather than defend one choice.

### Other Important Notifications

**Students with Disabilities**

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, [http://ddce.utexas.edu/disability/accommodations-and-services/](http://ddce.utexas.edu/disability/accommodations-and-services/).

**Religious Holy Days**

Per the UT Austin General Information Catalog, you must notify me “as far in advance as possible” (I expect at least 14 days advance written notice) of your pending absence due to the observance of a religious holy day. If you must miss an examination or other assignment in order to observe a religious holy day, and you notify me appropriately, you will be given an opportunity to complete the missed work within a reasonable time after the absence. [http://catalog.utexas.edu/general-information/academic-policies-and-procedures/attendance/](http://catalog.utexas.edu/general-information/academic-policies-and-procedures/attendance/).

**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.mccombs.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 to you 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. Dishonesty harms the individual, all other students, the integrity of the University, and the value of our academic brand, so 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.

Scholastic dishonesty includes, but is not limited to: copying work on tests or assignments, representing (copying) the work of another person as one’s own or allowing another person to represent your work as their own, collaborating without authority with another student during an exam or in preparing academic work, using or having on your desk unauthorized material or aids to complete a quiz, group exercise, or exam (e.g., cheat sheets, solutions, graphing or programmable calculators, cell phones, etc.).

IT’S NOT WORTH IT! ALL acts of academic dishonesty receive significant penalties and are reported to Student Judicial Services and attach to your record. This record is consulted as part of application processes at UT (e.g., study abroad applications) and after (e.g., law school and MBA applications, which generally require you to provide access to this record).

Campus Safety

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 the 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: http://www.utexas.edu/emergency.
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<td>1/19</td>
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<td>Introduction, Course Policies, Syllabus</td>
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| 1/21   | Th  | Chapter 1 – Introduction \  
|        |     | Chapter 2 – Cost Terms \  
|        |     | Chapter 3 – CVP Analysis \  
|        |     | *Textbook Homework – Chapter 1 #1, 2, 3, 4, 6, 8, 9, 14, 25 (part 1 only); Chapter 2 #1-15, 17, 23, 27 (parts 2&3 only), 28, 32, 33, 36; Chapter 3 #1, 2, 4, 8, 10-14, 28 (parts 1&2 only), 34, 36, 38, 40 (parts 1-3 only), 45* |
| 1/26   | T   | Chapter 4 – Job Costing \  
|        |     | Reading – “Supply Chain for iPhone Highlights Costs in China” NYT, by Barboza \  
|        |     | Reading – “How Airlines Spend Your Airfare” WSJ, by McCartney \  
|        |     | *Textbook Homework – 1-4, 6, 8-14, 18, 20, 26, 34, 38*                                               |
| 1/28   | Th  | Chapter 9 (and Appendix) – Inventory Costing and Capacity Analysis \  
|        |     | *Textbook Homework – 1-12, 18, 22, 23, 25, 29, 32, 39*                                              |
| 2/2    | T   | Chapter 9 (and Appendix) – Inventory Costing and Capacity Analysis                                    |
| 2/4    | Th  | Case – Bridgeton Industries: Automotive Component & Fabrication Plant                                 |
| 2/9    | T   | Chapter 6 (and Appendix) – Master Budget and Responsibility Acctg \  
|        |     | Case – Citibank Indonesia \  
|        |     | Reading – “Games Managers Play at Budget Time” by Steele and Albright \  
|        |     | *Textbook Homework – 1-9, 11, 13, 14, 15, 28, 30, 36*                                             |
| 2/11   | Th  | In-class budgeting assignment                                                                         |
| 2/16   | T   | In-class budgeting assignment                                                                       |
| 2/17   | W   | Midterm Exam I                                                                                       |
| 2/18   | Th  | No class                                                                                             |
| 2/23   | T   | Chapter 7 – Flexible Budgets and Direct-Cost Variances \  
<p>|        |     | <em>Textbook Homework – 1-6, 8-13, 15, 26, 27 (skip the part that says “summarize how these journal entries differ from the normal-costing entries…”), 28, 34, 36, 37</em> |</p>
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| 2/25  | Th  | Chapter 7 - Budgets and Overhead Cost Variances  
                        *Textbook Homework – 1-10, 12, 13, 18, 19, 21, 23, 40 (requirement 2 only)* |
| 3/1   | T   | **In-class flexible budget and direct-cost variance assignment** |
| 3/3   | Th  | **In-class flexible budget and direct-cost variance assignment** |
| 3/8   | T   | Chapter 14 – Customer Profitability & Sales-Variance Analysis  
                        Chapter 7 Appendix  
                        Reading – “Will This Customer Sink Your Stock” by Selden & Colvin  
                        Reading – “Minding the Store: Analyzing Customers, Best Buy Decides Not All Are Welcome…” by McWilliams  
                        *Textbook Homework – 8, 10, 13, 14, 21, 32, 33, 34* |
| 3/10  | Th  | **In-class sales budgeting and variance analysis assignment** |
| 3/15  | T   | Spring Break – No Class |
| 3/17  | Th  | Spring Break – No Class |
| 3/22  | T   | Chapter 5 – Activity-Based Costing  
                        Case – Owens and Minor  
                        *Textbook Homework – 1-15, 16, 21, 28, 33, 34, 38* |
| 3/24  | Th  | Chapter 13 – Balanced Scorecard  
                        Chapter 22 – Management Control Systems  
                        Reading – “The Balanced Scorecard – Measures That Drive Performance” by Kaplan and Norton  
                        *Textbook Homework – Chapter 13 #1-6, 8, 9, 18, 34, 36*  
                        *Textbook Homework – Chapter 22 #1-15, 25, 26, 28, 29* |
| 3/29  | T   | Case – Citibank: Performance Evaluation |
| 3/30  | W   | Midterm Exam II |
| 3/31  | Th  | No Class |
| 4/5   | T   | Reading – “Control in an Age of Empowerment” by Simons  
                        Case – Automation Consulting Services |
<p>| 4/7   | Th  | Case – Automation Consulting Services |
| 4/12  | T   | Strategic Planning and Control |</p>
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<td>In-class Capital Budgeting assignment</td>
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<td>In-class Capital Budgeting assignment</td>
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<td>4/26</td>
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<td>Group presentations (Groups 1-3) – all group assignments due</td>
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This class schedule is subject to change.