



**Performance Measurement and Control
ACCT 5012
Winter 2015
Thursday, 6-9PM, DT301**

Instructor: Hilary Becker, Ph.D., CGA
Office: DT 1012
Phone: 613-520-2600 ex. 3717
E-mail: hilary_becker@sprott.carleton.ca
Office Hours: Tuesday 1:00-2:30, Thursday 3:00-4:30

Course Description:

ACCT 5012 is an integrated course which covers the performance measurement and control side of accounting. Evaluation of the corporate and business level strategies is critical to the proper functioning of an organization. Measures of both effectiveness and efficiency in the implementation will help management to perform better in the future. The measurement of performance helps in the proper allocation of resources by both firm's management and investors.

The course should also help you gain an appreciation for the uses of accounting information to evaluate performance and the limitations inherent in accounting information.

Graduate Calendar Description:

ACCT 5012 [0.25 credit]

Efficacy and efficiency of corporate strategies. Design and use of performance measurement systems from an organizational integrated systems view. Balanced scorecard, activity-based management, and other performance measurement and control systems. Precludes additional credit for BUSI 5000 (no longer offered).

Learning Objectives:

Upon completion of this course, students will be expected to have:

- a) A general understanding of the role of performance measurement and the control function in organizations.
- b) An understanding of the various methods of performance measurement and their use, including budgeting, variance analysis, costing techniques and pricing issues.

- c) An understanding (including the limitations) of accounting measurements and reporting in performance measurement and control.
- d) Skills to critically analyze and interpret accounting information for decision purposes.
- e) A solid foundation for additional study and careers in business.

Course Restrictions:

Course Prerequisites:

Successful completion of both ACCT 5001 and ACCT 5002.

Textbook:

Custom publication available at the bookstore for ACCT 5012. The custom publication represent selected chapters from the textbook “*Cost Accounting: A Managerial Emphasis*, 6th Canadian Edition”, Horngren et. al., 2013.

Cases and readings as assigned and are available through either the library or for purchase

The following textbook will be placed in the library for review purposes.

Horngren, Foster, Datar, Teall, Gowing, *Cost Accounting – A Managerial Emphasis*, 6th Canadian Edition, Pearson, 2013

Exam Date: February 26, 2015, 6-9PM

Drop Course Policy:

The deadline for academic withdrawal is the last day of classes (each term).

Grading Scheme:

Participation	10%
Individual Assignment (1)	15%
Group Case (2)	30%
Final examination	<u>45%</u>
	<u>100%</u>

In the ACCT 5012 course, there will be one individual assignment (in week 4) and two group case assignments (in week 3 and 6) designed to integrate the material from the course. The group case is to be submitted in groups of no more than 4 students (max), 3 students (min). The cases are due at the beginning of the class assigned to submit the case. **Late cases will not be accepted.**

Participation is critical in a course like this. To gain a full understanding of the material, students are expected to participate in each class. Learning outcomes are enhanced when students share experiences and knowledge.

Preparation and Participation:

The format of the course consists generally of one 170-minute class meetings per week. Due to time constraints not all chapter material will be covered in class. Students are responsible for the entire content of each chapter of the textbook as well as all additional topics discussed in class, except for those areas specifically excluded by the instructor.

Class sessions entail a mixture of lecture, case study, problem analysis, and class discussion. The content of any lecture presumes and expects you have carefully studied the assigned reading. Lectures emphasize major topics and readings, yet you are responsible for all assigned materials. It requires active learning, which means that the student must take responsibility for the learning that takes place. You must do the problems and readings assigned and be prepared for each class. You are encouraged to ask questions and to stimulate discussion on topics that you have difficulty understanding.

How to do well in this course:

COME TO CLASS AND PRACTICE, PRACTICE, PRACTICE...

To perform well in this course, you must spend time answering extra problems and checking the answers to test their understanding. To maximize your learning, you should make an honest attempt at the question before peeking at the solution. Simply reading a question and then turning to the solution right away is next to useless. You will find that there is likely to be a direct correlation between the number of problems you prepare, your attendance in class and your course grade.

Class Etiquette

1. Late arrival should be an exception. When necessary, sit on entering side; do not disturb the class.
2. Early departure should be an exception also.
3. Early preparation for departure - please don't.
4. Talking - with everyone or with no one.
5. Cell phones and other electronic noises....off.

FINAL THOUGHTS

For many students, this course is a difficult one. Part of this difficulty stems from a challenging subject matter, but the biggest difficulty comes from failing to devote enough effort to working with the material. Like calculus and other courses where no two problems look alike, financial accounting requires that you practice working with it—over and over and over. You are unlikely to learn by merely watching someone else "do accounting."

These observations have a number of implications for you and us. First, you will have to spend many hours during, and after class working on the course. During class, you should ask questions whenever they arise and don't stop asking until you are satisfied that you understand our explanations. This class contains lots of new vocabulary and concepts, so don't be afraid to ask us for clarification or examples. After class, you should review both

your class notes and the suggested solutions to the assigned problems to improve your understanding. It is absolutely essential that you keep up with the assigned reading and end-of-chapter problems.

In exchange for your hard work, you can expect the same from us. For example, expect me to come to class with an organized outline of the day's topics. Expect me to enthusiastically answer any and all of your questions, either in-person during class and office hours, or via e-mail and WebCT postings. Expect me to provide timely feedback on how well you are understanding the material.

Missed Assignment and Deferred Final Examination:

Students who miss an assignment due to illness or other circumstances beyond their control must contact the instructor and provide a medical note for the missed assignment. Marks will be re-allocated to the final exam.

Deferred Final Examination:

Students unable to write a final examination because of illness or other circumstances beyond their control must contact the instructor in writing to request a deferred exam. Permission may be granted when the absence is supported by a medical certificate and or appropriate document/s to support the reason for the deferral. Deferred exams are not granted for students who have made travel arrangements that conflict with examination schedule.

Course Schedule:

The following schedule is a **tentative** outlook of the semester:

Week #	Topic	Chapter	Readings **	Cases (due beginning of class)
1	The management control Process		Ch.23 (p.923-930) Ch. 24 (p.983-989)	
2	Support Cost Allocation Activity Based Costing and Activity Based Management	1	Ch. 14 (p. 568-72) Ch. 5	
3	Relevant Costing	2 & 3	Ch. 10 Ch. 11	Case: ABC Dakota Office Products #102021
4	Advanced Variance Analysis	4	Ch. 8 Ch.16 (p644-52)	
5	The Balanced Scorecard and the	5 & 6	Ch. 13 (p.517-30)	Assignment

	Market		Ch. 19 (p.754-760, 769-70)	(Individual): TBA
6	Revenue, Quality and Transfer Pricing	7 & 8	Ch. 16 (p.634-40) Ch.19 (p.765-79) Ch. 23 (p.930-43)	Case: BSC Maverick Lodging #: UVAC2160

** Cost Accounting: A Managerial Emphasis, Horngren et al. (6th Cdn. Edition) (On reserve at library)

Additional (Optional) Readings List: (Available through library/online)

Week	Readings
1	a) Neely et. al., <i>Performance Measurement System Design</i> , IJOPM, 15, 4, p.80-116. (main reading) b) Bourne, et. al., <i>Designing, Implementing and Updating Performance Measurement Systems</i> , IJOPM, 20, 7, p.754-771. (secondary reading)
2	a) Trussel J. and Bitner L., <i>Strategic Cost Management, An Activity Based Management Approach</i> , Management Decision 36/7, 1998, p.441-47 b) Ben-Arieh, D. and Qian, L., <i>Activity Cost Management for Design and Development Stage</i> , International Journal of Production Economics, 83 (2003), p. 169-83 c) Kaplan, R., <i>Introduction to Activity Based Costing</i> , Harvard Business Press, 9-197-076 (optional)
3	Readings Text
4	a) Libby T. and Lindsay, R., <i>Beyond Budgeting or Budgeting Reconsidered? A Survey of North American Budgeting Practice</i> , Management Accounting Research 21 (2010), p.56-75
5	a) Kaplan, R. and Norton, D., <i>Using the Balanced Scorecard as a Strategic Management System</i> , Harvard Business Review, July 2007, b) Kaplan, R. and Norton, D. <i>The Balanced Scorecard, Measures that Drive Performance</i> , Harvard Business Review, July 2005
6	Sikka, P. and Willmott, H., <i>The Dark Side of Transfer Pricing: Its Role in Tax Avoidance and Wealth Retentiveness</i> , Critical Perspectives on Accounting, 21 (2010), p. 342-56

Policy on Mobile Devices

The use of mobile devices IS NOT PERMITTED in this class. It is disruptive to the instructor and class members. If you carry such a device to class, please make sure it is turned off. If an emergency situation requires you to keep it turned on, please discuss this with your instructor prior to class.

Group Work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, followership and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your instructor may assign one or more group tasks/assignments/projects in this course.

Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

Person with Disabilities

Students with disabilities requiring academic accommodations in this course are encouraged to contact a co-ordinator at the Paul Menton Centre for Students with Disabilities to complete the necessary letters of accommodation. After registering with the PMC, make an appointment to meet and discuss your needs with me at least two weeks prior to the first in-class test or ITV midterm exam. This is necessary in order to ensure sufficient time to make the necessary arrangements. Please refer to <http://www.carleton.ca/pmc/> for all PMC information.

Religious Observance

Students requesting academic accommodation on the basis of religious observance should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory academic event. Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student.

Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

Pregnancy

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete *a letter of accommodation*. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

Academic Integrity

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student –

weaken the quality of the degree and will not be tolerated. Penalties may include expulsion; suspension from all studies at Carleton; suspension from full-time studies; a refusal of permission to continue or to register in a specific degree program; academic probation; and a grade of Failure in the course, amongst others. Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at <http://www2.carleton.ca/sasc/advisingcentre/academic-integrity/>.

Important dates and deadlines

Winter 2015	
Jan. 5	MBA W1 and W1 and W2 classes begin.
Feb. 13	MBA W1 classes end. Deadline for academic withdrawal is the last day of classes (each term)
Feb. 16-20	Winter break, no classes.
Feb. 20-27	MBA W1 Exam and final project week. No regularly scheduled MBA classes with the exception of INAF/PADM classes.