

## **AG416 Management Accounting: Theory & Practice**

### **2023/24 SEMESTER 2**

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#### **CLASS DESCRIPTION**

The class examines management accounting from a range of perspectives, and allows the student to develop an understanding of both the theoretical and more academic aspects of management accounting, whilst also allowing them to understand how it works in a practical sense. The emphasis is on the management accountant as a key member of the management team, at the centre of the strategic business decision-making process. A range of case studies, scenarios, academic journal articles, and practical hands-on experience, through a business simulation game, are used to bring the subject to life, and to prepare the student for the ‘real world’ beyond university.

#### **CLASS AIMS**

The class examines management accounting from a range of perspectives, and allows the student to develop an understanding of both the theoretical and more academic aspects of management accounting, whilst also allowing them to understand how it works in a practical sense. The emphasis is on the management accountant as a key member of the management team, at the centre of the strategic business decision-making process. A range of case studies, scenarios, academic journal articles, and practical hands-on experience, through a business simulation game, are used to bring the subject to life, and to prepare the student for the ‘real world’ beyond university.

#### **LEARNING OUTCOMES**

##### **Subject-specific knowledge and skills**

Alternative formats of teaching materials are available on request. Please contact Jillian D’Agostino in the departmental office of Accounting and Finance.

On completing this class, students will:

- A1 be aware of historical developments in management accounting;
- A2 be aware of the different theoretical and philosophical approaches to understanding management accounting;
- A3 be aware how management accounting practice relates to conceptual approaches to the discipline;
- A4 be aware of the dynamic nature of management accounting practice and theory;
- A5 be aware of the complexity and diversity of management accounting.

### **Cognitive abilities and non-subject specific skills**

During the class students will

- B1 Develop intellectual and professional competencies by analysing and evaluating evidence, logical reasoning and practical applications;
- B2 Develop communication skills – listening, discussion, questioning, presenting, explaining and defending a position, giving feedback, writing;
- B3 Develop group management skills;
- B4 Develop intellectual understanding, clarifying concepts and theories by thinking, discussion, observing and constructing connections;
- B5 Develop a mature learning stance by accepting personal responsibility for progress and direction of learning, questioning authority, using feedback from mistakes.

### **ASSESSMENT**

The modes of assessment are listed below. A mixed approach is taken as no single assessment can be expected to assess students' achievements in the range of knowledge, skills and understanding appropriate to this class.

<b>Assessment Element</b>	<b>% Weighting</b>	<b>Individual/Group</b>
1 coursework (2000 words)	30	Individual
1 Group business simulation &	20	Group

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business report (5,000 words)		
End of Year Exam	50	Individual

### Coursework

Read the case study, available on Myplace, and answer the requirement(s), 2,000 words due by 12pm on Wednesday of week 5 (14 February 2024).

**It is a requirement for course completion to submit all parts of the class assessment. Non-submission of any part will result in an overall mark of zero being awarded for the class.**

### Business Simulation

During the course of the term, students will participate, in groups, against each other, in an online business simulation, which will require practical input, in terms of management and accounting skills. At the end of the semester (week 11), the team will submit a review of business performance, with some analysis into how academic research could help them going forward. The total outcome from the business simulation will be a group assessment, worth 5% (for how well the group performs in the business simulation) and 15% (for the business review) = a total of 20%.

### Examination

The final exam will be a 2-hour written exam, worth 50% of the overall class mark. It will be case study-based, with students expected to draw on both practical experience / knowledge and academic learning. A sample examination paper will be provided in due course.

### Late submission.

Late submission of work will result in a late penalty, according to departmental policy. All submissions **should be submitted via Myplace**, using Word or Word compatible software.

[POLICY and procedure for LATE SUBMISSION OF COURSEWORK \(strath.ac.uk\)](http://strath.ac.uk)

### Penalties for the Late Submission of Coursework

Coursework is deemed to be late when it is submitted after the published deadline without an agreed extension, and in the absence of personal circumstances. The Policy and Procedure on Late Submission of Coursework provides a detailed account of the policy and procedures for the

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late submission of coursework. You should read this document carefully.

