

*Preliminary and subject to change* **Follow this link for current version**

## **Spring 2022, Course Syllabus:**

**ACCT3210: Advanced Managerial Accounting**

**HKUST Department of Accounting**

---

**Course details:**

---

**Instructor:** **Dr. Arthur Morris**

Office: Room 6049 (LSK Business Building)

Email: acarthur@ust.hk

Office Hours By Appointment

Class Website: <http://canvas.ust.hk/>

**TA:** **Nicholas WU**

Office: Room 6066 (LSK Business Building)

Email: jhk.wu@ust.hk

Office Hours By Appointment

**Sections:** **Times**

L2 Tuesday & Thursday, 12:00 - 13:20

L1 Tuesday & Thursday, 13:30 - 14:50

L3 Tuesday & Thursday, 16:30 - 17:50

**Classroom:** 5583 [click here for map](#)

---

## **Course description:**

Accounting information has a critical role to play in the planning and control of business operations, but only if well understood and clearly presented. This course builds on Principles of Accounting II (ACCT 2200), introducing more advanced topics. We put a greater weight on thoughtfully applying accounting data to with management accounting tools to real business problems.

Topics covered include decision-making techniques, analysis of cost behavior, allocation of common and joint costs, use of cost information in operational and strategic decisions, transfer pricing, and performance measurement, incentive compensation, and data science for accounting.

## **Course Objectives:**

By the end of this course, you should be able to: 1. Understand both the importance of management accounting for companies' strategic and operational

decisions and the pitfalls of misusing management accounting information and techniques. 2. Solve problems arising in business planning, with the aid of mathematical and statistical tools (such as the decision tree, regression analysis, the learning curve, and linear programming). 3. Evaluate various techniques for control and performance evaluation in a decentralized environment, and provide recommendations for an effective control system. 4. Understand how data analytics been applied in accounting fields. The course will also provide you with opportunities to 5. Gain exposure to more complex (and realistic) business problems through real-life based cases. 6. Demonstrate team-work and leadership skills in solving operational and strategic planning problems. 7. Demonstrate communication skills through team work, and class discussions.

Detailed learning objectives are listed in the Appendix III below.

### Course Materials:

**Required textbook.** *Horngren's Cost Accounting: A Managerial Emphasis* (17th Ed.), by Srikant M. Datar, and Madhav Rajan. Pearson Education Inc., Lecture notes (to be made available on the course webpage). Supplementary materials (reserved in the library): - Kaplan, Robert S., and Anthony A. Atkinson. *Advanced Management Accounting*. 3rd Edition. Englewood Cliffs, N.J.: Prentice-Hall Inc., 1998. - Cases (for group case studies)

### Teaching Methodology:

The course is taught in the form of lectures, in-class exercises and discussions, and group case studies (with student presentations). Students are required to attend all classes and participate in class discussions and exercises. Readings and discussion problems for each class are assigned in advance. It is important that students read the assigned chapters and problems beforehand so that class time can be used efficiently.

### Grading Scheme

Description	Weight
Participation	10%
Cases	20%
Midterm	20%
Final Exam	50%
Total	100%

## Course Policy:

1. Attendance and participation. Students are required to attend all classes and arrive on time. They are strongly encouraged to participate in discussions and other activities during classes. It is the spirit of participation that is valued, and students are not penalized for saying something incorrect. On the other hand, talking among students and other behavior that can cause disturbances to the class are not permitted.
2. Practice / Homework problems. Solving problems is the best way of mastering the material covered in class. I encourage you to solve at least the recommended problems (see Appendix I) but will not collect them. You are also encouraged to do additional practice while preparing for the examinations. The full set of solutions to all problems at the end of each chapter will be posted on the course website when the chapter is done.
3. Forming groups: In order to do in-class exercises and case studies in groups, it is your responsibility to form your group within the first two weeks of the semester. A member list template form will be provided on canvas and needed to be typed and submitted in hard copy on or before Feb 18 of week 3. Hand writing member list will not be accepted. Each group should only contain 4 members.
4. In-class group exercises and case studies. There are approximately 5 to 8 group assignments to be completed in class, and students are required to submit answers in groups. All group assignments are equally weighted and each individual group member's worst (or missing) performance of the group assignments will not be included in calculating total marks. If your groupmate is absent from the assignment(s), you shall not include his/her name on the answer sheet or the whole group's mark for that exercise will be zero.
5. Examinations. The midterm examination is scheduled to be in the evening of 7:00pm to 9:00pm, Wednesday, March 20, 2018, at (venue to be confirmed). Details of the assigned seating arrangement will be announced later. All students are required to take the midterm exam at this pre-scheduled time, and there will be no make-up exam for it. Students absent from the midterm exam will receive zero mark for this component, except for highly unusual circumstances that cannot be controlled and avoided by the student—in which case the grade weight on the midterm exam will be loaded to the final examination component.
6. Academic honesty. It is important that students follow university regulations on academic integrity and honesty. Academic dishonesty will not be tolerated and will be dealt with in accordance with university rules, which can be accessed at <http://www.ust.hk/vpao/integrity>.

