



**Vesalius College**  
Brussels

## **Course Syllabus BUS143G**

### **Management Accounting**

#### **Number of ECTS credits:**

6

#### **Contact Details for Professor**

Professor: Jan Vanherck  
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Office hours: Thursday, 10:30-11:30 (please make an appointment by e-mail)

#### **Course Description**

Management Accounting is an essential tool that enhances a manager's ability to make effective economic decisions.

The course objective is to give students a good understanding about the concepts and techniques of management accounting. These issues will be explained against the background of a fast changing global market.

The course covers 4 topics.

1: After an introduction, we will first focus on the interaction of Management Accounting and the business process. "Cost behavior", "Cost Management Systems" and "Decision Making" are the key issues.

2: In the second part, we will use accounting techniques for Planning and Control. "Budgeting", "Variance Analysis" and "Management Control System" will be discussed.

3: Part 3: Capital Budgeting, a technique to evaluate projects having cash flows at different moments in time.

4: The last part will be about Product Costing. Here the keywords are: "Cost Allocation", "Overheads" and "Job-Costing and Process-Costing Systems"

#### **Course Prerequisites**

Course level is intermediate.

Students should know basic principles of accounting.

Important: students should be able to make exercises using a standard spread sheet program (Calc/Excel). Please upgrade your skills if you are not used to work with

spread sheets; good knowledge of this kind of software tools is essential to make well-organized calculations in an effective way.

### **Learning Objectives**

After successfully finalizing this course, students should be able to:

- Define managerial accounting;
- Have a clear view on business ethics, especially ethics related to accounting;
- Define cost drivers and calculate cost behaviour;
- Use cost-volume-profit analysis in decision taking;
- Set-up and use Activity-Based Costing;
- Decide when information is relevant;
- Use relevant information for decision making, both for pricing and operational decisions;
- Describe the benefits of budgets;
- Set-up and use a master budget;
- Set-up and use flexible budgets;
- Execute variance analysis;
- Understand, define, and implement management control systems and responsibility accounting;
- Discuss and comment on management control systems in a decentralized organization;
- Analyse projects using discounted cash flow approach;
- Set-up and use a scheme of cost allocation;
- Set-up and use accounting for overhead costs;
- Implement job-costing and process-costing systems.

### **Course Schedule (overview)**

Week 1:	Chapter 1: Managerial Accounting, the Business Organization and Professional Ethics
Week 2:	Chapter 2: Introduction to Cost Behavior and Cost-Volume relationships
Week 3:	Chapter 3: Measurement of Cost Behavior
Week 4:	Chapter 4: Cost Management Systems and Activity-Based Costing
Week 5:	Chapter 5: Relevant Information for Decision Making with a Focus on Pricing Decisions
Week 6:	Chapter 6: Relevant Information for Decision Making with a Focus on Operational Decisions
Week 7:	Mid-term exam
Week 8:	Chapter 7: Introduction to Budgets and Preparing the Master Budget
Week 9:	Chapter 8: Flexible Budgets and Variance Analysis
Week 10:	Chapter 9: Management Control Systems and Responsibility Accounting
Week 11:	Chapter 10: Management Control in Decentralized Organizations
Week 12:	Chapter 11: Capital Budgeting
Week 13:	Chapter 12: Cost Allocation
Week 14:	Chapter 13: Accounting for Overhead Costs
Week 15:	Final exam

We do (approx.) one chapter per 3 hour.

Prepare for the course by reading/studying the appropriate information available in the textbook.

### **Course Materials**

Textbook:

**"Introduction to Management Accounting, Chapters 1-17"**,  
Horngren et al., Pearson Prentice Hall, 15th Edition, or later.  
ISBN-13: 978-0-13-800092-9

Case Studies and Additional Readings:  
Many case studies can be found in the textbook.

**"Excellent Excel"**, unprotected version 5.11  
Jan Vanherck

### **References books**

None

### **Case Studies and Additional Sources**

**"Microsoft Excel 2016 In Depth"**

Bill Jelen  
ISBN-13: 978-0789755841  
Publisher: Que

**"Management Science"**, Third Edition  
**"The Art of Modeling with Spreadsheets"**  
Stephen G. Powell  
Kenneth R. Baker  
Publisher: Wiley  
Chapters: 1, 3, 4, 5, 6, 8, 9

### **Course Assessment**

The students will be evaluated on the basis of their performance as follows:

- Homework (individual) 20%
  - 8 assignments, 2.5% each (please refer to the handouts for a full description of each exercise)
    1. Exercise\_060\_SnackVendingMachines
    2. Exercise\_061\_SalesMixAnalysis
    3. Exercise\_030\_WebSiteHosting
    4. Exercise\_168\_SmallAirplanes
    5. Exercise\_065\_ProductionMachineInvestmentDecision
    6. Exercise\_010\_InvestmentProductionLine\_NoInflation