## **FEEDBACK**

The standard turnaround time for all feedback and marking within SBS is 15 working days from assessment submission.

The University policy on Assessment and Feedback is available here:

[http://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/assessment\\_and\\_feedback\\_policy\\_-\\_Effective\\_Sep\\_14.pdf](http://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/assessment_and_feedback_policy_-_Effective_Sep_14.pdf)

## **COMPENSATION SCHEME**

The Business School follows the University's compensation policy, which can be found here:

[https://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/Policy\\_on\\_Compensation\\_Scheme.pdf](https://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/Policy_on_Compensation_Scheme.pdf)

## **REASSESSMENT**

There are no resits for honours classes.

## **Marking Criteria**

The following University marking criteria will be applied throughout this course.

<b>Class</b>	<b>%</b>	<b>Descriptor</b>
<b>First</b>	<b>92, 100</b>	<b><u>Exceptional demonstration of the learning outcomes</u></b> Exceptional in most or every respect, the work demonstrates all of the characteristics noted for First class in the Outstanding range below and is also well beyond the level expected of a highly competent student at their level of study, and could not be bettered for the level of study.
	<b>84</b>	<b><u>Outstanding demonstration of the learning outcomes</u></b> Outstanding in most respects, the work is what might be expected of a highly competent student at their level of study. <u>The work demonstrates</u>

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		<p><u>most of the following attributes:</u></p> <ul style="list-style-type: none"> <li>- A breadth of appropriate and focused knowledge, and a deep and critical understanding of the subject matter</li> <li>- An outstanding standard of synthesis and evaluation, and a critical and insightful analysis</li> <li>- Complexity of thought, creativity, insight and/or originality</li> <li>- Evidence of comprehensive reading and thought of significant complexity and well beyond, but still relevant to, course/assignment materials</li> <li>- Outstanding use of references and exemplars, well beyond, but still relevant to, course/assignment materials</li> <li>- An outstanding standard of writing and communication and/or presentation, that is clearly and logically structured</li> </ul>
	<p><b>72, 75, 78</b></p>	<p><b><u>Excellent demonstration of the learning outcomes</u></b></p> <p>Excellent in most respects, the work is what might be expected of a very competent student at their level of study. The work demonstrates</p> <ul style="list-style-type: none"> <li>- Wide, appropriate and focussed knowledge and critical understanding of the subject matter</li> <li>- An excellent standard of synthesis and evaluation and/or shows critical and insightful analysis</li> <li>- Some complexity of thought, insight and/or originality</li> <li>- Evidence of comprehensive reading and thought beyond course/assignment materials</li> <li>- Excellent use of references and exemplars</li> <li>- An excellent standard of writing and communication and/or presentation, that is clearly and logically structured</li> </ul>
<p><b>Upper second</b></p>	<p><b>Low</b> 2.1: 62 <b>Mid</b> 2.1: 65 <b>High</b> 2.1: 68</p>	<p><b><u>Comprehensive demonstration of the learning outcomes</u></b></p> <p>Very good or good in most respects for the level of study in displaying attainment of the learning outcomes, with marks at the higher end of this scale reflecting stronger and more consistent attainment of the learning outcomes. This work demonstrates:</p> <ul style="list-style-type: none"> <li>- A very good or good level of appropriate knowledge and critical understanding of the subject matter, with only occasional lapses in detail</li> <li>- Very good or good synthesis, analysis, reflection, understanding and/or critical evaluation</li> <li>- Evidence of reading and thought beyond course/assignment materials</li> <li>- Appropriate use of references and exemplars</li> <li>- A good standard of writing and communication and/or presentation, that is clearly and logically structured</li> </ul>
<p><b>Lower second</b></p>	<p><b>Low</b> 2.2: 52 <b>Mid</b> 2.2: 55 <b>High</b> 2.2: 58</p>	<p><b><u>Satisfactory demonstration of the learning outcomes:</u></b></p> <p>The work is satisfactory for the level of study and clearly meets the requirements for demonstrating the relevant learning outcomes. Marks at the higher end of this scale reflect stronger and more consistent attainment of the learning outcomes for this standard of work. This work demonstrates:</p>

