

Accounting Analytics for Managerial Decisions

MSBA 7020

Professor Wang Xin
HKU Business School
The University of Hong Kong
January – March 2024

○ Dr. Wang Xin (王 鑫)

○ Academic background

PhD in accounting: Duke University, USA

MA in accounting: Tsinghua University, China

BA in accounting: Tsinghua University, China

○ CPA (CPA Australia);

○ CIMA (Chartered Institute of Management Accountants)

○ Working experience

Area Head, Accounting and Law

2023 – present

Assistant Dean (TPG)

2020 – 2023

Professor, The University of Hong Kong

2019 – present

Associate professor, The University of Hong Kong

2014 – 2019

Assistant professor, The University of Hong Kong

2011- 2013

Assistant professor, The Chinese University of Hong Kong

2006- 2011

○ Please feel free to contact me:

➤ Face-to-face: Room 1215, K.K.Leung , HKU Campus

➤ Zoom meeting appointment (through email)

➤ Email: wangxacy@hku.hk



Teaching Assistant (TA)

- **Ms. Jiang Yiqi (蒋奕绮)**
- **Contact information**
Email: yjiang96@connect.hku.hk
- Homework grading; In-class exercises;

TEXTBOOK AND READING MATERIALS

TEXTBOOK:

Managerial Accounting, 17th Edition, by Garrison, Noreen, and Brewer.
Publisher: McGraw-Hill.

Reference textbook (not required):

ACCA F5 Performance Management (Complete Text). Kaplan Publishing
➤ ACCA is the Association of Chartered Certified Accountant; in London.

LECTURE NOTES & SHORT CASES

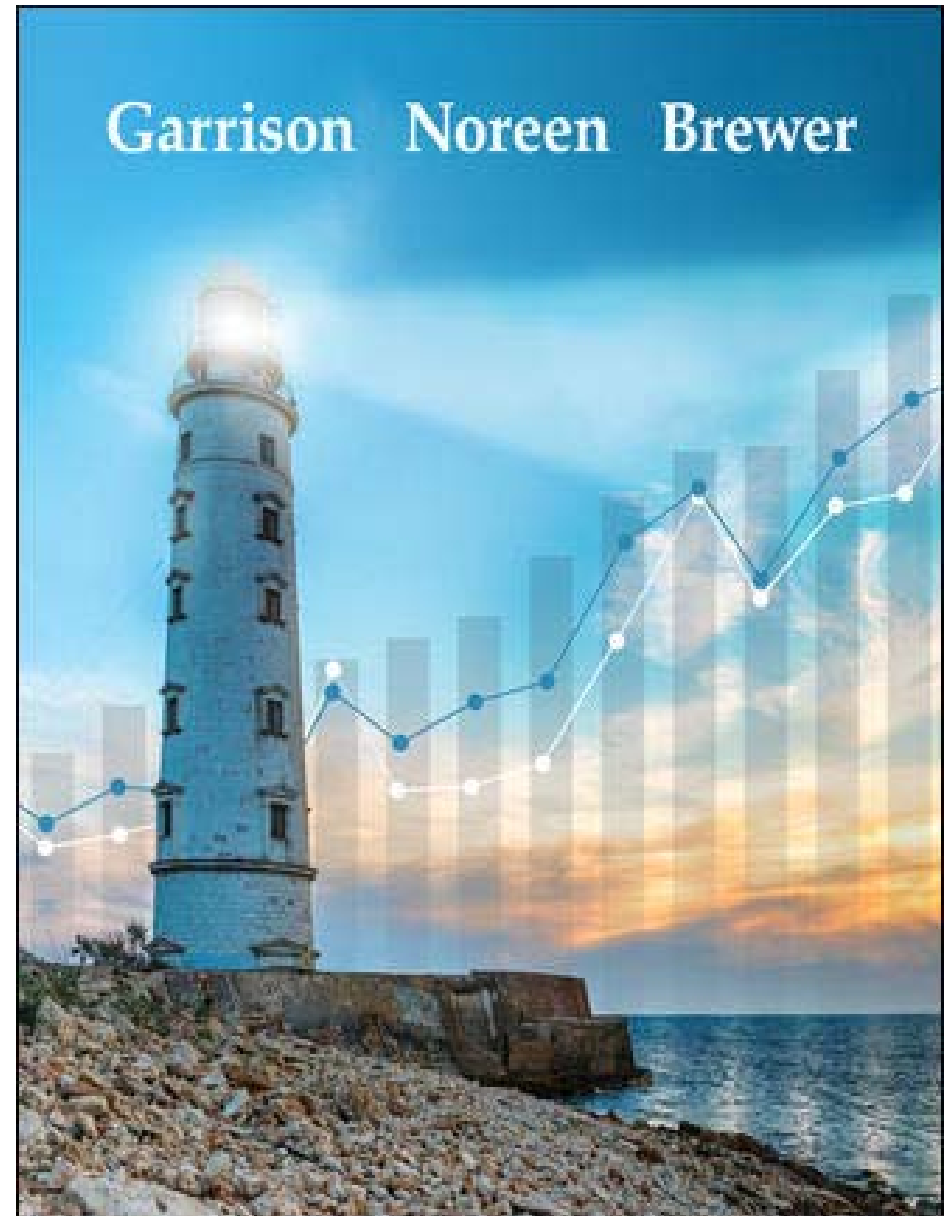
- All materials are available on the MOODLE for all students.
- Lecture notes, short cases, supplementary reading materials, and in-class exercises/tests will also be distributed in class.

