

Internal Decision Making & Corporate Performance

Course Descriptions and Syllabus

Your instructor

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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 firms.

Managing and evaluating companies 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 the profitability of various products, managing product-line portfolios, setting prices, measuring and managing the 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 of using these systems to make business decisions. We will also investigate some modern ideas on 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.

COURSE MATERIALS

There is no prescribed textbook for this course. Learning objectives will be illustrated through a series of class exercises. You may access all course materials, including class exercises and solutions to class exercises on LMS Brightspace.

You may access a detailed listing of the sequence of topics, related materials, and related spreadsheets via LMS Brightspace. Do not forward or share materials with others.

There are a few copyrighted cases we will use. These are available for purchase in an electronic course-pack from the bookstore. I will post reading materials not requiring copyrights and lecture slides on LMS Brightspace.

ASSESSMENTS

Your final grade is calculated based on:

On-Line Mini Tests	30%
Final Exam	70%

ACADEMIC INTEGRITY

Academic integrity and honesty is central to our mission as an educational institution. [The MBA & Graduate Courses Code of Conduct](#), which all students sign, therefore places particular emphasis on academic integrity. Notably this includes refraining from any method or means that provides an unfair advantage in exams or papers, and clearly acknowledging the work of others in your own work. As a reminder, the [entire Code of Conduct is available here](#).

To help ensure the integrity of our learning community, prose assignments you submit to LMS 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.

STUDENT ACCESSIBILITY

New York University is committed to providing equal educational opportunity and participation for students with disabilities. Students who are interested in applying for academic accommodations are advised to reach out to the Moses Center for Student Accessibility (CSA) as early as possible in the semester. If you already receive accommodations through CSA, you are encouraged to request your accommodation letters through the Moses portal as soon as possible.

Moses Center for Student Accessibility (CSA), 212-998-4980, mosescsa@nyu.edu, www.nyu.edu/csa

If you 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 Moses Center for Student Accessibility (212-998-4980, mosescsa@nyu.edu) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the Moses Center for Student Accessibility, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation. For more information, visit the CSA website: <https://www.nyu.edu/students/communities-and-groups/student-accessibility.html>

STUDENT WELLNESS

Classes can get stressful. I encourage you to reach out if you need help. The NYU Wellness Exchange offers mental health support. You can reach them 24/7 at 212 443 9999, or via the "NYU Wellness Exchange" app. There are also drop in hours and appointments. Find out more at <http://www.nyu.edu/students/health-and-wellness/counseling-services.html>

DIVERSITY & INCLUSION

This course strives to support and cultivate diversity of thought, perspectives, and experiences. The intent is to present materials and activities that will challenge your current perspectives with a goal of understanding how others might see situations differently. To support this approach, this syllabus has been reviewed by NYU Stern's Office for Diversity and Inclusion to ensure inclusivity and a representative pedagogical approach to learning. By participating in this course, it is the expectation that everyone commits to making this an inclusive learning environment for all.

TENATIVE SCHEDULE

Session	Topic
1	Introduction <ul style="list-style-type: none">- Managerial Information System- Cost Concepts- Job Costing- Process Costing- Absorption Costing
2	Cost Estimation and Process Complexity <ul style="list-style-type: none">- Measuring and Managing the Cost of Capacity
3	Activity-Based Costing, Customer Profitability Analysis
4	Budgeting and Variance Analysis Incentive Effects
5	Business Decisions: CVP Analysis Relevant costs/revenues Decentralization and Performance Evaluation
6	Transfer Pricing, Balanced Scorecard, Sustainability