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		<ul style="list-style-type: none"> <li>- Satisfactory knowledge and a reasonable understanding of the essential material</li> <li>- Weaknesses in the synthesis and/or analysis, reflection, understanding and critical evaluation of material, resulting in parts of the work being overly descriptive in nature</li> <li>- General accuracy with occasional mistakes and/or reduced focus on the main issue or lapses in detail</li> <li>- Limited evidence of reading and thought beyond course/assignment materials</li> <li>- A satisfactory standard of writing and communication and/or presentation, where there may be weaknesses in the clarity and/or structure of the work</li> <li>- Appropriate use of references and exemplars, though there may be minor flaws in the referencing technique</li> </ul>
<b>Third</b>	<b>Low 3<sup>rd</sup>: 42, Mid 3<sup>rd</sup>: 45, High 3<sup>rd</sup>: 48</b>	<p><b><u>Limited demonstration of the learning outcomes.</u></b></p> <p>The work meets the minimum requirements for demonstrating the relevant learning outcomes for the level of study in years 1 to 4, but not at year 5 and PGT level. Marks at the higher end of this scale reflect stronger and more consistent attainment of the learning outcomes for this standard of work, although ultimately insufficiently at year 5 and PGT level. This work demonstrates:</p> <ul style="list-style-type: none"> <li>- Basic knowledge and understanding</li> <li>- A weak argument which is not logically structured or which lacks clarity or is based on unsubstantiated statements</li> <li>- No relevant critical analysis</li> <li>- Insufficient evidence of reading and thought beyond course/assignment materials</li> <li>- Poor organisation and/or presentation</li> <li>- A lack of references and exemplars</li> </ul>
<b>Fail</b>	<b>32, 35, 38</b>	<p><b><u>Marginal fail: Inadequate demonstration of the learning outcomes</u></b></p> <p>The work fails to meet the minimum requirements for demonstrating the relevant learning outcomes for the level of study. Marks at the higher end of this scale reflect stronger and more consistent attainment of the learning outcomes within this range of marks. This work demonstrates:</p> <ul style="list-style-type: none"> <li>- An insufficient level of knowledge and understanding</li> <li>- A poorly structured, poorly developed, or incoherent argument, or no argument at all</li> <li>- An awkward writing style or poor expression of concepts</li> <li>- A lack of familiarity with the subject and/or assessment method</li> <li>- Insufficient evidence of reading and thought beyond course/assignment materials</li> <li>- A lack of references and exemplars</li> </ul>

20	<p><b><u>Clear fail: Weak demonstration of the learning outcomes</u></b></p> <p>The work is very weak or shows a decided lack of effort. The work demonstrates</p> <ul style="list-style-type: none"> <li>- Very poor or confused knowledge and understanding, with reference to only a few key words, phrases or key ideas</li> <li>- No argument or one based on irrelevant and erroneous content</li> <li>- Irrelevant content and extensive omissions</li> <li>- Weaknesses of presentation and/or logic and/or evidence</li> <li>- Inadequate evidence of learning</li> <li>- Incomplete or inadequately presented references, if any</li> </ul>
10	<p><b><u>Minimal demonstration of the learning outcomes</u></b></p> <ul style="list-style-type: none"> <li>- The work is extremely weak. The work demonstrates: No knowledge or understanding of the area in question</li> <li>- Incomplete, muddled, and/or irrelevant material</li> <li>- Irrelevant or little content, extensive omissions</li> <li>- Weaknesses of presentation and/or logic and/or evidence</li> <li>- Deficient evidence of learning</li> <li>- Incomplete or inadequately presented references, if any</li> </ul>
0	<p><b>No relevant work submitted for assessment</b></p>

## TEACHING AND LEARNING

The class is timetabled every week for 3 hours, for 10 weeks. Each week will vary in its content and format, and will be composed of a combination of face-to-face/online learning, individual and group work, through lectures, seminars, tutorials and the business simulation game.

