ACCY918  
Applied Management Accounting  

Spring Session 2002  
Wollongong Campus  

Lecturer:  
Professor Warwick Funnell  
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Consultation Times: To be advised  
Class: 10.30-12.30, Tuesday, Room 19.G016

(a) Subject Description  
ACCY918 examines traditional and innovative techniques used by management accountants to accumulate, analyse and use accounting and other quantitative information to aid management in planning, control and decision-making within business organisations. A primary concern is the ability of, and need for, management accounting to adapt to the rapidly changing global business environment to ensure that management has the decision tools to be effective.

(b) General Learning Objectives  
At the conclusion of this subject students should be able to:  
⇒ describe the major changes in manufacturing and management brought about by increasing automation and globalisation and detail the implications of these for management accounting practices  
⇒ use basic management accounting techniques which are used to assist management in planning, controlling and decision making  
⇒ identify and evaluate financial information which is relevant to management decision making  
⇒ evaluate management accounting practices and communicate clearly these observations in written and oral forms.

To achieve these objectives, students should devote approximately 10 hours to further study outside class times.

1 Students who wish to consult with Professor Funnell should do so in person during his consultation times, at the end of the weekly class or contact him by telephone. Please only use email if other methods of contact are particularly inconvenient.
(c) Prescribed text
The publishers have also made available supporting material at the website [www.mhhe.com/business/accounting/mmz](http://www.mhhe.com/business/accounting/mmz) (see page xiii of the text).

The textbook has been ordered for purchase at the University Bookshop.

All homework questions will be taken from the prescribed text. The lectures will follow the text closely. Therefore, it is important that all students have their own copy of the text. For most purposes, students will find the prescribed text sufficient and should not have to consult other texts on a regular basis. There may be times, however, when students want additional explanation and the opportunity to work through other examples contained in other management accounting texts. There are many of these in the library. Students may find particularly helpful the fully-worked problems in Teoh H.Y. and Funnell W. (1992), *Management Accounting: An Annotated Manual*, Sydney, Butterworths. A copy has been placed in the Closed Reserve Section of the library.

Given that ACCY918 is presented only on the main campus of the University of Wollongong and relevant material will be made available in hard copy (see below), there is no website for this subject.

(d) Subject Requirements and Assessment
For the purposes of determining final grades for ACCY918, student performance will be evaluated on the basis of a composite mark as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Essay</td>
<td>10%</td>
</tr>
<tr>
<td>Mid session multiple choice test (Week 8)*</td>
<td>15%</td>
</tr>
<tr>
<td>Second multiple choice test (Week 12)*</td>
<td>10%</td>
</tr>
<tr>
<td>Weekly Tutorial Assignments and participation**</td>
<td>5%</td>
</tr>
<tr>
<td>Final Examination***</td>
<td>60%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Completion of the essay, both multiple choice tests and the final examination is compulsory for students to gain at least a passing grade in this subject.

* See section (g) below for information about these two tests.
** See section (e) below for a discussion of this requirement.
*** The final examination is the only component of the assessment where there is a minimum required level of performance. To be considered for at least a passing grade in Applied Management Accounting students must attain a minimum of 40% in the final examination. This rule will be enforced strictly.

(e) Mode of Instruction and Class Attendance
The first hour of each class will be a lecture, the purpose of which is to introduce and develop new material contained in the textbook. The second hour of class will be in the form of a tutorial when homework questions will be discussed and students will be expected to participate. In the schedule which appears at the end of these notes students will find a list of questions taken from the text which have to be completed.
each week for class. The lecturer will go through some of these questions but will also select students to present their answers.

Students are expected to attend at least 80% of classes ie. attendance for at least ten classes. Failure to meet this requirement may mean that the mark given for class participation will be reduced significantly. Overseas students should take particular notice of the 80% requirement. Under new Commonwealth Government legislation, all universities are now required to monitor the attendance of their overseas students.

To get the best out of your class attendance you must actively participate in discussions of the homework at various times throughout the session. This will allow you to check the progress of your work but also to provide a forum for you to have your say. Any niggling, or major, problems should be brought out in class. It is expected that you will attend classes with the intention of working earnestly throughout. This will require you to engage in active learning which can only be accomplished through attentive listening and a serious approach to notetaking. You should work to ensure that the time which you spend in class is productive. If you come with a constructive attitude then you will give yourself the best chance of benefiting. A copy of the slides used in each lecture will be provided in the Faculty Resource Room in building 40 the Monday prior to each lecture. Thus, each student has the opportunity to have a copy of the lectures slides on which to make notes.

