

Advanced Managerial Accounting
ACCT-GB 6331 C1

SYLLABUS
Spring 2023 – BS/MS Accounting

Professor Yoel Beniluz

Section: Section C1 Tuesday and Thursday, 8:00 AM – 9:15 AM In-Person, KMEC 2-100

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Office Hours: Tuesday, 11:00 AM – noon, and by appointment

COURSE OVERVIEW AND OBJECTIVES

This course explores the use of accounting information for *internal* planning, analysis, and decision-making. The *main objective* of the course is to equip you with the knowledge to understand, evaluate, and act upon the many financial and non-financial reports used in managing modern firms.

Managing any modern firm requires information about the firm's products, processes, assets, and customers. This information is a key input into a wide range of decisions: analyzing profitability of various products, managing product-line portfolios, setting prices, measuring and managing profitability of customers, making operational and strategic decisions, evaluating investments, guiding improvement efforts, and so on.

The *focus* of this course is on modern internal-reporting systems. We will discover that many firms do not provide their managers with useful information; we will see numerous examples of value destruction and bankruptcies caused by this. We will also investigate some modern ideas in how an organization's internal information system should be designed to enhance value creation; and we will see how world-class firms take advantage of their competitors' internal-reporting mistakes.

To attain the right level of understanding, we will briefly explore the mechanics of the many techniques used to prepare internal reports. But the emphasis in this course is very much on interpretation, evaluation, and decision-making.

TEACHING MATERIALS

Recommended textbook:

- ***Managerial Accounting***, by Garrison, Noreen, and Brewer, 17th edition.
- You can also use the much less expensive 16th edition of the Garrison-Noreen-Brewer text.
- Roughly half the course sessions will rely on pre-readings from this text. Also, for most course topics, I will suggest several problems from the text for self-study and self-evaluation.

Cases:

Some of the cases we will use are copyrighted cases. You will need to purchase these cases from Harvard Business School Publishing; instructions will be posted on NYU Brightspace.

I will post reading materials not requiring copyrights and lecture slides on NYU Brightspace.

I will also post any important announcements on NYU Brightspace.

FEEDBACK

I encourage you to provide feedback on class topics, content, and cases. I appreciate any concerns, questions, or opinions regarding the course. I would like to continue to improve this course; participants' feedback is critical.

CLASS MEETINGS

In each class, we focus on the management aspects of the topic. To prepare for class, you should go through the readings and prepare case questions (for classes where we discuss cases).

Case discussion will take up approximately half of the course. I have found that a mix of lectures, cases, and discussions provides an ideal interactive learning environment.

Students will be active participants in case discussions, providing summaries of issues, analyses and recommendations. This involves the preparation of the case and reading assignments before class and the active sharing of your insights during class.

Note that many of the managerial problems I will address through cases will not have clear-cut or "correct" solutions; do not let this discourage you.

Each student should carefully prepare the assigned case and be ready to be called on to present their analysis or to comment on others' analyses. You are encouraged to prepare for cases in teams. I will randomly call on students when discussing cases.

GRADES

The course grade will be based on class participation, one closed-book midterm, 2 case write-ups, and a closed-book final examination:

Grades will be based on the following weights:

Attendance (ON TIME) and Participation	10%
Submitting of short answers in preparation to cases (effort grade)	10%
Write-up of cases (Roomrunner Security Solutions and Falco Scooters (A))	10%
Midterm Exam	35%
Final Exam	35%
Total	100%

Class participation. The grade for class participation will depend on the quality of your interaction and participation in class discussions. The following factors will be considered:

- Case preparation. You should prepare answers to the case questions. I encourage you to prepare for cases in small groups. ***I will randomly call on students to contribute to case discussion.***
- Contributing to the in-class case analysis by making comments to move the discussion toward an understanding of the company and its issues.

Write-up of Roomrunner Security Solutions and Falco Scooters (A) cases. These write-ups will be graded **based on effort only**. Submit the assignment on NYU Brightspace.

Midterm. We will have one in-class, closed-book midterm.

Final exam. The final exam will be in-class and closed-book. You may use a single page of notes (front and back).

Please note the following grading-related policies:

- There will be *no make-up midterm examinations* under any circumstances. If you miss the midterm because of a medical or family emergency, you will need to provide me with documentation; in this case, the weight of the midterm will be added to the weight of the final.
- The weights, in “Grading” above, are identical for everyone. *It is not possible to makeup for poor performance by doing extra work.*
- Request for re-grading exams must be made within 7 days of the score posting. To have an exam re-graded, you must submit a short written description of your argument that explains the grading mistake and why you believe you deserve additional credit. Upon receipt of your written description, I will review the entire exam for grading accuracy; therefore, your grade may go up or down as a result of the re-grade request.

CELL PHONES, TABLETS AND LAPTOP COMPUTERS

Experience and research have shown that use of electronic devices during class significantly disrupts learning, both for the students using the device and for others in the class.

