

NATIONAL UNIVERSITY OF SINGAPORE  
NUS Business School  
Department of Accountancy

## **ACC3602 – Managerial Planning and Control, Semester I, AY2014**

### **Instructor**

Instructor & Course Coordinator: Dr Sim Kiah Seng

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Consultation Hours: Wednesday 1000-1200

### **Session:**

	1	2
<b>B1</b>	<b>Monday, 1.00-2.30pm</b>	<b>Monday, 2.30-4.00pm</b>
<b>B2</b>	<b>Monday, 9.00-10.30am</b>	<b>Monday, 10.30-12.00pm</b>
<b>B3</b>	<b>Tuesday, 9.00-10.30am</b>	<b>Tuesday, 10.30-12.00pm</b>

### **Course Objectives and Scope**

This course builds on ACC2002 Managerial Accounting. This focus will be on the measurement. The focus will be on the measurement and evaluations of the performance of organizational entities and their managers. Management accounting at this level of analysis is an integral part of companies' management control systems. Performance measurement and control is an essential function of management to ensure that the organization's objectives and strategies are carried out effectively.

The course focuses on elements and methods of financial results control systems, that is, those that involve measurement and evaluation of financial and non-financial performance. The course discusses key decisions that must be made, such as choice of performance measures, and performance standards and targets. The course also examines in depth how the pricing of goods and services that are transferred from one organizational entity to another often causes problems in the measurement of an entity's financial performance. The course also discusses problems that measuring and evaluating performance in accounting terms creates, including limitations of traditional performance measures, and discusses the approaches and methods to mitigate these problems and shortcomings. Some of the more advanced cost and management accounting concepts will be covered as well.

## Recommended Text

Management Control Systems: Performance Measurement, Evaluation and Incentives (3<sup>rd</sup> ed) by Merchant and Van der Stede (Prentice-Hall/Financial Times, 2012). (Referred to as **MCS**).

## Assessment Methods

Your final grade of the course will be calculated as follows:

Class participation	10%
Homework and case analyses	20%
Mid-term test	30%
Final examination	<u>40%</u>
Total	<u>100%</u>

10% of your final grade is based on class participation. Attendance is considered as part of the class participation. It is important for you to attend each lecture and tutorial and be actively involved in class activities. Class participation includes asking and answering questions raised by instructor or by your fellow students, offering alternative solutions, commenting on others' work, etc. You should be adequately prepared before you come to each tutorial. Homework and cases help students to master important knowledge and skills. All students should complete the assigned questions and cases before the tutorial regardless of whether they are making the presentations or not. Members of the class who do not present in any given week are advised not to "sit back" and "enjoy the view." They are required to familiarize themselves with the questions and cases assigned, and critique and ask questions of the presenting student(s). The quality and frequency of such questioning in part determines the grade for class participation.

There is one meeting each week for the module, which comprises of a **one-half- hour lecture and tutorial each**. The tutorial is conducted through presentations by student teams, with specific questions or cases assigned for each tutorial. Teams are required to submit a written report and make a formal presentation to the class. 20% of your final grade is based on presentations and written reports.

The mid-term test constitutes 30% of your final grade for this module. The final examination constitutes 40% of your final grade. University-approved calculators are permitted. No other electronic devices will be allowed. No make-up exam will be administered except under exceptional circumstances.

**To the Student:**

This is a rewarding but not an essay course. It is essential that you come prepared to all lectures and tutorials. Class materials will be made available in IVLE. Please re-read the requisite chapters in your textbook before the lectures and complete tutorial questions and cases ahead of time. You will save a lot of revision time with some advance preparation and be amply rewarded with participation marks when you actively participate in class.

Please use your name card in each session to assist me in getting to know you. This is also necessary to grade class participation in class.

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Last, lectures and tutorials will begin punctually at the time scheduled. Please be on time.

**Please note:**

A finalized and detailed schedule for the semester, including a list of case studies for the respective sessions and the assignment questions, will be handed out separately. The finalization of the list depends upon the enrolment size.

**Lectures and Tutorials Schedule**

Week	Topic	Readings
1	Introduction to MCS	Chaps 1-6
2-3	Advanced Management Accounting Concepts and Applications	Handouts
4	Responsibility Centers and Transfer Pricing	Chap 7
5	Planning and Budgeting	Chap 8
6-8	Performance Measurement and Control	Chaps 10-12
9-10	Management Compensation and control	Chaps 9, 11, 13-14
11	Control for uncontrollable factors	Chap 12
12	Ethical issues and Review for final	Chap 15

**Midterm Test: Time and venue to be announced**