(f) Access to Solutions for Class Homework

Each Monday copies of the solutions to the previous week's homework problems will be placed in the Faculty Resource Room in Building 40. Given that it is not expected that all problems will be covered each week in the tutorials, students are advised to refer regularly to the solutions provided. The tutorial problems covered in class provide a good idea of the type of questions that may appear in the final examination.

(g) Multiple Choice Tests

A mid-session test will be held in the class at week 8 and another will be held in class in week 12. The mid-session test will be a 90 minute multiple choice quiz containing 60 questions. The test in week 12 will be a 60 minute multiple choice quiz containing 45 questions.

(h) Essay

Length: 1,200 words
Due Date: 5.00 pm. Tuesday, 8 October 2002

Mandatory essay presentation requirements are:

1. The essay is to be typed using a computer word processing package.
2. One and a half line spacing is to be used throughout.
3. A duplicate of the essay is not required. Students must ensure, however, that they have the capacity to provide a duplicate, should this be requested, at short notice. Problems with computers, software, lost or corrupted disks will not be accepted as an excuse for failing to meet this condition. It is each student’s responsibility to ensure that they maintain their work on secure disks with a copy located away from the original.
4. The pages should be numbered.
5. At the front of the essay there must be a title page showing:
   - your name,
• the date the essay is due and
• the topic as given.

6. A synopsis of no more than 100 words is to preface the essay.

7. There must be a generous margin on the left and right of the page of about 40 mm to allow for written comments.

8. All essays should include a list of references. All borrowed material, including direct quotations, should be appropriately acknowledged. The referencing procedure used should be in accordance with the conventions required for papers submitted to *Accounting, Auditing and Accountability Journal*.

9. To show that each student has consulted the *Accounting, Auditing and Accountability Journal* guidelines, a photocopy of the guidelines must be attached to the back of the essay. This way there can be no excuses for improper presentation. Students who fail to comply with these guidelines will have their essay penalised. Copies of the *Accounting, Auditing and Accountability Journal* are to be found on the top floor of the library at 657/371.

The essay will be penalised for failure to meet any of these requirements.

In writing their essay students will be expected to:

o address the topic given. It is important that students take time to consider each part of their assigned topic and include these in their discussion.

o write clearly. This requires students to take time with their expression, that is grammar and punctuation, and with the structure of their essay. Headings and subheadings can be used in the essay but these should be few in number.

o present their argument in a logical, thoughtful manner. Rushed assignments will be obvious to the marker.

o Present their essay following the conventions of academic presentation, as used in accounting journals such as *Accounting, Auditing and Accountability Journal*.

Any essays submitted after the due date will incur a penalty which may reduce the mark to zero, unless special exemption has been given by the lecturer for a substantial reason which has been properly documented. The penalty will be one mark (out of 10) for each day (including weekends) the essay is late, i.e. one mark will be deducted from the mark awarded to the essay.

*Students not submitting the essay by the last day of classes (1 November 2002), in the absence of accepted documented reasons, will fail the subject.*

It is university policy that assignments cannot be faxed to the lecturer. Assignments can be posted but will only be regarded as being submitted by the due date if they bear a post office stamp with a date on or before the due date.

*(i) Essay Topics*

By the end of Week 2 of lectures students will be allocated an essay topic from those listed below. *You cannot select your own topic.* This is primarily to distribute more widely the resources of the library. *If you submit an essay other than that which you have been allocated you will receive a mark of zero.* Essays will be returned during class.
Topic 1
“In recent years many concerns have been expressed regarding ethical behaviour in business. As a consequence, all organisations need to make a clear and forthright statement regarding ethical conduct.” Examine the part which management accountants can play in encouraging ethical business conduct and the problems which he/she might encounter. What advantages will a commitment to ethical conduct by management accountants and managers bring to the firm? Refer to the problems experienced by companies such as Enron, Kodak and Worldcom.

Topic 2
“Management accounting is more a communication process than an information gathering and processing function”. Substantiate either your agreement or disagreement with this statement. Why is it important for management accountants to be able to communicate well with people? How can management accountants enhance their ability to communicate?

Topic 3
How can management accounting still make a difference to the success and good management of a business? Support your position with examples drawn from the techniques used by management accountants.