- 7. Exercise\_011\_InvestmentProductionLine\_Inflation
- 8. Exercise\_169\_DirectVsStepDown
- Homework (group) 10%
  - 4 assignments, 2.5% each (please refer to the handouts for a full description of each exercise)
    1. Exercise\_073\_ColumbiaCityBank
    2. Exercise\_034\_NewPharma
    3. Exercise\_072\_TheCookingHut
    4. Exercise\_014\_PRC
- Attendance and in-class participation 10%
  - After each class I give a score regarding the overall class performance. This "grade" is multiplied by the attendance (1/0) and added for all sessions. In case of extreme behavior (good or bad) there is an individual adjustment.
- Mid-term examination 25%
  - The mid-term exam consists of approx. 4 questions
- Final examination 35%
  - The final exam is comprehensive and consists of approx. 4 questions
- TOTAL 100%

### **Grading Scale of Vesalius College**

Vesalius College's grading policy, in line with the Flemish Educational norms, is now as stated follows:

Letter grade	Scale of 20	Scale of 100
A	17.0-20.0	85-100
A-	16.1-16.9	81-84
B+	15.3-16.0	77-80
B	14.5-15.2	73-76
B-	13.7-14.4	69-72
C+	13.1-13.6	66-68
C	12.3-13.0	62-65
C-	11.5-12.2	58-61
D+	10.7-11.4	54-57
D	10.0-10.6	50-53
F	0-9.9	0-49

### **Description of activities and Grading Criteria**

The following criteria will be applied in assessing your written work:

- Evidence of understanding of the concepts, theories and ideas developed in the course.
- Ability to analyze a business problem and to present the solution in a structured way.
- Critical thinking.

Assignments should be made using Excel, Word, PowerPoint or similar; make sure that your work is set to be printed on A4 paper and that your name and the reference of the exercise are on every page. If necessary, additional information can be supplied in a separate document. There is no word-count requirement. Deadlines depend on the teaching progress and will be communicated during class: normally, homework is due before next class.

### **Further description of assessment activities**

The following criteria will be applied in assessing your written work:

- A. Structure of your solution
- B. Efficient use of computer tools
- C. The correct answer
- D. Critical thinking
- E. Your conclusions/findings/recommendations
- F. The layout of your work

### **Grading form for written assignments**

Not applicable; all exercises are spreadsheet based.

### **Additional Course Policies**

This course is not easy. It looks simple, but it is not!  
Study from the beginning, and contact me at once if anything is not clear.

Students should prepare for class; please read the chapter and try to understand the principles.

You are encouraged to make notes; not everything I tell is in the slides or the textbook.

Make also some exercises from the textbook. If you want me to check your work, send it to me and I will send the correction back.

Please leave your laptops in your briefcase during class, unless you are asked to make some exercises. The same goes for cell phones and iPods. If you can't live for some hours without music, please do not come to my class.

Save your snacks/lunches for the breaks. Be attentive. Do not talk: if you do not understand something, interrupt me with a question.

If, for an accepted reason, you are not able to supply the work within the given deadline, contact me as soon as possible (but certainly before the due date), so that we can agree on a new due date.

Amongst the accepted reasons are: family situations, illness, or other circumstances beyond one's control. Too much work is not a valid excuse.

Late deliveries without a valid excuse will not be accepted, or will be penalized.

All work (homework, free exercises and projects) should be made using Word (or equivalent) for text, Excel (or equivalent) for calculations and PowerPoint (or equivalent) for presentations; do not send in handwritten documents. You may convert your Excel work to pdf, but always send the original spreadsheet too. Please make sure that the layout is set for printing on A4 paper; your name and the reference of the exercise/project should be on every page. All filenames should start with your family name (for archiving purposes).

If you have worked in a group send in only one copy, carrying the names of all group members.

The only way to submit your work is to hand in a hard copy and send the electronic version to [jan.vanherck@vub.ac.be](mailto:jan.vanherck@vub.ac.be).

**Important: Always keep a copy of your e-mail as a proof just in case something goes wrong during the transmission. If, for one reason or another, I have not received your work, I will ask you to forward me the original mail: this procedure confirms your original sending date.**

### **Academic Honesty Statement**

Academic dishonesty is **NOT** tolerated in this course.

Academic honesty is not only an ethical issue but also the foundation of scholarship. Cheating and plagiarism are therefore serious breaches of academic integrity.

Following the College policy, cheating and plagiarism cases will be communicated in writing to the Associate Dean for Students and submitted to the Student Conduct Committee for disciplinary action.

If you refer to someone else's work, appropriate references and citations must be provided. Grammar, spelling and punctuation count, so use the tools necessary to correct before handing in assignments.

### **Last but not least**

Be aware that this is not an easy course.

Study on a regular base. If something is not clear, please make an appointment immediately or meet me during my office hours.