



FACULTY OF
BUSINESS AND ECONOMICS

ACCG825
Management Accounting:
Strategy and Control

Semester 1, 2011

***Department of Accounting and Corporate
Governance***

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT GUIDE**

Year and Semester:	2011 First Semester
Unit Convenor:	Associate Professor Maria Cadiz Dyball
Prerequisite:	ACCG611 or ACCG613
Credit Points:	4

The unit has been substantially revised to align with the Faculty's new Master of Commerce program which commences this semester.

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. Additional materials referred to in the unit outline must be read and are considered integral parts of the unit outline. If anything in it is unclear, please consult the Unit Convenor, Associate Professor Dyball.

ABOUT THIS UNIT

This unit examines how management accounting operates within an organisation's strategic control system. The actual and potential role of management accounting in enabling and hindering strategic control processes are assessed. Concepts and processes such as product life cycle, value-chain analysis, budgeting, customer and supplier relations and learning and innovation are analysed.

Strategic control is aimed at controlling the content of strategy as opposed to controlling the implementation of strategy. Management accounting is often depicted as primarily useful in the implementation of strategy. Its role in strategic planning and monitoring of strategic content is perceived to be either limited or undervalued. This unit investigates its actual and potential role based on published work by leading scholars in the field.

The organisation and content of this unit also supports a view that students who understand the 'big picture' and ethical dimensions of organisational processes have a better basis for learning, are better decision makers, and are better able to apply what they learn to new situations.

TEACHING STAFF

Unit Convenor	Associate Professor Maria Cadiz Dyball Office location: E4A Room 207 Telephone: 9850 9176 Email: maria.dyball@mq.edu.au
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CONSULTATION TIMES

- Consultation availability:

Mondays, 1:30pm-2:30pm unless otherwise advised

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct any consultations by email. You may, however, phone staff during their consultation hours.

In order to gain access to Room 207 in Building E4A, students must use the phone at the foyer and dial extension 9176 to inform Associate Professor Maria Cadiz Dyball that you wish to consult in person.

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

CLASSES

- This course comprises a maximum of 12 classes held from weeks 1 to 13, including the two week study period. There will be no face to face class on the Monday in Weeks 8 and 9 because of a public holiday and on-line ethics modules.
- The timetable for classes can be found on the University web site at: <http://www.timetables.mq.edu.au/>

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

- The required materials will be posted on the unit's webpage at - <http://learn.mq.edu.au>. A list is provided in an appendix on pages 11-12.
- Recommended texts include, but are not limited to the following, and are available in the Macquarie Library and for purchase at the Co-op Bookshop on campus. These texts may be useful as preliminary reading for the management accounting concepts and/or techniques discussed in the required materials:
 - Atkinson, A.A., Kaplan, R.S., Matsumura, E.M. and Young, S.M. (2007) Management Accounting, Fifth Edition, Pearson Prentice Hall.
 - Langfield-Smith, K., Thorne, H., Hilton, R. (2009) Management Accounting – Information for Creating and Managing Value, Fifth Edition, McGraw-Hill.

TECHNOLOGY USED AND REQUIRED

- Students are required to use information technology in this unit.
- Students will need to use Electronic access to Blackboard to download, among other things, the unit outline and required materials and to complete the on-line ethics modules.

UNIT WEB PAGE

- Course material is available on the learning management system (Blackboard).
- The web page for this unit can be found at: <http://learn.mq.edu.au>

- Consult the web page frequently. You will find administrative updates, lecture notes, class materials and detailed information on assessments posted there.
- If you are unable to access the website because you are not aware of or have forgotten your username and password, please contact the IT helpdesk located on Level 1 of the Library on 9850 6500. The IT helpdesk will also be able to assist you with using Blackboard. Please note that you may also refer to the help feature in Blackboard.
- Please remember to log out when you have finished using Blackboard. Failure to do so could result in unauthorised access to your Blackboard account.

LEARNING OUTCOMES

1. demonstrate knowledge and understanding of the role of management accounting in strategic control;
2. analyse and integrate knowledge by recommending changes to the design and use of management accounting to enhance its role in strategic control;
3. problem find and problem solve real world advanced management accounting issues, and,
4. critically reflect on the ethical dimensions of management accounting.

GRADUATE CAPABILITIES

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University's graduates will need to develop to address the challenges, and to be effective, engaged participants in their world.