(j) Supplementary Final Examinations
For information on University policy about supplementary examinations and special consideration, students are referred to the University Calendar, at http://www.uow.edu.au/student/calendar/specialconsideration.html

(k) Plagiarism
The following is taken from the University Acknowledgement Practice. Students should consult www.uow.edu.au/student/calendar/rules/plagiarism.html

“In a university, ideas are important, and it is also important to give people appropriate credit for having ideas. There are several reasons why you should give people credit when using their ideas; three of the more important of those reasons are:

- "fairness to authors and other students,
- the responsibility of students to do independent work, and
- respect for ownership rights."

If, in writing an essay or report, you copy a passage from a book word-for-word and don’t give a reference to the book, this is:

- unfair to the author who wrote the passage in the book;
- unfair to other students who do their own work without copying;
- failure to do independent work as expected in a university; and
- breach of copyright.

Giving and gaining credit for ideas is so important that a violation of established procedures has a special name: plagiarism. Plagiarism means using the ideas of someone else without giving them proper credit. That someone else may be an author, critic, journalist, artist, composer, lecturer, tutor or another student. Intentional plagiarism is a serious form of cheating. Unintentional plagiarism can result if you don’t understand and use the acceptable scholarly methods of acknowledgment. In either case, the University may impose penalties which can be very severe.
Over many years, procedures have been developed for acknowledging ideas in all forms of expression. In published writings, for example, authors are expected to give references to articles and books on which they have relied, and to give written thanks to people who have helped them in preparing their work.

There are several methods for giving credit in written work and the lecturers and tutors in the academic units in which you study should inform you about methods that are acceptable to them. A good way to gain a better understanding of those methods in a particular discipline is to read articles published in academic journals of that discipline.

(l) Students with Disabilities
The University provides extensive assistance to students with various disabilities. Should you need assistance you should contact the University Disability Unit or the Sub Dean of the Faculty of Commerce. Further information can be found on the following website: http://www.uow.edu.au/admin/eeo/disabilitiespolicy.htm
<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Lecture Topic</th>
<th>Reading (chapter)</th>
<th>Tutorial Questions (from the text)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>23 July</td>
<td>Introduction to management accounting and Costs</td>
<td>1,2</td>
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<tr>
<td>2</td>
<td>30 July</td>
<td>Measuring Costs (Mainly Activity Based Costing)</td>
<td>3</td>
<td>AIP 1.1, AIP 1.2, AIP 1.5, AIP 1.11, AIP 1.15, AIP 1.16, NP 2.1, NP 2.6</td>
</tr>
<tr>
<td>3</td>
<td>6 August</td>
<td>Using accounting to manage and budgets</td>
<td>4,8</td>
<td>NP 2.13, NP 2.17, AIP 2.4, NP 3.9, NP 3.10, NP 3.12, NP 3.13, AIP 3.1, AIP 3.5</td>
</tr>
<tr>
<td>4</td>
<td>13 August</td>
<td>Cost-Volume-Analysis and short term decisions</td>
<td>5</td>
<td>NP 4.2, NP 4.4, NP 4.6, 4.13, NP 8.11, NP 8.12, AIP 8.4</td>
</tr>
<tr>
<td>5</td>
<td>20 August</td>
<td>People and organisations: accounting and behaviour</td>
<td>6</td>
<td>NE 5.3, NP 5.1, NP 5.4, NP 5.5, NP 5.16, NP 5.13, NP 5.14</td>
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<td>7</td>
<td>3 September</td>
<td>Cost allocations</td>
<td>9</td>
<td>NE 7.1, NE 7.2, NE 7.8, NP 7.1, NP 7.2, NP 7.3, NP 7.6, NP 7.11</td>
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<tr>
<td>8</td>
<td>10 September</td>
<td>Mid-session Test (this will occupy all of class time)</td>
<td></td>
<td>NE 9.9, NP 9.1, NP 9.5, NP 9.7, NP 9.10, NP 9.17, AP 9.4</td>
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<tr>
<td>9</td>
<td>17 September</td>
<td>Absorption costing and manufacturing statements</td>
<td>10</td>
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<td>Session Break 21 September to 6 October</td>
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<td>10</td>
<td>8 October</td>
<td>Variable costing and joint products</td>
<td>11</td>
<td>NE 10.3, NE 10.4, NE 10.8, NE 10.11, NE 10.12, NP 10.3, NP 10.16, NP 10.21</td>
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<tr>
<td>11</td>
<td>15 October</td>
<td>Standard costs and variance analysis</td>
<td>14</td>
<td>NE 11.6, NP 11.7, NP 11.5, NP 11.9, NP 11.15, NP 11.11</td>
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<tr>
<td>12</td>
<td>22 October</td>
<td>Multiple Choice Test (in the second hour)</td>
<td>12</td>
<td>Multiple choice test</td>
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