ACCY 414/914
AUTUMN SESSION 2003
MANAGEMENT PLANNING AND CONTROL

Subject Description
This subject will identify and assess the contributions of accounting to management planning and control, in both profit and public sector organisations. Drawing upon insights gained from conventional and critical research paradigms, particular emphasis is given to the influence of political, organisational and cultural contexts on the choice, efficacy of, and the purposes served by, management planning and control systems.

Objectives
As a result of active participation in seminars, conscientious attention to the weekly readings and satisfactory completion of all assessment work, students should be able to:

⇒ appreciate the importance of control systems to organisations;
⇒ specify the essential ingredients of effective management control systems;
⇒ describe the main contributions of accounting to effective management planning and control;
⇒ identify the consequences of conventional views of the role of accounting for management planning and control systems;
⇒ question the impact of accounting on management planning and control systems;
⇒ recognise the relationship between management planning and strategic planning;
⇒ assess the significance of trust for an effective management planning and control system;
⇒ critically evaluate planning and control systems in terms other than their ability to promote optimum performance;
⇒ recognise the political dimensions of planning and control systems;
⇒ understand the essential behavioural nature of management planning and control systems;
⇒ understand the constitutional importance of accounting in the public sector and the impact of recent reforms on management planning and control
⇒ write well-argued and convincing case study reports and present the final product in a professional manner; and
⇒ present a case to support a position cogently and with conviction.

Lecturer

Professor Warwick Funnell will lead the seminars in this subject each Friday afternoon between 1.30 and 3.30 in room 19.1017. My telephone number is (02) 42213739. I may also be contacted by email at: warwick@uow.edu.au However, please use email only if you are unable to attend the university in person. My consultations times are:
Monday 9.30-10.30 and 3.30-4.30
Friday 12.30-1.30 and 3.30-4.30

Reading Material

Each week there will be a selection of readings drawn from a wide variety of sources, including the textbook for this subject. For ease of access, most of these readings have been collected and lodged with the Faculty of Commerce Resource Room in building 40. Students should consult the readings and make copies as appropriate. The text which students are encouraged to buy is: MacIntosh N. (1995), Management Accounting and Control Systems: An Organisational and Behavioural Approach, Chichester, Wiley. This text will be used throughout the subject. The other text which will be used throughout the subject but which students do not have to purchase is: Merchant K. (1998), Modern Management Control Systems, New Jersey, Prentice Hall. Copies of both of these books have been placed in the Closed Reserve section of the Library along with Funnell W. and Cooper K. (1999), Public Sector Accounting and Accountability in Australia, Sydney, UNSW Press, which will be used for Seminar 12.

Teaching Approach

The objectives of the subject will be achieved through extensive readings, the completion of case studies, other formal assessment work, lively discussion amongst members of the class and presentation of case study reports by nominated students. Students are expected to be prepared for each of the seminars by completing all of the readings. For those weeks which have a case study, the reading will be reduced to allow students more time to prepare their responses to the issues raised in the case study. Case studies provide the opportunity to apply knowledge and to be alerted to the complexities that confront management on a daily basis.

In addition to the content of case studies which emulate conditions in practice, case studies also provide the opportunity for students to develop their ability to work in teams. This is now one of the most highly prized characteristics which employers seek in prospective employees. Increasingly, success in the corporate world is built upon the talents and contributions of individuals working as part of small teams. Thus, students will be asked to sort themselves into groups for the purpose of
examining case studies. Each week that there is a case study, representatives of one of the groups will lead the discussion of the case. Irrespective of which group is presenting a case study in a particular week, all students must prepare each of the case studies. Part of the progressive assessment for this subject will be derived from an evaluation of case study presentations.

While students will be encouraged to work together to analyse case studies, they will be expected, when submitting a report for assessment, to take themselves aside at the time of writing up the results of their deliberations and write a report which reflects some of their own ideas and their own way of presenting an analysis of the case study. Obviously, if much of the analysis of the case study was carried out with members of a group, many of the ideas and conclusions will be similar across members of the group.

**Performance Assessment Methods**

The final composite mark in this subject is composed of:

<table>
<thead>
<tr>
<th>Assessment Type</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Two Case studies (10% each)</td>
<td>20%</td>
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<tr>
<td>Essay</td>
<td>20%</td>
</tr>
<tr>
<td>Class Participation</td>
<td>10%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>50%</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
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**Note:**
- All assessment work is to be given to Professor Funnell in the appropriate class. Submission of assessment work will be acknowledged by a receipt from Professor Funnell.
- Examination marks may be scaled.
- You should expect to spend a further 8-10 hours a week on this subject outside class times.

**Case Study Reports**

Case study reports are expected to be approximately five pages in length with adequate headings and subheadings to indicate the direction of the discussion and the main points raised. Reports must also have conclusions. Students will be expected to prepare all case studies, although only two will be submitted for assessment and count towards the final marks given in this subject. Students may select the case studies, from those provided, which they would like to count towards their progressive mark. To assist students with their case study preparations, some of the first seminar will be devoted to case study presentation and analysis.

