

<b>Course No.:</b> DLBMAE01	<b>Course Title:</b> Management Accounting	<b>Hours Total:</b> 150 h
		<b>Credit Points:</b> 5 ECTS
<b>Course Type:</b> Pflicht <b>Course Availability:</b> WS, SS <b>Course Duration:</b> Minimaldauer 1 Semester		<b>Admission Requirements:</b> None
<b>Course Coordinator / Instructor:</b> See current list of tutors in the Learning Management System		<b>References to Other Modules:</b> Please see module description
<p><b>Course Description:</b></p> <p>Management accounting in general and specifically cost accounting are important functions to control an organization. Managers have to understand these functions in order to be able to run an organization efficiently. In most organizations, decisions, actions and human behavior are directly linked to the nature, use and focus of management accounting information. This course is about understanding the preparation and use of management and cost accounting information in this light.</p> <p>Cost accounting as a central part of the management accounting informs the management about the profitability of its core business. The cost and performance measurement serves the internal decision, control and budgeting process.</p> <p><b>Course Objectives and Outcome:</b></p> <p>On successful completion of this course, students will be able to:</p> <ul style="list-style-type: none"> <li>• articulate the management accounting and control function as opposed to the financial accounting and the financial management function</li> <li>• understand the cost structure and discuss the cost aspects of running a business</li> <li>• analyze and apply the tools for viewing and differentiating costs and utilize them to inform business decision-making</li> <li>• discuss how the budgeting process works and how variance analysis is done to implement the management control function</li> </ul> <p><b>Teaching Methods:</b></p> <p>The learning materials include printed and online course books, vodcasts, online knowledge tests, podcasts, online tutorials, and case studies. This range of learning materials is offered to students so they can study at a time, place, and pace that best suits their circumstances and individual learning style.</p> <p><b>Course Content:</b></p> <ol style="list-style-type: none"> <li><b>1. Introduction to Management Accounting</b> <ol style="list-style-type: none"> <li>1. What is Management Accounting?</li> <li>2. Management Accounting and the Control Function</li> <li>3. Differences Between Management Accounting, Cost Accounting, Financial Accounting, and Financial Management</li> <li>4. Organization of the Management Accounting and Control Function</li> </ol> </li> <li><b>2. The Conceptualization of Cost</b> <ol style="list-style-type: none"> <li>1. Definition of Costs</li> <li>2. Cost Behavior: Fixed Versus Variable Costs</li> <li>3. Cost Behavior: Direct Versus Indirect Costs</li> </ol> </li> </ol>		

3. **Cost-Volume-Profit Analysis**
  1. Linear Cost Functions
  2. Break-Even Analysis
  3. Operating Leverage
  4. Margin of Safety
4. **Simplistic Methods of Cost Allocation**
  1. The Need for Cost Allocation
  2. Predetermined Overhead Rate
  3. Departmental Overhead rate
5. **Overhead Analysis Sheet**
  1. Departmental Cost Allocation
  2. Reciprocal Method
  3. Step Method
6. **Activity-Based Costing**
  1. The Rationale of ABC
  2. Activities in the Business Process
  3. Implementing ABC
7. **Relevant Cost Concepts**
  1. Replacement of Equipment
  2. Make or Buy Decisions
  3. Special Order
  4. Drop Product Line
8. **Planning and Budgeting**
  1. The Budgeting Process
  2. Budgeted Income Statement
  3. Budgeted Cash Flow Statement
  4. Conflicts and Pitfalls in Budgeting

**Literature:**

- Bhimani, A., Horngren, C. T., Datar, S. M., & Rajan, M. (2015). Management and cost accounting (6th ed.). Harlow: Pearson.
- Walsh, C. (2006). Key management ratios: The clearest guide to the critical numbers that drive your business (4th ed.). Harlow: Prentice Hall.
- Anthony, R., & Govindarajan, V. (2006). Management control systems (12th ed.). New York, NY: McGraw Hill.

**Prerequisites to Qualify for Assessment:**

- Depending on the course: Completion of online knowledge tests (approx. 15 minutes per unit, pass / not pass)
- Course evaluation

**Assessment:**

- Written Assessment: Written Assignment

**Student Workload (in hours): 150**

Self-study: 110  
Self-testing: 20  
Tutorials: 20