This unit contributes to this by developing the following graduate capabilities:

- 1 Discipline Specific Knowledge and Skills
- 2 Critical, Analytical and Integrative Thinking
- 3 Problem Solving Capability
- 4 Effective Communication
- 5 Engaged and Ethical Local and Global citizens

TEACHING AND LEARNING STRATEGY

- Each class provides a learning environment to engage in lectures, participate in instructor-led discussions, individual and group work and/or presentations. The early diagnostic quiz will be conducted in class also.
 - Classes will have a lecture component to highlight the conceptual frameworks and management accounting techniques covered in a particular week. Reference to real-life examples are also referred to in classes to assist students in the application of these frameworks and techniques in organisations. If applicable, the lecture slides/notes will be available at the unit webpage prior to the classes (usually the Friday before the class). For your convenience it is recommended to print hardcopies of the relevant lecture notes before coming to class. Students are provided with a week-by-week list of the topics to be covered, please see pages 11-12 of this outline.

- As classes constitute a critical learning experience of this unit, there is an expectation that you attend all of them. A highly participatory teaching strategy will be adopted, where students can engage with their fellow students and the Unit Convenor. During classes there may be times when new material including short problems and cases, will be introduced to engage students in active learning.
- Prior to a class, the student must read the relevant materials. It may be possible that the Unit Convenor may not be able to cover each and every slide of the lecture notes during the classes, although every effort will be applied to cover all the slides. Students must also prepare written responses to all of the pre-set questions and/or case studies prior to the class; respond to questions raised during classes; demonstrate enthusiasm for the subject, and challenge the Unit Convenor's assumptions during discussions and explore opposing points of view. The pre-set class assignments (cases and/or questions) will be available on-line at the unit's webpage.
- It is essential that students learn independently and assumes responsibility for the learning process. ACCG825 relies heavily on independent learning where students read the relevant materials, revise the lecture notes, prepare answers to the pre-set class assignments, and extend themselves by doing preparatory support reading if necessary. Whilst students must have the requisite financial and/or management accounting knowledge, revisions might be required to appreciate and navigate through the required materials.
- Typically classes will be structured as follows (with variations in activity sequencing, if required):

<i>Session</i>	<i>Activity</i>
<i>1st</i> <i>(1.5 hours)</i>	<ul style="list-style-type: none"> ● Brief discussion of questions you might have ● Discussion of answers to pre-set questions. ● Short break
<i>2nd</i>	<ul style="list-style-type: none"> ● Discussion of the week's lecture topic. ● Closing comments

RESEARCH AND PRACTICE

- This unit uses research from external sources (please see page 11-12)
- This unit gives you practice in applying research findings in your individual case study assignments.

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

	ASSESSMENT TASK 1	ASSESSMENT TASK 2	ASSESSMENT TASK 3	ASSESSMENT TASK 4	ASSESSMENT TASK 5
Type	Early Diagnostic Quiz	Individual Case Study Assignments	Group Ethics Case Study	Class Participation	Final Examination
Description	The written quiz provides feedback early in the semester to both students and Unit Convenor. Students identified with learning challenges will be asked to meet with the Unit Convenor during consultation time.	This assessment engages students to apply management accounting concepts and techniques to “real world” and organisational contexts.	This on-line assessment introduces students to the ethical dimension of business processes and encourages them to reflect on their personal and peers’ values as they impact on an analysis of a ‘real world’ scenario.	This assessment allows students to demonstrate that they are working continuously throughout the semester to achieve the learning outcomes of the unit.	A written final examination provides assurance that: i) the product belongs to the student, and, ii) the student has attained the knowledge and skills tested in the exam.
Due Date	Week 4: March 4 (in-class)	Assignment 1 - Week 7: April 4 (in-class) Assignment 2 – Week 12: May 23 (in-class)	Starts in Week 7: April 4 (on-line in Blackboard) Ends in Week 9: May 6 (on-line in Blackboard)	Weekly, from Week 2 except in Weeks 8 (Public Holiday) and 9 (dedicated to completion of Assessment Task 3), ending Week 12.	First Half Examination Period – from June 6 to 24; Exact date to be released in due course at http://www.timetables.mq.edu.au/exam
% Weighting	5%	20%	15%	10%	50%
Grading	The quiz will be marked in accordance with a marking guide prepared by the Unit Convenor.	The written case study assignments will be marked in accordance with a marking guide prepared by the Unit Convenor, which will be discussed with students and then posted on Blackboard.	The on-line group discussions will be marked in accordance with a grading rubric prepared by the Unit Convenor which will be discussed with the students. The grading rubric will be available as part of the on-line ethics modules. Every group member receives the same mark.	Individual class participation will be calculated from Week 2 up to and including Week 12 (except in Weeks 8 and 9). Students will be awarded a weekly mark based on a number of criteria, which will be explained in class in Week 1 and then posted on Blackboard.	The final exam will be marked in accordance with a moderated marking guide prepared by the Unit Convenor.

