

## **MODULE DESCRIPTOR**

<b>TITLE</b>	<b>STRATEGIC MANAGEMENT ACCOUNTING</b>			
<b>SI MODULE CODE</b>	44-6968-00L			
<b>CREDITS</b>	20			
<b>LEVEL</b>	6			
<b>JACS CODE</b>	N411 - Cost & management accountancy			
<b>SUBJECT GROUP</b>	FINANCIAL ACCOUNTING & MANAGEMENT ACCOUNTING - SBS			
<b>DEPARTMENT</b>	Finance, Accounting and Business Systems			
<b>MODULE LEADER</b>	Dora Chan			
<b>NOTIONAL STUDY HOURS BY TYPE</b>	Tutor-led	Tutor-directed	Self-directed	Total Hours
	36	72	92	200

## **MODULE AIM(S)**

- To provide students with a deeper understanding of traditional and modern management control theories and practices.
- To develop students' critical ability in analysing business strategies and using management accounting control systems for competitive advantage.
- To develop students' ability to analyse and critically evaluate the application of various strategic management accounting concepts and techniques in helping organisations drive performance and achieve their strategies.
- To further develop students' knowledge and critical analysis of decision making, performance measurement and reward systems within multi divisional / international business.

## **MODULE LEARNING OUTCOMES**

**By engaging successfully with this module a student will be able to**

On completion of the module you should be able to:

1. Critically evaluate, using traditional and modern management control theories, the accounting and control systems adopted by specific organisations and make appropriate recommendations on future change.
2. Analyse the strategies and the associated business environment of specific organisations and evaluate the suitability and/or sustainability of the strategies upon the changing environment.
3. Analyse the key influences on cost and price and be able to apply activity-based costing, life cycle costing, kaizen costing and target costing to help organisations manage product, process, customer and other key stakeholders on the supply chain.

4. Critically evaluate different types of structures and controls (financial and non-financial) adopted by specific organisations in order to motivate and measure performance and achieve strategic objectives.
5. Apply various methods to identify optimum transfer prices for transactions between internal units and make recommendations of change on existing systems, structure and/or culture if any of these become the hindrance of achieving the objectives of implementing the transfer pricing systems.
6. Critically evaluate the practical application of contemporary management accounting approaches to help organisations gain competitiveness; such as the balanced scorecard, total quality management, cost of quality reports, just-in-time and lean manufacturing and operation systems.

## **INDICATIVE CONTENT**

### **These are examples of the content of the module**

- Strategic management theories and evaluation of strategic options.
- Environment appraisal: various techniques and application.
- Corporate position audit - value and supply chain analysis and strategic change analysis and management.
- Traditional and modern management control theories and practice, including the beyond budgeting principles.
- Evaluation of the relationship between environment, strategy and the design of management accounting and control systems.
- Organisational structures and transfer pricing systems including various approaches for setting transfer prices, such as cost based, market based, negotiated, dual and two-part tariff prices. Analysis of the impact of performance measurement and reward systems and human behaviour on the effectiveness and efficiency of transfer pricing systems is also included.
- Analysis of the behavioural implication of applying different performance measurement methods, financial (profitability, return on investment and residual income) and non-financial, to motivate and evaluate performance of responsibility centre managers.
- The concepts, techniques and application of various advanced strategic management accounting approaches to help organisations improve competitiveness; such as activity-based costing and management, direct product and customer profitability analysis, balanced scorecard, kaizen costing, life-cycle costing, target costing, just-in-time, lean manufacturing and operation, total quality management, cost of quality reports and value chain analysis.

## **LEARNING AND TEACHING METHODS**

**Students will be supported in their learning, to achieve the above outcomes, in the following ways**

A range of teaching and learning methods are used in order to offer the students a variety of learning opportunities.

### **Lectures**

Lectures will be used to introduce and explain theories, techniques and terms relevant to each topic. Practice examples, such as real life organisations, current national and international events, costing principles and accounting regulations, will be used for illustration. Visual aids, such as PowerPoint, virtualiser and videos, will be used in lecture sessions.

### **Seminars**

Seminars will be used to reinforce and further expand the materials covered in the lectures. The learning outcomes concerned with discussion, analysis and critical evaluation will be developed through seminar work which includes using case studies, problem scenarios, academic literature, newspaper articles and videos.

Students are required to prepare answers to a few problem based questions in advance of attending each seminar. These questions and the associated problem scenarios, case studies, newspaper articles or academic articles are clearly set out in the module guide.

Seminars aim to encourage the students to become independent learners while also develop their interpersonal and communication skills and confidence through working in teams and participating in class discussion, presentations and debate.