Textbook

- Course coverage: 10 Chapters
- The lecture slides will cover the most important/challenging knowledge.

Short cases & in-class reading materials & in-class exercises

- Designated for in-class discussions
- Distributed online and in class
- Basic calculation.



Course description

- Basic topics of management accounting and introduces a business-management approach relying on the information generated from the internal accounting information.
- Firms' internal accounting systems and their use in decision-making, planning and control.
- Major topics include cost classification, cost behavior, cost-volume-profit analysis, different methods of product costing and cost allocation, and the budgeting and variance analysis.
- Some issues are pertinent to performance measurement in company.

Class assessment

COURSE ASSESSMENT COMPONENTS

Class attendance and discussion participation	15%
Individual homework assignments	15%
In-class exercises	30%
Final Exam	40%
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Total	100%

** The purpose of in-class exercises is to reduce the burden of final exam

- Our focus is the logical thinking;
- Basic calculation is inevitable for managerial decision;
 - find the best solution for the purpose of planning or controlling
- It does not require the advanced mathematical skills or data-processing skills.
- We do not use any statistics/mathematics software or data-generating/collecting programs.

- **Attendance & Participation (15%)**

- School rules apply.

- at least attend **70%** of the lectures (we have **10** lectures in total);

- Active participation in the discussions & responses to questions

- In-class discussion of short cases.

- **Individual homework assignments (15%)**

- three homework assignments

- Homework template is available on Moodle for downloading;

- Submit the completed file (e-file).

- Submit your work through the “assignment submission” link on the Moodle.

- **In-class exercises (30%)**

- Around 8-9 exercises for a total of 10 lectures
- One worksheet is provided for each exercise (available on the Moodle);
- All students: submit the scan of your work onto the Moodle.
- *We will work together on the exercises (with answers provided) in the class;*

Final Exam (40%)

- Two-hour exam;
- Time: March 16 (Saturday) 2pm- 4pm;

Lectures

- A total of 10 lectures; 3 hours each.
- Class hours: 9:30am-12:30pm (Monday & Thursday)
- Dates: Jan 29, Feb 1, 5, 8, 19, 22, 26, 29, Mar 4, 7.

