

MANAGERIAL ACCOUNTING (Fall 2019)

COURSE DESCRIPTIONS AND SYLLABUS

Your instructor

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Consultation hours:	KMC 10-81:	Tues	1.00pm – 1.30pm
		Thurs	1.00pm – 1.30pm

COURSE DESCRIPTIONS

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 prepare, understand, evaluate, and act upon the many financial and non-financial reports used in managing modern firms.

Managing and evaluating the modern firm requires financial and non-financial information about the firm's products, processes, assets, and customers. This information is a key input into a wide range of analytical tools to support 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, investigating efficiency, and so on.

The focus of this course is on information generated by internal accounting systems. Along the way, we will discover that many companies have not provided their managers with useful information. These managers have to rely on information systems designed years ago for very different business processes and with very different technologies. We will take a look at a number of pitfalls that these systems can induce and at the dangers in using these systems to make business decisions. We will also investigate some modern ideas in how an organization's information system should be designed.

To attain the right level of understanding, you will need to be familiar with the mechanics of the many techniques used to prepare management reports. But the emphasis in this course is very much on interpretation, evaluation, and decision-making.

TEACHING MATERIALS

The optional textbook is *Managerial Accounting for Undergraduates*, 1st edition, by Christensen, Hobson and Wallace, Cambridge Business Publishers.

There are three copyrighted cases we will use. These are available for purchase in an electronic coursepack from the bookstore. I will post reading materials not requiring copyrights and lecture

slides on NYU Classes.

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 the 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 interactive learning environment allowing for greater understanding of the managerial implications of information-system design and use.

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.

GRADING

The course grade will be based the following components:

- On line Mini Tests 10%;
- Pop Quizzes 5%;
- In-Class Closed book Midterm I 15%;
- In-Class Closed book Midterm II 15%;
- Final Exam 35%;
- Final Group Project/Presentation 20%

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 NYU Classes 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.

	Date	Topic	Optional Background Reading	Class Exercises	Review Questions
1	9/4	Introduction to the course	Chp 1	CE1.1 Campbell's	
2	9/9	Managerial information system: theory and practice - Cost concepts - Manufacturing cost flows	Chp 2	CE2.1 Classifying Costs CE2.2 Overhead Allocations and unit cost CE2.3 Manufacturing Cost Flows	RQ2
3	9/11	Traditional costing system - Job costing - Process costing - Normal absorption costing	Chp 3 Chp 4	CE3.1 Job Costing, Process Costing CE3.2 Challenges with Normal Absorption costing	RQ3
4	9/16	Cost estimation and process complexity		CE4.1* Seligram ETO	RQ4
5	9/18	Measuring and managing the costs of capacity		CE5.1 Autobest CE5.2 Microgene	RQ5
6	9/23	Measuring and managing the costs of capacity (cont.)		CE6.1 New Machine Seligram ETO	RQ6
On-Line Mini Test I due 9/23 at 6pm					
7	9/25	Review of Midterm I			
8	9/30	Mid-Term Exam I			
9	10/2	Activity-based costing	Chp 5	CE7.1* ABC Wilkerson	RQ7
10	10/7	Activity-based costing	Chp 5	CE8.1 Intro to CPA	
11	10/9	Customer profitability Analysis	Chp 5	CE9.1 Stocked vs non-stocked, Small vs large CE9.2 Ethical Drugs	
12	10/15**	Estimating and managing customer profitability	Chp 5	CE10.1 Customer Service Department	RQ10
13	10/16	Estimating and managing customer profitability (cont.)	Chp 5	CE11.1* Infinity Bank	
On-Line Mini Test II due 10/16 at 6pm					
14	10/21	Review of Midterm II			
15	10/23	Mid-term Exam II			
16	10/28	Budgeting & working capital management	Chp 9	CE15.1 Budgeting CE15.2 Working Capital Management	RQ15
17	10/30	Variance Analysis	Chp 10 Chp 11	CE16.1 Thanksgiving	

