



APPLIES TO ACADEMIC YEAR 2012/2013

## **BØK 3541 Managerial Accounting and Control**

### **Programme**

Bachelor in Auditing (2. year), Bachelor in Business Administration (2. year), Bachelor in Business Law (3. year), Bachelor of Science in Business (3. year)

### **Responsible for the course**

Tor Tangenes

### **Department**

Department of Accounting - Auditing and Law

### **Term**

According to study plan

### **ECTS Credits**

7,5

### **Language of instruction**

Norwegian

### **Introduction**

This course builds on BØK 3411 Finance and Managerial Accounting I, BØK 3421 Finance and Managerial Accounting II og BØK 3531 Financial Accounting and Financial Statement Analysis. The course is structured according to a generic management cycle and relate to real business problems. The course focuses on planning and management of value creation process and relevant decision support for value creation, both in situations where the strategy is given and in situations of strategic corrections, based on learning.

### **Learning outcome**

#### **Acquired knowledge**

The students shall acquire knowledge of:

- How the field of management accounting and control relates to value creation, and how the strategic process can be managed by means of the balanced scorecard.
- The resource-based and the positioning-based view as main explanations of value-creation and competitive advantage.
- Value chain descriptions of the firm as basis for process and activity analyses.
- Activity-based costing and transfer pricing as mechanism for cost allocations.
- Multi-dimensional process analysis.
- Business planning by means of budgets.
- Value analysis, including revenue and cost relevance.
- Financial performance metrics and the measurement of value creation.

#### **Acquired skills**

The students shall acquire skills about:

- The causality and suitability of objectives and measures in a balanced scorecard model, and be able to elaborate strategy maps in concrete cases.
- The allocation and analysis of costs in an activity structure, including allocation of costs between departments and between activities, from activities to products and customers, and between used and unused capacity.
- The preparation of budgets and analysis of budget information with respect to the financial implications of intended activities
- The preparation and assessment of profitability analyses.
- The adjustment of financial accounting data for effectiveness and performance measurements, and the assessment of the firm's effectiveness.

### **Reflection**

After taking the course, the students shall acknowledge management control as a contextual field, where conflicts of interest and ethical norms affect management actions .

### **Prerequisites**

(BØK 3411 Finance and Managerial Accounting I and BØK 3421 Finance and Managerial Accounting II), (BØK 1113 Managerial Accounting and BØK 1121 Finance I) or equivalent.

### **Compulsory reading**

#### **Books:**

Tangenes, Tor, Svein H. Gjønnnes. 2012. Økonomi- og virksomhetsstyring : videregående emner. Fagbokforlaget  
 Tangenes, Tor, Svein H. Gjønnnes. 2013. Arbeidshefte til Økonomi- og virksomhetsstyring. 2. utg. Fagbokforlaget

## Recommended reading

### Course outline

#### *Part 1: Planning and management of value creation process*

About Managerial Accounting and Control  
 Strategic objectives and critical success factors  
 Strategy maps and strategic issues  
 Performance metrics, validity and reliability  
 Budget purposes and managerial qualities  
 Budgets as a tool to test the financial and capacity-related impact of possible measures  
 Performance measurement of financial measures

#### *Part 2: Decision Support for the creation*

Value drivers, cost drivers and value chain analysis  
 Resource and cost concepts  
 Income and expense relevance  
 Distribution of costs and the cost centers  
 Calculation of weight on ABC

#### *Part 3: From analysis to improvement*

Lean philosophy  
 Multidimensional process analysis

### Computer-based tools

Students are expected to use spreadsheets (e.g. Excel) when solving and submitting assignments. Students must use It's learning to submit mini-exercises.

### Learning process and workload

The course consists of lectures, assignment reviews by the lecturer and self-tuition (reading the syllabus and doing exercises/assignments that are both mandatory and voluntary). Each student must hand in seven mandatory assignments.

Throughout the course, the students shall discuss and solve a number of case-oriented business problems from the private and public sector.

Recommended workload in hours:

Activities	Hours
Participation in theory-based lectures	14
Participation in assignment reviews by lecturer	14
Participation in case discussions and solutions	14
Preparations for case solutions, individually and team-based, organized by the students	48
Preparations for lectures (approx. 1.5 hours per hour of lectures or assignment reviews by lecturer)	63
Work on mandatory mini-exercises (approx. 1,5 hours per mini-exercise)	12
Preparation for exams	35
<b>Recommended</b>	<b>200</b>

<b>total hours used</b>	
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The plenary sessions will consist of lectures on parts of the syllabus and review of assignments. Students are expected to work on those parts of the syllabus that are not covered by the lectures or the assignment reviews. The lectures and assignment reviews are based on students having prepared for the lectures (i.e. that the students have read the syllabus and have solved the assignments before the lectures start).

**Required work (mandatory mini-exercises)**

There are 7 mandatory exercises during the semester, of which students must get approved 5. The mini-exercises are short, limited exercises that the students should be able to answer in about 1,5 hours if they have followed the recommended work schedule. If the students are not prepared, more time must be allowed. The mini-exercises are to be submitted through It's learning.

A minimum level of performance is required for the exercises to be approved (e.g. a minimum number of questions must be correctly answered). Further information will be given in the lectures and through It's learning. The students will be allowed to take the tests repeatedly before the deadline of each test. Information about the time period for the tests to be taken, will be given in the lectures and through It's learning.

Feedback to the students during the semester will be given in the following ways:

1. During the lectures the students will be told which assignments are to be solved for the next lecture. The lecturer will review some of these assignments in class. The feedback will consist of the students comparing their solutions with the one that is explained by the lecturer.
2. Feedback on achieved score on the mini-exercises will be given automatically through It's learning. In addition a recommended solution will be made available.

**E-learning**

The e-learning platform It's learning is used by the e-learning centre to administrate the mandatory exercises, and make students able to communicate with each other and the Lecturer. Module sessions are carried out at the beginning of the semester and before exams. The e-learning students are also offered a study guide which is an educational guide to the syllabus.

Recommended workload in hours:

<b>Activities</b>	<b>Hours</b>
Participation in theory-based lectures	8
Preparations for case solutions, individually and team-based, organized by the students	30
Work with literature, mandatory mini-exercises and activities at It's learning	127
Preparation for exams	35
<b>Recommended total hours used</b>	<b>200</b>

**Use of hours**

**Coursework requirements**

To obtain a grade in the course, the students must get approved five of the seven mini-exercises in order to sit for the exam. See learning process and workload.

**Examination**

A five-hour written exam concludes the course, which counts for 100 % of the grade.

**Examination code(s)**

BØK 35411 - Written exam, counts for 100 % of the grade in the course BØK 3541.

**Examination support materials**

Interest tables and a BI-defined exam calculator are allowed. TEXAS INSTRUMENTS BA II

Plus™

Examination support materials at written examinations are specified under exam information in our web-based Student handbook. Please, note the use of calculator and dictionary.  
<http://www.bi.edu/studenthandbook/examaids>

**Re-sit examination**

Re-sit examination is offered every term.

Students that have not get approved five of the mandatory seven mini-exercises must re-take the exercises in connection with the next scheduled course and must pass five of the eight submitted mini-exercises.

Students that have not passed the written examination or who wish to improve their grade must re-take the examination in connection with the next scheduled examination.

**Additional information**