Office hours

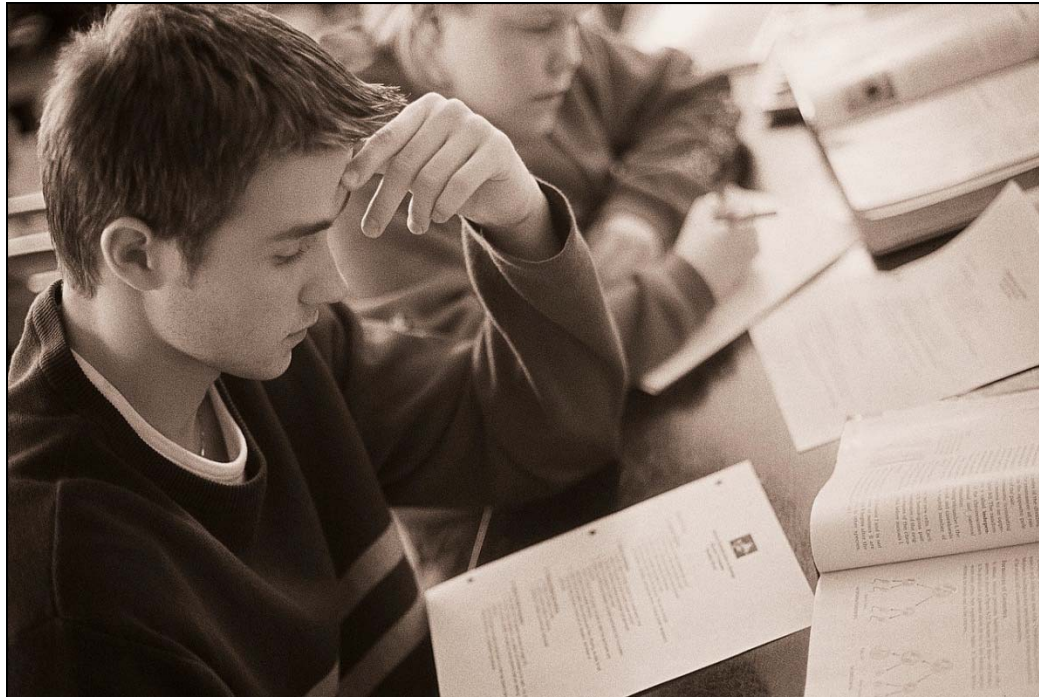
- Time: Wednesday, 10:00am- 11:00am; Thursday, 3:00-4:00pm
- Venue: Room 1215, K. K. Leung; OR Zoom meeting (please make appointment by email).

Course Topics

Topics	Coverage
Prologue & Chapter 1 Introduction to Managerial Accounting; Cost Concepts	<ul style="list-style-type: none"> • Compare management accounting and financial accounting • Understand the role of management accountant • Definitions of various costs
Prologue & Chapter 1 Cost Behavior	<ul style="list-style-type: none"> • Cost behavior patterns • Analysis of mixed costs • Contribution format of income statement
Chapter 5 Cost-Volume-Profit (CVP) Analysis	<ul style="list-style-type: none"> • CVP analysis and its application • Break-even and targeted profit analysis
Chapter 6 Variable Costing	<ul style="list-style-type: none"> • Absorption costing vs variable costing • Reconciliation of variable costing with absorption costing income
Chapter 13 Differential Analysis: The Key to Decision Making ACCA-F5 Decision-making Techniques	<ul style="list-style-type: none"> • Relevant cost analysis • Short-term special decisions • Limiting factors (ACCA-F5) • Dealing with risk and uncertainty in decision-making (ACCA-F5)

Chapter 11 & Appendix 4B Cost allocations of service department Transfer Pricing	<ul style="list-style-type: none"> • Allocation based on cost behavior; • Direct method & step-down method • Transfer Pricing
Chapters 2 & 3 Job-Order Costing	<ul style="list-style-type: none"> • Distinguish job-order costing from process costing • Job-order costing
Chapter 4 Process Costing	<ul style="list-style-type: none"> • Process costing • Weighted average method in process costing
Chapter 7 Activity-Based Costing	<ul style="list-style-type: none"> • Activity-based costing (ABC) • Customer profitability analysis
Chapter 10 Standard Costs and Variances ACCA-F5 Variance Analysis when Several Materials are used	<ul style="list-style-type: none"> • Standard costs • Variance analysis • Materials Mix and Yield Variance (ACCA-F5)

End of Introduction



Any question?