PMB678 Management Accounting

KAIST College of business
Fall 2017

Professor Ingoo Han 한인구 (S306, phone: 3613, 010-5255-3786)
TA :

Class Hour: 19:00-22:00, Tue
Office Hour: You are always welcome to visit, e-mail, and phone professor and TA.

1. Course Objective and Outline

This course introduces the basic concepts and principles of management accounting and enables students to utilize accounting information for decision making from the perspective of managers, internal users, while financial accounting deals with accounting information from the perspective of external users such as investors. This course focuses on managerial issues while related accounting issues in financial accounting, auditing and taxes will be also covered. The main topics covered in this course are as follows.

1) Basic concepts and theoretical framework of management accounting
2) Cost analysis
3) Activity-Based Costing
4) Responsibility accounting
5) Balanced Score Card
6) Performance measurement and compensation
7) Managerial decision making based on accounting information

2. Preparation of Classes and Assignments

Students are required to read assigned chapters and should be ready for the discussion of assignments. Students are also to turn in the assigned homework by the

due date which is usually the first class of next week unless specified otherwise. Students may be asked to present the assignments in the class. Assignments are not graded by the correctness of answers but checked for the quality and completeness.

3. Textbook and Reading Materials

1) Textbook: Horngren, Datar & Rajan, Cost Accounting, 15th Edition, Pearson, 2015
2) Economic newspapers and journals

4. Useful Web Sites

http://www.imanet.org/ 미국 관리회계사협회
http://www.maak.or.kr/ 한국관리회계학회

5. Group Project

A group of four students will perform a case study on management accounting issues. Students select a target company in Korea and other countries. The issues to be covered by the case study are, not limited to, as the followings:

1) Outline of the target company
2) Identification of relevant management accounting issues
3) Analysis of problems and issues
4) Propose how to solve problems or improve the efficiency
5) Strategic implications for management

You are encouraged to visit the target company or meet with the staffs of the target company. You may not collect enough data from the target company because they are mostly proprietary. Search public data and use your imagination if needed.

The report should use quotations and references for information and knowledge sources like academic research. When the final term project is turned in, the activity log summarizing the group's activity toward the project should be accompanied. The activity

log should describe the role of each member, meetings, data collection, interviews, analysis, writing, etc. so that the professor can understand how each member of group has contributed to the project and how the project has proceeded. Every member of the group should present the project or assignment in turn.

<Schedule>

- 9/4 Formation of Group
- 10/23 Presentation of the Proposal of Term Project
- 12/4 Presentation of Term Project

6. Evaluation

- Mid-term exam 25%
- Final exam 25%
- Group Project 30%
- Assignments 10%
- Class participation 10%

7. Course Schedule

8/28-1 Mon Introduction to Management Accounting Ch 1,

Assignment 1: 현재 또는 과거의 소속회사에서 경험했던, 당면한 또는 앞으로 고려해야 할 관리회계 이슈를 제시하고 2개 정도의 질문 및 답(없어도 됨)을 포함해서 1페이지 이내로 간단히 설명하라.

8/28-2 Mon Cost Terms Ch 2

Problem for Self-Study (p.73)

1. Prepare the supporting schedule of cost of goods manufactured 제조원가명세서

9/4-1 Mon Cost-Volume-Profit Analysis Ch 3

Assignment 2: Problem for self-study (p.110)

1. BEP, target sales
2. Sensitivity analysis

9/4-2 Mon Job costing Ch 4

9/11 Mon Activity-Based Costing Ch 5

Assignment 3: Problem for self-study (p.195)

1. Traditional costing
2. Activity-based costing
3. Comparison between 1 and 2

9/18 Mon Responsibility Accounting Ch 6
Flexible Budgets& Direct-Cost Variances Ch 7

Assignment 4: Problem for self-study (p.290)

1. Variance analysis

(2. 분개는 과제 아닙니다)

9/25-1 Mon Flexible Budgets & Overhead Cost Variances Ch 8

Assignment 5: Problem for self-study (p.335)

1. Variance analysis for variable overhead
2. Variance analysis for fixed overhead
3. Explain 1 & 2

9/25-2 Mon Inventory Costing Ch 9

10/2 Mon Cost Behavior Ch 10
Decision Making Ch 11

Assignment 6: Problem for self-study (p.473)

1. Cost comparison
2. Explain why

10/9 추석

10/16 Mon Mid-term Exam

10/23-1 Mon Present the Proposal of Term Project

10/23-2 Mon Balanced Scorecard Ch 12

10/30 Mon Advanced Agenda of CFO

11/6-1 Mon Pricing Ch 13

11/6-2 Mon-2 Cost Allocation Ch 14

Assignment 7: Problem for self-study (p.598)

1. Sales-mix variance & sales-quantity variance
2. Market-share variance & market-size variance
3. Insights from 1 & 2

11/13 Tu Common Costs Ch 15

	Joint Products and Byproducts	Ch 16
11/20 Tu	Process Costing	Ch 17
	Balanced Scorecard	Ch 19
11/27 Mon	Transfer Pricing	Ch 22
	Performance measurement	Ch 23
12/4 Mon	Presentation of Term Project & Review	
12/11 Mon	Final Exam	