



APPLIES TO ACADEMIC YEAR 2006/2007

BØK 2302 Current Management Accounting

Program

Bachelor in Auditing (2. year), Bachelor in Business Journalism (2. year), Bachelor in Business Law (3. year), Bachelor in Finance (2. year), Bachelor in IT-management (2. year), Bachelor of Science in Business (2. year), Bachelor of Science in Marketing (3. year), Bachelor in Business Administration (2. year)

Responsible for the course

Tor Tangenes

Department

Accounting - Auditing and Law

Term

According to study plan

ECTS Credits

6

This course is based on BØK 2301 and 2303 - Basic Managerial Accounting I and II or equivalent courses, and is succeeded by BØK2215 (siv.øk) / 2431 Strategic Management Accounting. Basically, management accounting deals with development and communication of information relevant for decision-making and the use of this information to create economic values. On a strategic level, management accounting is closely related to corporate strategy, organizational theory, and finance. On this level, multi-period problems are typically treated. Thus, real investment theory is one important theoretical foundation. Current management accounting deals with the short-term planning and control, and has traditionally been built on corporate budgeting and standard costing. Therefore, it has provided financial information in a short-term horizon. Contemporary cost analysis, planning and control are thoroughly covered in this course by means of theory, critique of traditional models and a computer-based case. Additionally, the course covers corporate planning and control through non-financial information by presenting the balanced scorecard (BSC). BSC connects strategic and operational elements and provides causal relations between financial and non-financial performance measures.

Activity based costing is an important part of the course. The ABC theory facilitates cost allocations to activities, products and customers, and provides a framework for a cause and effect analysis. Such insight is imperative in most decision situations, it can give the organization a competitive edge, and thus ensure profitable, future operations. The ABC-section of the course is extended to operational activity-based management, where ABC-information is utilized in continuous improvements of the firm's activity structure.

Objective

The objective of the course is to provide a comprehensive and updated insight into theoretical and practical aspects of operational management accounting and to enable the students to perform real-life applications of the theory.

Prerequisites

BØK 2301 and BØK 2303.

Compulsory literature

Books:

Sending, Aage. 2007. Driftsregnskap og budsjettering. 2. utg. Bergen: Fagbokforlaget

Articles:

Artikkel om interprising.

Alle artikler publiseres på kursansvarliges hjemmeside;

http://home.bi.no/fgl99011/bok_2302.htm

Bjørnenak. 1993. "ABC - hva er D? Grunnleggende prinsipper i aktivitetsbasert kalkulasjon."

Praktisk økonomi og ledelse, nr. 2

Kaplan & Norton. 1991. "The Balanced Scorecard - Measures that Drive Performance."

Harvard Business Review, Jan/Feb

Other:

Berthling-Hansen, Pål og Skaldehaug, Espen. 2003. Beslutningsrelevante kostnader

Recommended literature

Books:

Sending, Aage. 2006. Arbeidshefte til Driftsregnskap og budsjettering. 4. utg.. Bergen: Fagbokforlaget

Articles:

Kaplan & Norton. 1992. The Balanced Scorecard as a Strategic Management System. Harvard Business Review, Jan/Feb

Course outline

1. Course outline, developments in management accounting, traditional and new practice.
2. Cost analysis
 - a) Classification
 - b) Job-order costing and process costing (repetition, normally not lectured, but the teacher can give a summary)
 - c) ABC - Activity-based costing
 - d) Relevant costs for decision-making
3. Planning and control
 - a) Corporate budgeting
 - b) Standard costs
 - c) Flexible budgets, standard costing, and variance analysis
 - d) Operational ABM
 - e) The balanced scorecard
4. Decentralization
 - a) Financial performance measures: ROI and RI
 - b) Transfer prices.

Computer-based tools

Excel will be used for particular assignments

Course structure

The course is based on 42 hours lectures.

BI Nettstudier (Distance Education and E-learning)

The most intensive part of the teaching takes place at the beginning of the semester and before the exam. To aid learning, students will find a studyguide on BI nettstudier. It contains useful information on studying, planning work and undertaking assignments. Internet supervision is provided via pages containing information about the subject, discussion groups and interactive exercises, together with an exercise programme.

Evaluation

A five-hour written exam based on the required readings concludes the course.

Evaluation code(s)

BØK 23021 - Written exam counts 100% of the grade in BØK 2302 Current Management Accounting, 6 credits.

Aids at the examination

All written aids are allowed.

Makeup exam

At the end of every term.