			<p>If, in any group, there are complaints that a group member has not contributed approximately equally then the complaint will need to be reported in writing to the Unit Convenor (UC). Following such a report the whole group will meet with the UC to discuss the issue and the UC may re-allocate marks appropriately. In the event that any group member does not attend such a meeting then the necessary re-allocation decision will be made on the basis of discussions with those who do attend.</p>		
Submission Method	<p>In-class at the beginning of the class.</p> <p>There will be not be a supplementary quiz. Quiz weighting will be added onto final exam weightings, only if legitimate reasons arise (see information on special consideration on page 9).</p>	<p>In-class at the beginning of the class. Students must make a copy of their assignments for class discussion purposes.</p> <p>Late assignments will not be accepted. Students not submitting assignments due to unavoidable disruptions (see special consideration on page 9), may have another opportunity to submit their work OR have the assignment weighting added onto their final exam weighting.</p>	<p>On-line – assessment must be completed by Friday of Week 9, May 6.</p> <p>Late completions will not be allowed. Groups not completing the assignments due to unavoidable disruptions (see special consideration on page 9), may have another opportunity to submit their work OR have the task weighting added onto their final exam weighting.</p>	<p>Continuously during class time.</p> <p>Students absent from class due to unavoidable disruptions (see special consideration on page 9), may have their average participation mark adjusted.</p>	<p>At the end of the scheduled examination day and time.</p>

Feedback	Individual written and summative class verbal feedback in Week 6.	Individual written and summative class verbal feedback provided two weeks after the assignment was collected.	Group written and summative class verbal feedback provided in Week 11.	Participation marks provided on Blackboard as follows: End of Week 7 End of Week 12	Feedback is not provided on final exams.
Estimated student workload (hours)	30 minutes in-class; 7 dedicated hours spread from Week 1 to 3; additional workload hours shared with Assessment Task 5	30 dedicated hours spread from Weeks 4 to 6; and Weeks 9 to 11; additional workload hours shared with Assessment Task 5	20 dedicated hours spread from Weeks 7 to 9; additional workload hours shared with Assessment Task 5	3 hours during class. Workload overlaps with preparation for Assessment Tasks 1, 2 and 5, but say additional dedicated 15 hours spread from Weeks 1 to 11.	2 hours examination; 70 dedicated hours of continuous learning from Weeks 1 to 13; additional hours may be available during the examination period from June 6 to 24.
Learning Outcomes Assessed	1, 2 (see page 3)	1, 2, 3 (see page 3)	3, 4 (see page 3)	1, 2, 3 (see page 3)	1, 2, 3, 4 (see page 3)
Graduate Capabilities Assessed	1, 2, 4 (see page 3)	1, 2, 3 (see page 3)	2, 3, 4, 5 (see page 3)	1, 2, 3, 4 (see page 3)	1, 2, 3, 4, 5 (see page 3)

Additional information relating to the Final Examination:

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on special consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. The Faculty of Business and Economics releases a schedule of Supplementary Examinations.

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at:

<http://www.mq.edu.au/policy/docs/examination/policy.htm>

ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at:

http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

GRADES

Macquarie University uses the following grades in coursework units of study:

HD - High Distinction

D - Distinction

CR - Credit

P - Pass

F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

<http://www.mq.edu.au/policy/docs/grading/policy.html>

All final grades in the Department of Accounting and Corporate Governance are determined by a grading committee and are not the sole responsibility of the Unit Convenor.

Macquarie University's Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a Standardised Numerical Grade (SNG).

The Standardised Numerical Grade (SNG) is not a summation of the individual assessment components.

To be awarded a specific grade, students are required to perform at an equivalent standard in the final examination and the overall assessment mark in the unit.

Please also refer to relevant pages in the Handbook of Postgraduate Studies.

GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes valid grounds for appeal before appealing your grade.

http://www.businessandconomics.mq.edu.au/for/new_and_current_students/undergraduate/admin_central/grade_appeals.

SPECIAL CONSIDERATION

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level.

The policy is available at:

http://www.mq.edu.au/policy/docs/special_consideration/procedure.html

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

For general enquiries students will be provided support by staff at the Business and Economics Graduate Centre located at Level 2 of E4A.

IT CONDITIONS OF USE

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

COURSE MATERIALS

Course Materials and corresponding pre-set questions are available at the Unit's Webpage.