The lectures will follow the structure of the recommended text, and will also refer to research articles on management accounting. The material from these lectures will then form the basis for the seminar/workshops. In the seminar workshops, the lecturer's role will normally be to initiate and maintain the discussion and involve all students in the debates. It is crucial that you read and prepare the material in advance, if you are to gain the most from these sessions.

Within seminars, a number of learning techniques will be used to help develop your understanding of the different topics. These will normally involve collaborating in small groups on a series of short tasks and then informally sharing the outcome with other groups, reflecting on materials and discussions in addition to more formal class debates.

In addition to the classroom discussions, you are expected to write an academic essay on a management accounting theme of your choice. Writing such a review integrates many of the important elements this class seeks to develop. It requires knowledge of what you are doing and why, analysing the task in hand, thinking of what you already know, from prior reading and thinking and how that information may be restructured. A key skill to be developed here is the ability to succinctly summarise a complex idea. The material from the suggested research articles

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may also be used to feed into your final examinations. This essay is therefore not simply a piece of assessment but an important part in the learning process.

Finally, you will be registered for a Business Simulation game, which will be undertaken in groups, in a virtual marketplace. This will allow you to put into practice your management accounting skills, in a real world environment. Time will be set aside each week during class to work on their group inputs to quarterly decisions, and feedback will be given the following week on performance. Further detail will be distributed in class, but in the meantime, students might like to refer to the web site for an insight into the game: <https://www.marketplace-simulation.com/venture-strategy>

## **ACHIEVEMENT OF LEARNING OUTCOMES**

The achievement of learning outcomes is necessary to successfully complete the class, both in terms of your learning development and in your class assessment. It is important, therefore, that you are confident about achieving these outcomes as the class progresses. Opportunities will be given for you to reflect upon what you have achieved during this class.

## **READING**

A recommended reading list will be provided at the start of the semester. All articles will be accessible through the library's on-line journal service.

### **Recommended Text**

Groot, T. and F. Selto (2013) *Advanced Management Accounting*, Pearson Education, ISBN 978-0-273-73018. [www.pearsoned.co.uk/grootselto](http://www.pearsoned.co.uk/grootselto)



<b>Week</b>	<b>Groot &amp; Selto Chapter</b>	<b>Lecture Topic</b>	<b>Journal Article</b>	<b>Business Simulation</b>	<b>Business Simulation Decision Due by:</b>
<b>1</b>	1	Foundations of management accounting	-	Introduction to the business game and web site	
<b>2</b>	2	Planning and decision making	<b>1</b>	<b>Quarter 1:</b> Organise the business	<b>Week 3</b>
<b>3</b>	3	Management control	<b>2</b>	<b>Quarter 2:</b> Go to test market	<b>Week 4</b>
<b>4</b>	5	Budgeting and beyond	<b>3</b>	<b>Quarter 3:</b> Evaluate performance and adjust strategy	<b>Week 5</b>
<b>5</b>	6	Cost analysis and estimation	<b>4</b>	<b>Quarter 4:</b> Invest in the future	<b>Week 6</b>
<b>6</b>	8	Management of operational performance	<b>5</b>	<b>Quarter 5:</b> Expand the business strategy	<b>Week 7</b>
<b>7</b>	9	Transfer pricing for divisionalised operations	<b>6</b>	<b>Quarter 6:</b> Refine the business strategy	<b>Week 8</b>
<b>8</b>	10	Integrated financial and non-financial measures	<b>7</b>	Assess performance	
<b>9</b>	11	Inter-organisational management control	<b>8</b>	Assess performance	
<b>10</b>		Revision and Exam Preparation		<b>Business Review</b>	
<b>11</b>		<b>NO CLASSES</b>	-	<b>Business Review Due</b>	<b>Week 11</b>

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