### **Virtual learning environment - Blackboard**

This module has a dedicated Blackboard site which students are expected to access on a regular basis. The Blackboard site is used to communicate various types of information to students, such as:

- Module wide information
- An electronic version of the module guide
- Lecture slides
- Suggested discussion points and/or solutions for seminar questions
- Additional readings and relevant information with direct links to external websites
- Assessment details
- Staff information and surgery times

### **Weekly surgery**

Each module tutor has a weekly surgery time, the details of which are posted on the "Staff details" page of the module's Blackboard site.

## **ASSESSMENT STRATEGY AND METHODS**

Students will have opportunities to evaluate their learning through formative and summative assessment. At the beginning of each academic year, time will be allocated for staff and students to work through each others' expectations and understanding of the module's assessment tasks and the criteria that each task is based upon.

A variety of formative activities will be used in seminars to aid learning and reflection, such as class discussion and presentations. Other formative activities; such as analysis and evaluation of case studies, problem scenarios, current international events and academic literature; enable students to develop and reflect on the knowledge and skills that are required to successfully complete the summative assessment.

Summative assessment will involve coursework and examination. The coursework will be used to help students develop the ability to analyse the business environment and strategy of a specific real world organisation and assess the suitability and/or sustainability of its strategy. Students are encouraged to make recommendations to the organisation in terms of the use of management accounting information and strategic management accounting systems. This approach will help students put their knowledge into practice and improve their employability skills.

The year-end examination will be used to assess the students' ability to analyse various business scenarios, evaluate management control systems and apply strategic management accounting concepts and techniques to a range of situations in order to help the organisations gain competitiveness.

<b>Task No.</b>	<b>TASK DESCRIPTION</b>	<b>SI Code</b>	<b>% Weighting of overall module mark</b>	<b>Word Count / Duration</b>	<b>In-module retrieval available</b>	<b>Percentage Pass Mark or Pass/Fail</b>
1	Coursework	Coursework	40	1500 words	No	
2	Examination	Examination	60	3 hours	No	

## **ASSESSMENT CRITERIA**

<b>Learning outcome</b>	<b>Fail</b>	<b>Pass</b>	<b>2.2</b>	<b>2.1</b>	<b>First</b>
1	Fail to evaluate the management accounting and control systems and make relevant recommendations.	The management accounting and control systems adopted by the organisation is evaluated but not in sufficient depth.	The management accounting and control systems adopted by the organisation is evaluated at a reasonable depth and some recommendations are provided.	The management accounting and control systems adopted by the organisation is evaluated in good detail and appropriate recommendations are provided.	The management accounting and control systems adopted by the organisation is comprehensively evaluated and well grounded recommendations are provided which demonstrate insight.
2	Fail to analyse the strategy and the associated environment.	The strategy and the key environmental factors are identified but the analysis lacks depth and examples.	The strategy and the key environmental factors are identified and their relationship is analysed but it could be developed further.	The strategy and the key environmental factors are identified and their relationship is well analysed and relevant examples are used to support the analysis.	The strategy and the key environmental factors are identified and their relationship is thoroughly analysed. Relevant examples are used to support the analysis which demonstrates insight.
3	Fail to apply appropriate concepts and techniques to analyse cost/price and/or the supply chain.	Apply some basic concepts and techniques to analyse cost/price and/or the supply chain, but the analysis lacks depth.	Apply appropriate concepts and techniques to analyse cost/price and/or the supply chain. The overall analysis is at a reasonable depth but analytical insight could be further developed.	Apply appropriate concepts and techniques to analyse cost/price and/or the supply chain and the overall analysis shows depth and is supported by relevant examples.	Apply appropriate concepts and techniques to analyse cost/price and/or the supply chain. The overall analysis is comprehensive including relevant examples and demonstrating insight.
	Fail to evaluate the structure and/or controls adopted by the organisation.	The structure and/or controls adopted by the organisation are only evaluated to some extent and analytical insight needs to be further	The structure and/or controls adopted by the organisation are reasonably evaluated and their impact on motivation and	The structure and/or controls adopted by the organisation are critically evaluated and their impact on motivation and performance	The structure and/or controls adopted by the organisation are critically evaluated and their impact on motivation and

