

**WESTERN KENTUCKY UNIVERSITY**  
**BA515-501 (pMBA) MANAGERIAL ACCOUNTING CONCEPTS AND APPLICATIONS (3hrs)**  
**Summer 2017**

Harold T. Little Jr., PhD, MBA, CPA, CMA, CIA  
Grise Hall 514  
Office Hours: TBA

Fax: (270) 745-5953  
Email: harold.little@wku.edu  
Office: (270) 745-6978

**Course Description**

In this course, you will learn how cost, revenue, and other economic data are used in the management processes of measurement, analysis, decision-making, and planning for profit and not-for-profit entities. Coursework will involve reading chapters from textbooks and articles from newspapers, magazines, and academic journals; solving managerial accounting exercises and problems; and preparing case solutions, which will emphasize the use of managerial accounting data.

**Course Learning Objectives**

Students should be able to:

- Explain the difference between product and period costs, merchandising and manufacturing costs, and financial and managerial accounting.
- Explain the characteristics and purposes of cost accounting.
- Understand the flow of costs in process and job order costing systems.
- Understand how companies use an activity-based costing system.
- Explain the concept of cost-volume-profit analysis.
- Describe the concept of incremental analysis and relevant costs for decision-making.
- Identify the benefits and essentials of effective budgeting.
- Explain the development of flexible budgets and concept of budgetary control.
- Describe the balanced scorecard approach for performance evaluation.
- Discuss capital budgeting evaluation and explain the net present value method.

**Course Methodology**

The course learning objectives stated above will be achieved through a number of pedagogies including: Lecture and discussion: The discussion and sharing of knowledge, opinions, and ideas sharpens analytical skills, improves judgment, and enhances conceptual skills. In some stances, basic concepts and theories will be covered in detail, while other concepts and theories will be covered using examples, applications, and extensions of the assigned reading material.

Individual assessments: The ability to communicate effectively is highly valued in a global business environment. Midterm and final examinations will provide objective assessments of your performance.

Case Method: Students learn best when they are actively engaged. One of the best pedagogies for active learning is the case method. Case studies provide an immersion experience, bringing students as close as possible to real business situations. Students will be expected to take ownership of case discussion. The role of the instructor will be listener and facilitator. (<http://www.hbs.edu/teachingandlearningcenter/case-method/insidehbscasemethod.html>)

Team-based project tasks: Managerial decision-making relies heavily on professional judgment. Through various team-based case projects, students will be placed in business situations requiring reflection, analysis, and action. It is expected that through these experiences students will gain practical experience to apply in a classroom setting.

Professionalism: A positive and participative learning environment is crucial to your educational experience. The goals of our MBA program include developing your willingness and ability to contribute to discussions by expressing and defending your position on a variety of topics. This may require you to overcome a sense of shyness or leave your “comfort zone.” The classroom is a unique environment in which every student is expected to contribute and respect the learning process and every individual in it.

### **Course Prerequisites**

At least six semester hours of undergraduate financial accounting or equivalent.

### **Required Reading Materials - Textbook and Other Reference Materials**

- *Managerial Accounting: Tools for Business Decision Making, 7e* by Weygandt, Kieso, and Kimmel; (John Wiley & Sons, Inc.).
- *WileyPlus for Managerial Accounting: Tools for Business Decision Making, 7e* (John Wiley & Sons). URL: TBA
- Useful study material (interactive quizzes, PowerPoint slides, etc.) on the textbook’s web page: TBA
- Case to be announced
  - *What is a Case?*
  - *Analyzing a Case*

**WileyPlus website** – Register for WileyPlus using the following URL for your section: TBA

### **Final Course Grade Determination**

The final course grade is based on classroom discussion participation and case solution submissions. Discussion participation will be subjectively determined based on an ongoing monitoring of the student’s performance. The "90%, 80%, 70%, and 60% Rule" will determine the final course grade. Percent allocation is as follows:

Class participation	5%
Midterm examination	30%
Homework and quizzes	25%
Case solutions	<u>40%</u>
Total	100%

## **Discussion Participation**

Because this is a graduate-level course, you have an obligation to yourself and to your classmates to make substantive and productive contributions to classroom discussions. Therefore, your PARTICIPATION in class discussions is expected. While participation is required to earn credit for class participation, comments that indicate poor class preparation will not receive credit. You will not be penalized for seeking clarifications or for asking questions that reflect an adequate degree of study and preparation.

## **Case Method Video**

Take a look at this video about the case method approach.

