



AC256 Managerial Accounting (Online)

Instructor Information	<p>Yan Zhang Home Institution: Shanghai Maritime University Email: yzhang@shmtu.edu.cn</p>		
Term	<p>June 27, 2022 - July 22, 2022</p>	Credits	<p>4 units</p>
Course Delivery	<p>The class will be delivered in the format of online. Other than recorded lecture videos, the instructor will arrange 1.5-2hours' real-time interactions with students per week (via Zoom meeting or Tengxun Meeting). The workload students are expected to complete to properly pass this course is about 15 hours per week.</p>		
Required Texts (with ISBN)	<p>Managerial Accounting, 16th edition, by Ray H. Garrison, Eric W. Noreen, Peter C. Brewer, ISBN: 978-7-111-65103-1</p>		
Prerequisite	<p>ACC311 Financial Accounting or equivalent (Recommended)</p>		



Course Overview

The course providing an overview of the managerial use of financial and nonfinancial information for a variety of purposes including managerial decision analysis, strategic product costing, organizational planning, and performance evaluation. The emphasis is on developing and using information to support value creation by management. The course is divided into three parts:

Part One: Cost concepts and costing for external reporting (Chapter 1-4)

Chapter 1: How managers need to rely on different cost classifications for different purposes. The main purposes emphasized in this chapter include assigning costs to cost objects, accounting for costs in manufacturing companies, preparing financial statements, predicting cost behavior in response to changes in activity, and decision making.

Chapter 2: Managers need to assign costs to products to facilitate internal decision making and external financial reporting. This chapter illustrates an absorption costing approach to calculating product costs known as job-order costing.

Chapter 3: Companies use job-order costing to assign manufacturing costs to individual jobs. This chapter describes how companies use job-order costing to prepare a balance sheet and an income statement for external reporting purposes.

Chapter 4: Managers need to assign costs to products to facilitate external financial reporting and internal decision making. This chapter illustrates an absorption costing approach to calculating product costs known as process costing.

Part Two: Costing for internal decision making (Chapter 5-7、 12)

Chapter 5: Cost-volume-profit (CVP) analysis helps managers understand the interrelationships among cost, volume, and profit by focusing their attention on the interactions among the prices of products, volume of activity, per unit variable costs, total fixed costs, and mix of products sold.

Chapter 6: Variable costing, is preferred by some managers for internal decision making and must be used when an income statement is prepared in the contribution format. This chapter shows how these two methods differ from each other. It also explains how to create segmented contribution format income statements.

Chapter 7: This chapter introduces students to activity-based costing (ABC) which is a tool that has been embraced by a wide variety of service, manufacturing, and non-profit organizations.

Chapter 12: Managers must be able to perform differential analysis, which focuses on identifying the costs and benefits that differ between alternatives. The purpose of this chapter is to develop these skills by illustrating their use in a wide range of decision-making situations.

Part Three: Budgeting, variance analysis and Performance Measurement (Chapter 8-11)

Chapter 8: This chapter describes how organizations define their financial goals by preparing numerous budgets that collectively form an integrated business plan known as a master budget. The master budget communicates management's plans throughout the organization, allocates resources, and coordinates activities.

Chapter 9: This chapter explains how to prepare flexible budgets and how to compare them to actual results for the purposes of computing revenue and spending variances.

Chapter 10: This chapter extends our study of management control by explaining how standard costs are used by managers to control costs. It demonstrates how to compute direct materials, direct labor, and variable overhead variances.



Chapter 11: This chapter explains how responsibility accounting systems, return on investment (ROI), residual income, operating performance measures, and the balanced scorecard are used to help control decentralized organizations.

Learning Outcomes

1. Differentiate between the internal and external decision-making processes of an economic entity.
2. Apply accounting information in external and internal decision contexts of a business.
3. Demonstrate analytical skills needed to control decentralized organizations; evaluate the performance of responsibility centers.
4. Recognize ethical issues facing the accounting profession and the ethical framework in which accounting operates. Assess risk and identify internal control procedures necessary to achieve business objectives.
5. Effectively understand and communicate accounting information in a business context.



Grading Policy

Homework	30%
Midterm exam	30%
Final Exam	40%

Grading Scale

Number grade	Letter grade	GPA
90-100	A	4.0
85-89	A-	3.7
80-84	B+	3.3
75-79	B	3.0
70-74	B-	2.7
67-69	C+	2.3
65-66	C	2.0
62-64	C-	1.7
60-61	D	1.0
≤59	F (Failure)	0



Class Schedule

Date	Lecture	Readings	Online Schedule
Day 1	Managerial Accounting and Cost Concepts	1	120 minutes watching video lectures.
Day 2	Job-Order Costing: Calculating Unit Product Costs	2	120 minutes watching video lectures.
Day 3	Job-Order Costing: Cost Flows and External Reporting	3	120minutes watching video lectures.
Day 4	Process Costing	4	120minutes watching video lectures. 90minutes online interaction via Zoom and WeChat
Day 5	Cost-Volume-Profit Relationships (1)	5	120 minutes watching video lectures
Day 6	Cost-Volume-Profit Relationships (2)	5	120 minutes watching video lectures
Day 7	Variable Costing and Segment Reporting: Tools for Management	6	120minutes watching video lectures. 90 minutes online interaction via Zoom and WeChat
Day 8	Review from Chapter 1-6 Assignment Review		120minutes watching video lectures
Day 9	Midterm exam		
Day 10	Activity-Based Costing: A Tool to Aid Decision Making	7	120 minutes watching video lectures
Day 11	Master Budgeting (1)	8	120 minutes watching video lectures
Day 12	Master Budgeting (2)	8	120 minutes watching video lectures. 90 minutes online interaction via Zoom and WeChat
Day 13	Flexible Budgets and Performance Analysis	9	120 minutes watching video lectures
Day 14	Standard Costs and Variances (1)	10	120 minutes watching video lectures
Day 15	Standard Costs and Variances (2)	10	120minutes watching video lectures
Day 16	Performance Measurement in Decentralized Organizations	11	120minutes watching video lectures
Day 17	Differential Analysis: The Key to Decision Making (1)	12	120 minutes watching video lectures. 90 minutes online interaction via Zoom and WeChat
Day 18	Differential Analysis: The Key to Decision Making (2)	12	120 minutes watching video lectures
Day 19	Review from Chapter 7-12 Assignment Review		120 minutes watching video lectures. 120 minutes online interaction via Zoom and WeChat
Day 20	Final exam		