Cell phones should be turned off and put away during class. **TEXTING DURING CLASS IS NOT PERMITTED.**

I strongly encourage you to avoid the use of tablets or laptop computers during class. I realized that some students prefer to take class notes on their tablet/computer, however, in many cases this causes more distractions than benefits, to the user and students around. If you really prefer to use your laptop/tablet, you may do so.

TENTATIVE CLASS SCHEDULE

This schedule is subject to changes. Changes will be announced on Brightspace.

Week	Date	Topic	Cases and Problems
1	Jan. 24 Jan. 26	Introduction to the course Managerial information systems: theory and practice	
2	Jan. 31 Feb. 2	Cost allocation and death spiral Capital Budgeting	RegionFly
3	Feb. 7 Feb. 9	Capital Budgeting Issues in Management Incentives	Letter from Prison
4	Feb. 14 Feb. 16	Normal absorption costing Measuring and managing the costs of capacity	Adapconn
5	Feb. 21 Feb. 23	Activity-based costing and activity-based management	Coffee Services Roomrunner Security Solutions
6	Feb. 28 Mar. 2	Estimating and managing customer profitability Customer lifetime value; Time-driven activity-based costing	Boston Children's Hospital Voray
7	Mar. 7 Mar. 9	Review for midterm exam Midterm exam	
8	Mar. 14 Mar. 16	Spring Break	
9	Mar. 21 Mar. 23	Decentralization and performance evaluation EVA - Economic Value Added	Vyaderm Pharmaceuticals
10	Mar. 28 Mar. 30	Incentive effects of absorption costing Operational Control: The Balanced Scorecard	Western Chipsets
11	Apr. 4 Apr. 6	Paying for performance and compensation; Internal Controls No Class – Class rescheduled to a day before the final exam	Kidder, Peabody & Co.: Creating Elusive Profits
12	Apr. 11 Apr. 13	Paying for performance – the principal-agent model Flexible Budgets and Variance Analysis	Waltham Motors Division
13	Apr. 18 Apr. 20	Decision analysis: sourcing and pricing decisions Decision analysis: Investments and strategic issues	Falco Scooters (A)
14	Apr. 25 Apr. 27	Transfer pricing: Introduction Transfer pricing: Monopoly setting and other issues	
15	May. 2 May. 4	Transfer pricing: negotiated transfer prices Course takeaways. Review for final exam	Birch Paper
16		Final Exam	

Final Exam Period: May 10 – 16. Final exam is scheduled for: TBA

This syllabus is a guide to assist the student in planning. Updates and changes may be necessary during the semester.

Enjoy the accounting experience, let the fun begin!

ADDITIONAL COURSE POLICIES:

ACADEMIC INTEGRITY

Integrity is critical to the learning process and to all that we do here at NYU Stern. As members of our community, all students agree to abide by the NYU Stern Student Code of Conduct, which includes a commitment to:

- Exercise integrity in all aspects of one's academic work including, but not limited to, the preparation and completion of exams, papers and all other course requirements by not engaging in any method or means that provides an unfair advantage.
- Clearly acknowledge the work and efforts of others when submitting written work as one's own. Ideas, data, direct quotations (which should be designated with quotation marks), paraphrasing, creative expression, or any other incorporation of the work of others should be fully referenced.
- Refrain from behaving in ways that knowingly support, assist, or in any way attempt to enable another person to engage in any violation of the Code of Conduct. Our support also includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to adversely affect the NYU Stern community.

The entire Stern Student Code of Conduct applies to all students enrolled in Stern courses and can be found here: www.stern.nyu.edu/uc/codeofconduct

To help ensure the integrity of our learning community, prose assignments you submit to Brightspace will be submitted to Turnitin. Turnitin will compare your submission to a database of prior submissions to Turnitin, current and archived Web pages, periodicals, journals, and publications. Additionally, your document will become part of the Turnitin database.

GENERAL CONDUCT & BEHAVIOR

Students are also expected to maintain and abide by the highest standards of professional conduct and behavior. Please familiarize yourself with Stern's Policy in Regard to In-Class Behavior & Expectations (<http://www.stern.nyu.edu/portal-partners/current-students/undergraduate/resources-policies/academic-policies/index.htm>) and the NYU Student Conduct Policy (<https://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/university-student-conduct-policy.html>).

GRADING GUIDELINES

Grading Information for Stern Core Courses

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have adopted a grading guideline for core courses with enrollments of more than 25 students in which approximately 35% of students will receive an “A” or “A-” grade. In core classes of less than 25 students, the instructor is at liberty to give whatever grades they think the students deserve, while maintaining rigorous academic standards.

Grading Information for Stern Elective Courses

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have agreed that for elective courses the individual instructor or department is responsible for determining reasonable grading guidelines.

STUDENTS WITH DISABILITIES

If you have a qualified disability and will require academic accommodation of any kind during this course, you must notify me at the beginning of the course and provide a letter from the Henry and Lucy Moses Center for Students with Disabilities (CSD, 998-4980, www.nyu.edu/csd) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation.