



ACCT 5012P
Performance Measurement and Control
Summer 2020

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Office Hours: By appointment
CU Learn: <http://webct.carleton.ca>

Graduate Calendar Description:

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).

Course Description & objectives

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.

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 Prerequisites:

Successful completion of both ACCT 5001 and ACCT 5002.

Textbook and Cases:

Cases and readings as assigned and are available through CU Learn and the library

Methods of Evaluation:

| | |
|--|--------------------|
| Online Participation | 10% |
| Assignment (Group of 2 Students): Due: May 16 | 20% |
| Group Case (Group of 3-4 Students): Due: May 23 | 25% |
| Final examination: May 24-27 (Take-home) | <u>45%</u> |
| | <u>100%</u> |

Drop Course Policy

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

Individual and Team Case Assignment Critiques:

In the ACCT 5012 course, there will be one individual assignment (group of 2 students) and one group case assignments (group of 3-4 students). The assignment and case are to be uploaded to the dropbox in CULearn. **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.

Exam Date: May 24-27 - Take-home Case

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.

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. You are unlikely to learn by merely watching someone else "do accounting."

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 via e-mail and WebCT postings. Expect me to provide timely feedback on how well you are understanding the material.

Course Schedule:

| Session # | Topic | Readings Custom Text (Horngren Text) |
|------------------|--|---|
| 1 Friday | The management control Process | Ch. 1 (Ch. 21) |
| 2 Friday | Support Cost Allocation, Activity Based Management and Strategic Cost Management | Ch. 2 (Ch. 14) Ch. 3 (Ch. 5) |
| 3 Friday | Capacity and Constraint Management | Ch. 4 (Ch. 9) |

| | | |
|------------|--|--|
| 4 Saturday | Advanced Variance Analysis | Ch. 5 (Ch. 16) |
| 5 Saturday | Revenue, Quality Cost and Transfer Pricing | Ch. 5 (Ch. 16) Ch. 6 (Ch. 11) Ch. 1 (Ch. 21) |
| 6 Saturday | Performance Management and the Market | Ch. 7 (Ch. 13) |
| Assignment | Due: May 17 | |
| Case | Due: May 21 | |
| Final Exam | Due: May 24-27 | |

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

| Session | Readings |
|---------|---|
| 1 | a) Neely et. al., <i>Performance Measurement System Design</i> , IJOPM, 15, 4, p.80-116. |
| 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) |
| 6 | 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 |

ADDITIONAL INFORMATION

Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Spratt School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor 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.

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

| | | | |
|--------------|-------------|-------------|-------------|
| A+ = 90-100 | B+ = 77-79 | C+ = 67-69 | D+ = 57-59 |
| A = 85-89 | B = 73-76 | C = 63-66 | D = 53-56 |
| A - = 80-84 | B - = 70-72 | C - = 60-62 | D - = 50-52 |
| F = Below 50 | | | |

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

Pregnancy obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website:

<https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf>

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website:

<https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf>

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. carleton.ca/pmc

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit:

<https://carleton.ca/sexual-violence-support/>

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist.

<https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline

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; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, 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: <https://carleton.ca/registrar/academic-integrity/>

Centre for Student Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: carleton.ca/csas

Important Information:

- Students must always retain a hard copy of all work that is submitted.
- All final grades are subject to the Dean’s approval.
- For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/new-students-2/>

Important dates and deadlines

<https://sprott.carleton.ca/students/mba/dates-deadlines-policies/>