## Appendix I: Practice Problems

Chapter	Problems
3	3-33; 3-37; 3-40; 3-48; 3-49; 3-51
10	10-25; 10-26; 10-27; 10-28; 10-30; 10-33; 10-40; 10-47; 10-48;
11	11-42; 11-43; 11-48;
12	12-22; 12-23; 12-24; 12-25; 12-26; 12-43; 12-44;
14	14-18; 14-20; 14-31; 14-34; 14-38; 14-39;
15	15-27; 15-21; 15-22; 15-29;
16	16-25; 16-28; 16-33; 16-36;
22	22-20, 22-24, 22-28; 22-29; 22-37;
23	23-22; 23-24; 23-26; 23-35; 23-39; 23-42

## Appendix II: Course Schedule

### Lecture Schedule:

Week/Mtg	Date	Topic & Chapter(s)
1-1	8 Feb	Introduction and “Coffee Shop” Review of Cost Topics <b>Ch 1 &amp; 2</b>
1-2	10 Feb	Review of Cost Volume Profit Analysis (MS-Excel based) <b>Ch 3</b>
2-3	15 Feb	Decisions and Uncertainty <b>Ch 3 Appendix</b>
2-4	17 Feb	Estimation and Applications of Cost Functions (Python Based) <b>Ch 10 &amp; App</b>
3-5	22 Feb	Discussion: 10-29; 10-46; Cost Function Case <b>Ch 10 &amp; App.</b>
3-6	24 Feb	Learning Curve <b>Ch 10</b>
4-7	1 Mar	Learning Curve Case <b>Ch 10</b>
4-8	3 Mar	Product Mix and Constrained Maximization <b>Ch 11</b>
5-9	8 Mar	Product Mix and Constrained Maximization <b>Ch 11 Appendix</b>
5-10	10 Mar	Product Mix Case <b>Ch 11</b>
6-11	15 Mar	Strategic profitability analysis and productivity analysis Discussion: 12-33; 12-34; Case assignment/discussion on Profitability and Productivity Analyses <b>Ch 12</b>
6-12	17 Mar	Strategic profitability analysis and productivity analysis Discussion: 12-33; 12-34; Case assignment/discussion on Profitability and Productivity Analyses <b>Ch 12</b>
7	22 Mar	<b>Midterm Exam - No Class</b> See Schedule below.
7-13	24 Mar	Variance Analysis, Standard Costing <b>Ch 7 &amp; 14</b>

Week/Mtg	Date	Topic & Chapter(s)
8-14	29 Mar	Case on Customer Profitability analysis <b>Ch 7 &amp; 14</b>
8-15	31 Mar	Support department cost allocation <b>Ch 14 &amp; 15</b>
9	5 Apr	<b>Ching Ming Festival - No Class</b>
9-16	7 Apr	Discussion: 14-23; 15-31 <b>Ch 14 &amp; 15</b>
10-17	12 Apr	Allocation of Joint Costs <b>Ch 16</b>
10	14 Apr	<b>Mid-Term Break - No Class</b>
11-18	19 Apr	Transfer Pricing & Joint Cost Case <b>Ch 22</b>
11-19	21 Apr	Transfer Pricing <b>Ch 22</b>
12-20	26 Apr	Case Discussion Transfer Pricing <b>Ch 22</b>
12-21	28 Apr	Performance measurement, incentives and compensation <b>Ch 23</b>
13-22	3 May	Performance measurement, incentives and compensation <b>Ch 23</b>
13-23	5 May	Discussion: 23-36; 23-37, Data Science <b>Ch 23 &amp; Ch 11</b>
15-24	10 May	Data Science <b>Ch 11</b>

**Exam Schedule:**

Exam	Date	Time	Location
Mid-Term	TBA	TBA	TBA
Final	TBA	TBA	TBA