



APPLIES TO ACADEMIC YEAR 2006/2007

## GRA 6259 Managerial Accounting and Control HRS

### Program

Master in Professional Accountancy, Master of Science in Business and Economics (Business Law, Tax and Accounting)

### Responsible for the course

Sverre Dyrnes

### Department

Accounting - Auditing and Law

### Term

According to study plan

### ECTS Credits

6

Financial information is produced and handled at various levels of a company. This entails that various responsibility centers with different roles and responsibilities are involved in producing managerial and financial information. It is important for the auditor to understand these roles and what influence the various responsibility centers have on the accounting data. It is also important to understand the main problems involved in producing accounting data.

### Objective

The course aims at giving the students a detailed understanding of how the structure of a company's management control system may be developed and how accounting information can help make it more efficient.

### Prerequisites

A course in management accounting at bachelor level.

### Compulsory literature

#### Books:

Kaplan, Robert S. & Atkinson A. Anthony. 1998. Advanced Management Accounting. 3rd ed. Upper Saddle River, N.J. : Prentice Hall. Kap. 1-9 og 13,14

### Recommended literature

#### Books:

Anthony, Robert N. & Govindarajan, Vijay. 2004. Management Control Systems. 11th ed. Boston : McGraw Hill/Irwin

### Course outline

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1. **Costing and Pricing**
  - Cost behavior
  - Short-term budgeting
  - Assigning resource costs to cost centers
  - Activity-based costing (ABC)
  - Activity-based management (ABM)
  - Cost-based decision-making
  - Decentralization
2. **Performance Management**
  - Levers of control
  - The balanced scorecard, model and cases
  - The balanced scorecard meets theory and reality
  - Financial measures of performance
3. **Incentives and Organizational Behavior**
  - Agency model
  - Incentive models
  - Behavioral Economics

### Computer-based tools

None

**Course structure**

36 hours of lectures, teamwork, discussions and student presentations.

**Evaluation**

3-hour written examination.

**Evaluation code(s)**

GRA 62591

**Aids at the examination**

Advanced calculator

**Makeup exam**

A re-take is held in connection with the regular scheduled exam in the course. If the course evaluation consists of class participation or process elements, the whole course must be evaluated if a student wants to retake an exam.

Academic honesty and trust are important to all of us as individuals, and they are encouraged and promoted by the honor system. This is a most significant university tradition. The honor system is the responsibility of students. As faculty, we share the commitment to the ideals of the honor system.

At no time should notes or papers or personal consultations based on previous semesters of this course be used. As part of the honor code papers handed in as part of the course is, at the discretion of the professor, scanned for plagiarism. We are using Safe Assignment in Black Board for this purpose. Any violation of the honor code will be dealt with in accordance with BI's procedures on cheating. These issues are a serious matter to everyone associated with the program. They are at the heart of the Honor Code and academy integrity. If you have any questions about your responsibilities under the honor code, please ask.