# Management Accounting

## Gr. A-Cl: Prof. Antonella Cifalinò; Prof. Irene Elenora Lisi; Gr. Co-La: Prof. Gianluca Buccarella; Prof. Massimo Memmola; Gr. Le-Po: Prof. Paola Brocero; Prof. Alberto Pogna; Gr. Pr-Z: Prof. Paola Sacco; Prof. Matteo Invernizzi

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to develop knowledge and skills regarding the design and use of management accounting systems in the context of business management, with particular reference to the algorithms for assessing the economic convenience of alternative path actions in the short term, as well as cost accounting, budget, reporting and variance analysis.

At the end of the course, students will be able to:

1. demonstrate knowledge and understanding of the purposes of management accounting systems and its constituent elements, with reference to technical and organisational aspects;
2. demonstrate knowledge of and apply the design criteria and methods of use of management accounting system’s tools (cost accounting, budget, reporting, variance analysis);
3. demonstrate knowledge of and apply cost-effectiveness evaluation algorithms to support short-term decisions (differential analysis and cost-volume-profit analysis);
4. autonomously interpret information produced by management accounting systems in order to make judgments of economic convenience;
5. communicate information produced by management accounting systems to various company recipients;
6. evaluate the contribution provided by planning and control systems to business management;
7. advance in Management Accounting studies.

***COURSE CONTENT***

The course is divided into two modules lasting 30 hours each, for a total of 60 hours. The content is divided into three groups of topics as follows.

Module 1 (part 1): ‘*Costs and managerial decisions in the short term’*

The role of the planning and control processes in a company: purpose and elements.

Algorithms supporting short-term cost-effectiveness choices: differential analysis and cost-volume-profit analysis.

Module 1 (part 2): *‘Cost accounting systems’*

The cost accounting system: purpose and structure.

The criteria for designing cost accounting systems. The definition of cost objects. The choice of cost configuration. Cost allocation methods.

Module 2: *‘The budgeting and reporting system’*

The evolution of the concept of budget; the structure and development of the master budget, the organisational dimension of the budget process. The reporting system and the analysis of variances. Management by objectives.

***READING LIST***

Students are expected to study in depth the following textbooks:

S. Baraldi-A. Cifalinò-P. Sacco (edited by), *I sistemi di programmazione e controllo,* Giappichelli, Turin, 2011.

S. Baraldi-A. Cifalinò-P. Sacco, *Esercizi svolti di programmazione e controllo,* Giappichelli, Turin, 2021.

In addition, students will be able to find on Blackboard: (i) the number of the chapters referring to the texts linked to the topics explained in class during the different modules in which the course is divided; (ii) further material to support the notes taken in class (slides, exercises).

***TEACHING METHOD***

Frontal lectures consisting in explanations, exemplifications, and practical exercises.

***ASSESSMENT METHOD AND CRITERIA***

Written exam consisting in open-ended questions and exercises on module 1 and 2.

The students attending classes will have the possibility to divide the exam into two different written tests (the first one will take place at the end of module 1, while the second one will be scheduled during the first official exam session, at the end of the semester); please note that, in order to access these tests, it will be necessary to register on Blackboard. Every test will be based on open-ended questions and exercises. In order to pass the exam, students will have to get a positive mark in both tests. Students who don’t get a positive mark in both tests, will be asked to take the ordinary exam during the official sessions, as indicated above. Each test determines 50% of the final mark.

Students will be assessed according to the following criteria: the knowledge and understanding of the models analysed in class; the ability to make full use of the tools, the techniques, and the algorithms included in the course programme; the ability to identify relevant information, choose the best methodology to address a specific issue, and make examples; the adoption of a critical approach towards the subject, also through the analysis of the advantages / disadvantages of the models explained during the course from a conceptual and practical perspective; the capacity to find links between the different aspects of a management accounting system; the knowledge of the topics, the techniques, and the terminology of this subject, also while communicating information on management accounting.

***NOTES AND PREREQUISITES***

The students who would like to write their dissertation in this subject area (that is to say choosing the topic, carrying out bibliographic research, defining a reading list and the research methodology, creating a table of contents, and writing the dissertation) will find a useful document on *Blackboard* with all the information they need.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG, or on the Faculty notice board.