4		developed.	performance measurement is discussed. However, more relevant examples could be used to further develop the evaluation.	measurement in order to achieve strategic objectives is well discussed. Relevant examples are used to support the evaluation.	performance measurement in order to achieve strategic objectives is thoroughly discussed showing practical application and insight.
5	Fail to apply appropriate methods to identify optimum transfer prices and too few or inappropriate recommendations are suggested.	Some appropriate methods are applied to identify optimum transfer prices and a few recommendations of changing the existing systems, structure and/or culture are suggested.	Appropriate methods are applied to identify optimum transfer prices and some valid recommendations of changing the existing systems, structure and/or culture are suggested in order to achieve the strategic objectives.	Appropriate methods are applied to identify optimum transfer prices. Existing systems, structure and/or culture are well analysed and recommendations of changing the existing systems, structure and/or culture are suggested in order to achieve the strategic objectives.	Appropriate methods are applied to identify optimum transfer prices. Existing systems, structure and/or culture are thoroughly analysed and well grounded recommendations of changing the existing systems, structure and/or culture are suggested in order to achieve the strategic objectives.
6	Fail to demonstrate sufficient understanding and ability in applying the concepts and/or techniques of different strategic management accounting systems to help the organisation concerned gain competitiveness.	Demonstrate basic understanding of different strategic management accounting systems and how they can help the organisation concerned gain competitiveness. The level of understanding and evaluative skills need to be improved.	Demonstrate knowledge of different strategic management accounting (SMA) systems. There is some evaluation of how the SMA systems can help the organisation concerned gain competitiveness but the evaluation could be developed further.	Demonstrate good knowledge of different strategic management accounting (SMA) systems. The evaluation of how the SMA systems can help the organisation concerned gain competitiveness is thorough.	Demonstrate outstanding knowledge of different strategic management accounting systems (SMA). The evaluation of how the SMA systems can help the organisation concerned gain competitiveness is comprehensive and supported by relevant examples.

## **FEEDBACK**

### **Students will receive feedback on their performance in the following ways**

Students will receive feedback in the following ways.

#### **Formative feedback**

- Through seminar discussions and informal presentations, students will receive formative oral feedback from the module tutor and other students in the seminar group.
- The question-and-answer session at the end of each informal presentation often stimulates further exchange of ideas and learning.

#### **Summative feedback**

- Individual written feedback will be provided to students following the submission of the first assessment task.
- After the return of coursework and summative feedback, students will have an opportunity to meet with the module tutor during the weekly surgery session for feedback and guidance.

## **LEARNING RESOURCES (INCLUDING READING LISTS)**

The module leader liaises closely with the University Learning Centre to ensure a wide variety of the latest books and articles are available to facilitate teaching and learning. Students are also able to utilise the online journals database via the learning centre website. The module guide will outline key readings along with utilising the Talis reading list system.

In addition to the module guide, electronic copies of all teaching materials will be placed on the module's Blackboard site along with sample assessments, formative work, web links and additional resources. A discussion board will be available so that you are able to communicate with your fellow students and module tutors.

This module uses a wide range of teaching and learning materials, such as textbooks, case studies, academic literature, newspaper articles and online information. Examples of the reading lists are showed below.

#### **Sample reading list**

Johnson, G, Scholes, K, and Whittington, R, *Exploring Corporate Strategy (Text and cases)*

Bhimani, A, Horngren, C, Datar, S and Foster, G, *Management and Cost Accounting*

Both of these texts are available in hard copy at the Learning Centre and as an E-book via the Library Catalogue and can be accessed both on and off campus.

Hoque, Z, *Strategic Management Accounting: Concepts, Processes and Issues*

Recommended texts:

Drury, C, *Management and Cost Accounting*

It is available in hard copy at the Learning Centre. It is also available as an E-book via the Library Catalogue and can be accessed both on and off campus.

Ireland R. D., Hoskisson R. E. and Hitt M. A. *The Management of Strategy Concepts and Cases*

Anthony, R and Govindarajan, V, *Management Control Systems*

Berry, A, Broadbent, J and Otley, D, *Management control: theories, issues and performance*

Bromwich, M and Bhimani A, *Management Accounting: pathways to progress*

Emmanuel, C, Otley, D, and Merchant, K, *Readings in Accounting for Management Control*

**Some relevant journals:**

- Long Range Planning
- Harvard Business Review
- Accounting and Business Research
- Management Accounting (UK)
- Management Accounting Research (UK)
- Journal of Management Accounting Research (USA)
- Accountancy
- Accounting Organisations and Society
- CIMA Insight (UK)
- Financial Management (CIMA)



## SECTION 2 'MODEL A' MODULE (INFORMATION FOR STAFF ONLY)

### MODULE DELIVERY AND ASSESSMENT MANAGEMENT INFORMATION

#### MODULE STATUS - INDICATE IF ANY CHANGES BEING MADE

NEW MODULE	No
EXISTING MODULE - NO CHANGE	No
Title Change	No
Level Change	No
Credit Change	No
Assessment Pattern Change	Yes
Change to Delivery Pattern	No
Date the changes (or new module) will be implemented	01/Sep/2014

#### MODULE DELIVERY PATTERN

Module Begins	Module Ends
17/Sep/2012	30/May/2013

Is timetabled contact time required for this module?	Yes
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Are any staff teaching on this module non-SHU employees?	No
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#### FINAL TASK

According to the Assessment Strategy shown in the Module Descriptor, which task will be the LAST TASK to be taken or handed-in? (Give task number as shown in the Assessment Strategy)	Task No. 2
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