<http://www.hbs.edu/teachingandlearningcenter/case-method/insidehbscasemethod.html>

## **Case Solution Submissions**

Use only *Word* (.doc or .docx) and/or *Excel* (.xls) for case solution submissions. Submissions after the due date/deadline will be severely penalized.

For case submissions, please follow these guidelines as close as possible:

1. All cases should be typed using 12-point font, Times New Roman on 8 1/2 x 11" paper and be double-spaced, except for indented quotations.
2. Cases should be as concise as the subject and analytical method permit, generally not to exceed 3,000 words.
3. Margins should be at least one inch on top, bottom, and sides to facilitate editing and duplication.
4. All pages including tables, appendices, and references should be serially numbered.
5. Summarize results from Excel spreadsheets into tables on the Word documents (.doc or .docx). I will only open the Excel spreadsheet to review computations, if I deem it necessary, so your spreadsheet should be formatted and oriented to open of separate pages without reformatting of margins.
6. Use only one space after periods, colons, exclamation points, question marks, quotation marks and any punctuation that separates two sentences.
7. Punctuation used with quote marks: a) commas and periods are always placed inside the quotation marks; b) colons and semicolons go outside the quotation marks; and c) question marks and exclamation points go in or out, depending on whether they go inside the quote marks, and vice versa.

Remember that your case will be evaluated as if it was a professional document, so minimize the conversational tone of your paper.

## **Examinations**

There will be at least one midterm examination for this course.

## **Note to Students**

Professors typically approach graduate courses differently than undergraduate courses. This can result in an initial culture shock for MBA students using their undergraduate experience as a benchmark. In graduate study, more emphasis is placed on students drawing connections among discussions and experiences in class, with classmates, and from assigned reading materials - with less oversight. As a result on some occasions articles or other readings assigned for a class session will not be directly discussed. Instead, class time may be spent extending and/or drawing tangential information into discussions. It does not mean that the assigned readings are unimportant; rather it places more

responsibility on the student to consider the information and integrate it into his or her existing knowledge base.

### **Academic Honesty**

Unless explicitly indicated otherwise, all graded assignments are expected to be the result of your original work. Academic dishonesty will be dealt with in the harshest manner available within the University or College guidelines. Examples of violations include (but are not limited to) the following: **using solutions manuals, using solutions from prior semesters, using solutions obtained from the internet, copying from other students, letting other students copy from you, turning in jointly produced solutions, failing to properly cite any reference materials (including websites) used, or using any other such “aids.”** These acts will be considered acts of academic dishonesty and will be treated accordingly. Should you have any questions about this policy, please see me immediately.

**(Possible) Case Descriptions**

The following cases and others will be used in this course. A final determination of future cases will come early in the course. Do not purchase any cases until instructed by the professor.

<u><i>Case Title</i></u>	<u><i>HBSP #</i></u>	<u><i>Geographical and Industry Setting, Time Frame</i></u>	<u><i>Abstract, Key Subjects</i></u>
Daniel Dobbins Distillery, Inc	#189065	Tennessee, liquor distillery, 1988	A distiller increases whiskey production and income declines because of accounting methods in use. Questions are raised regarding the treatment of expenditures, which can be classified as production, inventory, or period costs. The necessary aging process raises added questions about prior period restatements and needed financing.
Classic Pen Company: Developing an ABC Model	#9198117		Jane Dempsey, controller of the Classic Pen Company, is concerned about the recent financial trends in operating results. Classic Pen has been the low-cost producer of traditional BLUE pens and BLACK pens. Profit margins were over 20%. Dempsey believes she has the information to estimate an activity-based cost model for Classic Pen.
Colorscope, Inc.	#197040	Los Angeles, CA, pre-press, 20 employees, 1996	A small company in the graphic arts business faces severe price competition. The company has to respond by cutting costs and making process improvements. Introduces job costing, activity-based costing, cost controls, process improvements, and product pricing concepts.
Hallstead Jewelers	#9107060		A family owned jewelry store has relocated to a larger store and is experiencing losses for the first time. Sales and costs have increased along with the breakeven point. Changes in pricing and promotion must be explored. Alternative actions to return to profitability must be considered. Introduces breakeven analysis and strategies, variable and fixed cost analysis, and marketing management.

**Disclaimer**

This syllabus reflects the information that was available when it was written. There might be changes in this syllabus and assignment schedule as the semester progresses. It is the student's responsibility to check for changes in withdrawal deadlines, homework schedule changes, examination dates, etc.