

Management Accounting

Module Code: DLBMAE

Module Type	Admission Requirements	Study Level	CP	Student Workload
see curriculum	none	BA	5	150 h

Semester / Term	Duration	Regularly offered in	Language of Instruction and Examination
see curriculum	Minimum 1 semester	WiSe/SoSe	English

Module Coordinator

Prof. Dr. Muhammad Ashfaq (Management Accounting)

Contributing Courses to Module

- Management Accounting (DLBMAE01)

Module Exam Type

Module Exam

Study Format: myStudies
Exam or Written Assessment: Written Assignment, 90 Minutes

Study Format: Distance Learning
Exam or Written Assessment: Written Assignment, 90 Minutes

Split Exam

Weight of Module

see curriculum

Module Contents

- Management accounting and control function
- Differences between management accounting, and financial accounting
- Cost terms, cost categories, and cost behavior
- Cost allocation
- General and specific cost allocation methods
- Break-even analysis
- Planning and budgeting

Learning Outcomes**Management Accounting**

On successful completion, students will be able to

- differentiate the management accounting and control function from the financial accounting and the financial management function.
- understand the cost structure and discuss the cost aspects of business operation.
- analyze and apply the tools for viewing and differentiating costs and utilize them to ameliorate business decision-making.
- discuss how the budgeting process and variance analysis works to implement the management control function.

Links to other Modules within the Study Program

This module is similar to other modules in the fields of Finance & Tax Accounting

Links to other Study Programs of the University

All Bachelor Programmes in the Business & Management fields

Management Accounting

Course Code: DLBMAE01

Study Level	Language of Instruction and Examination	Contact Hours	CP	Admission Requirements
BA	English		5	none

Course Description

Management accounting is an important function to operate an organization. Managers need to understand this function in order to be able to run an organization efficiently. In most organizations, decisions, actions and human behavior are directly linked to the feature, use and focus of management accounting information. This course is about understanding the preparation and use of information provided by management accounting. Cost accounting as a central part of the management accounting informs the management about the profitability of its core business. The cost and performance measurement serves the internal decision, control and budgeting process.

Course Outcomes

On successful completion, students will be able to

- differentiate the management accounting and control function from the financial accounting and the financial management function.
- understand the cost structure and discuss the cost aspects of business operation.
- analyze and apply the tools for viewing and differentiating costs and utilize them to ameliorate business decision-making.
- discuss how the budgeting process and variance analysis works to implement the management control function.

Contents

1. Introduction to Management Accounting
 - 1.1 Financial vs. Management/Cost Accounting
 - 1.2 Definition of Cost
 - 1.3 Considering the Contemporary Business World Context
 - 1.4 Cost Behavior: Fixed and Variable Costs
2. Cost-Volume-Profit Analysis
 - 2.1 Break-Even Analysis
 - 2.2 Cost Structure and Operating Leverage
 - 2.3 Cost Structure and Variabilization

3. Simplistic Methods of Cost Allocation
 - 3.1 Cost Behavior: Direct and Indirect Costs
 - 3.2 The Need for Cost Allocation
 - 3.3 Predetermined Overhead Rate
 - 3.4 Departmental Overhead Rate
 - 3.5 Over- and Under-Application of Overhead
4. Activity-Based Costing
 - 4.1 The Rationale of Activity-Based Costing
 - 4.2 Implementing Activity-Based Costing
5. Overhead Analysis Sheet
 - 5.1 Departmental Cost Allocation
 - 5.2 Reciprocal Method
 - 5.3 Step Method
6. Relevant Cost Concepts
 - 6.1 Foundational Cost Concepts
 - 6.2 Replacement of Equipment
 - 6.3 Make or Buy
 - 6.4 Special Order
 - 6.5 Drop Product Line
7. Operating Budgets
 - 7.1 The Budgeting Process
 - 7.2 Sales Budget
 - 7.3 Production Budgets
 - 7.4 Administrative Expense Budget
 - 7.5 Budgeted Income Statement
8. Financial Budgets
 - 8.1 Cash Budget
 - 8.2 Conflicts and Pitfalls in Budgeting

Literature**Compulsory Reading****Further Reading**

- Atkinson, A. A., Kaplan, R., Matsumura, E. M., & Young, S. M. (2012). Management accounting: Information for decision-making and strategy execution (6th ed.). Pearson.
- Drury, C. (2019). Management accounting for business (7th ed.). Cengage.

Study Format myStudies

Study Format myStudies	Course Type Lecture
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Information about the examination	
Examination Admission Requirements	BOLK: yes Course Evaluation: no
Type of Exam	Exam or Written Assessment: Written Assignment, 90 Minutes

Student Workload					
Self Study 100 h	Contact Hours 0 h	Tutorial 25 h	Self Test 25 h	Independent Study 0 h	Hours Total 150 h

Instructional Methods	
<input type="checkbox"/> Learning Sprints® <input checked="" type="checkbox"/> Course Book <input type="checkbox"/> Vodcast <input checked="" type="checkbox"/> Shortcast <input checked="" type="checkbox"/> Audio <input checked="" type="checkbox"/> Exam Template	<input type="checkbox"/> Review Book <input type="checkbox"/> Creative Lab <input checked="" type="checkbox"/> Guideline <input checked="" type="checkbox"/> Live Tutorium/Course Feed <input type="checkbox"/> Reader <input checked="" type="checkbox"/> Slides

Study Format Distance Learning

Study Format Distance Learning	Course Type Online Lecture
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Information about the examination	
Examination Admission Requirements	BOLK: yes Course Evaluation: no
Type of Exam	Exam or Written Assessment: Written Assignment, 90 Minutes

Student Workload					
Self Study 100 h	Contact Hours 0 h	Tutorial 25 h	Self Test 25 h	Independent Study 0 h	Hours Total 150 h

Instructional Methods	
<input type="checkbox"/> Learning Sprints® <input checked="" type="checkbox"/> Course Book <input type="checkbox"/> Vodcast <input checked="" type="checkbox"/> Shortcast <input checked="" type="checkbox"/> Audio <input checked="" type="checkbox"/> Exam Template	<input type="checkbox"/> Review Book <input type="checkbox"/> Creative Lab <input checked="" type="checkbox"/> Guideline <input checked="" type="checkbox"/> Live Tutorium/Course Feed <input type="checkbox"/> Reader <input checked="" type="checkbox"/> Slides