Class	Topic	Readings
1	Strategic Control	<ol style="list-style-type: none"> 1. Preble, J.F., (1992) Towards a Comprehensive System of Strategic Control, <i>Journal of Management Studies</i>, 29(4), 391-409. 2. Muralidharan, R. (1997) Strategic Control for Fast-moving Markets: Updating the Strategy and Monitoring Performance, <i>Long Range Planning</i>, 30(1), 64-73.
2	Business Strategy	<ol style="list-style-type: none"> 1. Porter, M.E. (1980) <i>Competitive strategy, Techniques for analysing industries and competitors</i>, New York, The Free Press. 2. Hamel, G. And Prahalad, C.K. (1983) Strategy as Stretch and Leverage, <i>Harvard Business Review</i>, March-April, 75-84. 3. Miles, R.E., Snow, C.C., Meyer, A.D., Coleman, H.T., Jr., 1978, Organisational Strategy, Structure and Process, <i>The Academy of Management Review</i>, 3(3), 546-562.
3	Strategic Management Accounting	<ol style="list-style-type: none"> 1. Simons, R. (1990) The Role of Management Control Systems in Creating Competitive Advantage: New Perspectives, <i>Accounting, Organizations and Society</i>, 15(1/2), 127-143. 2. Bromwich, M. (1990) The Case for Strategic Management Accounting: The Role of Accounting Information for Strategy in Competitive Markets, <i>Accounting, Organizations and Society</i>, 15(1/2), 27-46. 3. Dixon, R. (1998) Accounting for Strategic Management: A Practical Application, <i>Long Range Planning</i>, 31(2), 272-279.
4	Product Life Cycle	<ol style="list-style-type: none"> 1. Anderson, C.R. And Zeithaml, C.P. (1984), Stage of the Product Life Cycle, Business Strategy and Business Performance, <i>Academy of Management</i>, 27(1), 5-24. 2. Dunk, A.S. (2004), Product Life Cycle cost analysis: the impact of customer profiling, competitive advantage and quality of IS information, <i>Management of Accounting Research</i>, 15, 401-414.
5	Value Chain Analysis	<ol style="list-style-type: none"> 1. Hergert, M. and Morris, D. (1989), Accounting Data for Value Chain Analysis, <i>Strategic Management Journal</i>, 10(2), 175-188. 2. Shank, J.K. and Govindarajan, V. (1989), Chapter 3: Concepts in Value Chain Analysis: The "Famous' Crown Cork and Seal Company Case", <i>Strategic Cost Analysis: The Evolution from Managerial to Strategic Accounting</i>, Richard D. Irwin, Inc., 39-59.

6	Budgeting	<ol style="list-style-type: none"> 1. Shields, J.F. and Shields, M.D. (1998), Antecedents of Participative Budgeting, <i>Accounting, Organizations and Society</i>, 23(1), 49-76. 2. Abernathy, M. A. and Brownell, P. (1999), The role of budgets in organizations facing strategic change: an exploratory study, <i>Accounting, Organizations and Society</i>, 24, 189-204.
7	Customer Relations	<ol style="list-style-type: none"> 1. Campbell, N.C.G. Cunningham, M.T. (1983) Customer Analysis for Strategy Development in Industrial Markets, <i>Strategic Management Journal</i>, 4, 369-380. 2. Reirartz, W.J. And Kumar, V. (2000), On the Profitability of Long-Life Customers in a Noncontractual Setting: an Empirical Investigation and Implications for Marketing, <i>The Journal of Marketing</i>, 64(4), 17-35.
		TWO-WEEK MID-SEMESTER STUDY BREAK
8	Ethics	Materials are available on-line as part of the <i>e- Ethics Module</i>
9	Ethics	Materials are available on-line as part of the <i>e- Ethics Module</i>
10	Supplier Relations	<ol style="list-style-type: none"> 1. Gietzmann, M.B. (1996) Incomplete Contracts and the Make or Buy Decision: Governance Design and Attainable Flexibility, <i>Accounting, Organizations and Society</i>, 21(6), 611-626. 2. Ittner, C.D., Larckes, D.F., Nagar, V., Rajan, M.V. (1999) Supplier selection, monitoring practices, and firm performance, <i>Journal of Accounting and Public Policy</i>, 18, 253-281.
11	Learning and Innovation	<ol style="list-style-type: none"> 1. Davila, T. (2005), The Promise of Management Control Systems for Innovation and Strategic Change, in Chapman, C. S. (ed) <i>Controlling Strategy: Management, Accounting, and Performance Measurement</i>, 37-61. 2. Kloot, L. (1997), Organizational Learning and management control systems: responding to environmental change, <i>Management Accounting Research</i>, 8, 47-73.
12	Knowledge	<ol style="list-style-type: none"> 1. Tayles, M., Bramley, A., Adshead, N. and Farr, J. (2002), Dealing with the management of intellectual capital: The potential role of strategic management accounting, <i>Accounting, Auditing and Accountability Journal</i>, 15(2), 251-267. 2. Morris, T. and Empson, L. (1998), Organisation and expertise: An Exploration of Knowledge bases and the management of accounting and consulting firms, <i>Accounting, Organizations and Society</i>, 23(5/6), 609-624.