Case study reports must have the following features:
- one and a half line spacing;
- completed using a computer word processing package;
- be at least in 11 or 12 point font; and
- have a cover sheet stating student name, subject name and number and the topic relevant to the case study.
**Seminar Presentation**

The seminar mark in the progressive assessment refers to the presentation of case studies and participation in the discussion of the readings in class. During the presentation of case studies, students should consider using the overhead projector with transparencies and the chalkboard. At the conclusion of the seminar, any case studies that are to be considered as part of the progressive assessment are to be submitted for assessment.

**Essay**

The essay is to be no longer than 2,500 words ie. around ten A4 pages. It is to have the same presentation features as the case study reports (see above). In addition, the essay is to contain:

⇒ a synopsis, to appear after the cover sheet, of between 100 to 150 words;
⇒ a referencing system in the body of the essay which follows the method used by the journal *Accounting, Auditing and Accountability Journal*. Students are to familiarise themselves with this system (also called the Harvard system). Students who fail to reference adequately and honestly will be heavily penalised.
⇒ a reference list at the end of the paper which shows for each entry the author, date of publication, the name of the article in inverted commas if it refers to a journal, the journal name *in italics*, volume and issue number and the page numbers of the article. This information must appear in this order. For examples see references below in the reading lists. If a book is used the system of referencing is the same, except after the date of publication should come the name of the book, *in italics*, the place of publication and then the publisher.

The essay is due on 2 May 2003 and is to be handed to the lecturer in class on this day.

Choose *one* of the following topics on which to write your essay.

“All organisations are essentially sets of political coalitions, each of which seeks its own advantage”. What are the implications of this view for management planning and control systems? How does it contradict a traditional functionalist conception of organisations?

*or*

Explore the relationship between trust in organisations and the need for formal control systems. In your discussion include an examination of the role of trust in a world class competitive environment.

*or*

How might control systems create control without the need for overt, visible control mechanisms? Refer in particular to the writings of Foucault.

*or*
Etzioni described organisations as “social units deliberately constructed to seek specific goals”. Critically examine each of the key elements of this definition.

or

Discuss the following statement: “Management involves developing and exercising power and influence to transform individual interests into coordinated activities that accomplish valuable ends”.

Final Examination
The final examination is conducted by Professor Funnell on 13 June in 19.1017, the room in which classes are normally conducted for this subject. Thus, the final examination will be conducted on the last day of the study recess for autumn session. The examination will be composed entirely of essays and will last for three hours. In answering their questions, students will be expected to draw upon their reading covered over the session.

Attendance Requirements
Students are reminded that 10% of their final mark has been allocated to class participation. In the absence of satisfactory reasons for absences from class, students who do not attend at least ten (10) classes will have their class participation mark heavily penalised.

Supplementary Examination
For information on the University’s supplementary examinations policy see the 2003 Postgraduate Calendar. Consistent with University provisions, in general, it is the policy of the Departmental of Accounting and Finance to give supplementary examinations only in exceptional circumstances.

Plagiarism
There are severe penalties for plagiarism ie. using another person’s work without acknowledgment. Students are referred to the University of Wollongong 2003 Postgraduate Calendar for more information on plagiarism.

Students with Disabilities
“If a student with a disability requires reasonable accommodation in this subject, they are strongly advised to discuss the issues early in the session with one of the following people: the Disability Liaison Officer, the Faculty Disability Adviser and/or the subject coordinator” (University of Wollongong Education Committee 1996).
SEMERNAR PROGRAM AND READINGS

Summary

1. Introduction and Case Study/Essay Workshop
2. Perspectives on Management Planning and Control: What You See Depends Upon Where You are Standing
3. The Organisational Context of Management Planning and Control
4. Environmental Influences on Management Control Systems
5. Delivering Control
6. The Human Factor: Behavioural Impacts on Management Planning and Control Systems
7. The Contribution of Trust to Management Control: The Ethical Organisation
8. Foucauldian Perspectives on Control
9. The Politics of Planning and Control
10. Strategic Planning
11. Competitive Advantage and Management Planning and Control Systems
12. Public Sector Management Planning and Control
13. Review and Conclusions

Detailed Program

1. Introduction and Case Study/Essay Workshop

The aim of this seminar is to ensure that everyone in the class knows what is expected of them in both their case study work and their essay.


2. Perspectives on Management Planning and Control: What You See Depends Upon Where You are Standing


3. The Organisational Context of Management Planning and Control


4. Organisational Goals


Case Study


5. Delivering Control


Case Study

6. The Human Factor: Behavioural Impacts on Management Planning and Control Systems


Case Study


7. The Contribution of Trust to Management Control: The Ethical Organisation


Optional Reading


8. Foucauldian Perspectives on Control


Case Study

9. The Politics of Planning and Control: The Darker Side of Management Control


Case Study


10. Strategic Planning


Case Study


11. Competitive Advantage and Management Planning and Control Systems


Case Study

12. Public Sector Management Planning and Control

Funnell W. and Cooper K. (1999), Public Sector Accounting and Accountability in Australia, Sydney, UNSW Press. Chapters 1,2,3,4. (A copy of this text is in the Closed Reserve in the Library).

Funnell W. (2001), Management Accounting and the Public Sector, Lecture Notes.


13. Review and Conclusions

Students should note that no new material will be covered in this seminar. Students are also reminded that their final examination in this subject will be the Friday following this class, that is on 13 June 2003.