



## RTU Course "Managerial Cost Accounting and Project Analysis"

22161 Starptautisko programmu nodāļa

### General data

Code	IUE520
Course title	Managerial Cost Accounting and Project Analysis
Course status in the programme	Compulsory/Courses of Limited Choice
Course level	Post-graduate Studies
Course type	Professional
Field of study	Business Management and Administration
Responsible instructor	Modris Ozoliņš
Academic staff	Jānis Vanags Inga Lapiņa Ingrīda Latiša
Volume of the course: parts and credits points	1 part, 6.0 Credit Points, 9.0 ECTS credits
Language of instruction	LV, EN
Possibility of distance learning	Not planned
Abstract	The course provides conceptual and technical skills for managers to run in to and solve special economics problems. The course include various cost measurement, accumulation & allocation methods as well as methodology of analysis (job order, process, standard, activity based costing, cost-volume-profit analysis, financial analysis, capital budgeting project analysis, service and quality costs, which correspond to decision making, planning, analysis and controlling process.
Goals and objectives of the course in terms of competences and skills	The aims are uncover management accounting and project analysis roots of the matter and skills using course studies as well as students work experience. To upgrade students' competences on management accounting and project analysis. As a result of mastering will be achieve following competences and skills: - Evaluate professionally report of economic activities - Well – ground proposals for finance management improvements
Structure and tasks of independent studies	Before the course students receive electronically problem quiz about cost classification. At the end of 1 module students receive home works: 1) Individual assignment 2) Group presentation "Costing methods" At the end of 2 module students receive home works: 1) Individual assignment 2) Group presentation "Project analysis" Before the endings of course students receive home works: 1) Individual assignment 2) Group presentation "Quality management costs" Exam contains: 1) Quiz. 2) Exercises
Recommended literature	Pamatliteratūra: 1. Hofs K.G. Biznesa ekonomika.- Rīga: Jāņa Rozes apgāds, 2011.- 608 lpp. 2. Charles T. Horngren, Srikant M. Datar, George Foster Cost Accounting. A Managerial Emphasis. 12th edition. Pearson Prentice Hall, 2005.- 868 pp. 3. Cost Accounting. Compiled from Charles T. Horngren, Srikant M. Datar, George Foster Cost Accounting. A Managerial Emphasis. 12th edition. Hogeschool INHOLLAND Cluster Finance.2006.- 446 pp.  Papildliteratūra 1. Vadības Grāmatvedība I un II daļas, A. Pelšs, Biznesa Komplekss, 2001 un vēlāki izdevumi 2. Finanšu menedžments, Marita Rurāne, RSEBAA, 2005 3. Michael W. Maher, Clyde P. Stickney, Roman L. Weil Managerial Accounting. An introduction to Concepts, Methods, and Uses. Thomson South-Western. 2004. - 712 pp.
Course prerequisites	Fundamentals of entrepreneurship. Accounting. Fundamentals of finance.

### Course outline

Theme	Hours
1. Introduction: Companies external environment. Essentials of management accounting	4
2. Theory of Economics. Types of organizations. Value chain	4
3. Management accounting cost terms. Cost behaviour	4
4. Costing methods. Job order, process, predetermined, activity based costing	4
5. Costing systems: full absorption costing, variable costing and process costing	16
6. Costing analyses and conclusions: comparing and evaluating costing methods	4
7. Activity Based Costing (ABC) objectives, goals and constraints	4
8. Activities Based Management. Just In Time. Objectives and goals	4
9. Application of management accounting for managing production process. Just In Time. Scarce resource costing	4
10. Project analysis. Comparative financial analyses of organizations	16

11. Project evaluation and conclusion. Comparison and apprising of financial analysis for different organizations	4
12. Budgeting: Cost – Volume – Profit analysis. Capital budgeting projects appraisal, cash flow and other cases	4
13. Budgeting control: Standard Costing, checking and controlling activities. Cost of quality management	16
14. Cost of Quality : Comparing and evaluating cost of quality management	4
15. Exam: Exam test. Exam exercises	4

### ***Learning outcomes and assessment***

Learning outcomes	Assessment methods
1. Students will be able to compare differences between management and financial accounting objectives and goals. Will be able to evaluate impact of internal and external environment to finance stability.	0-1 point for each student in the group work
2. Students will be able to assess different types of organizations, apprise value chain application for each type of organization.	0-1 point for each student in the group work
3. Students will be able to understand cost classification. Will be able to analyse impact of grouping costs to organization's financial output. Will be able to value importance of each cost group.	0-1 point for each student in the group work
4. Students will be able to make comparable analysis in monetary terms for flow of resources in the organization. Will be able to ground importance of costing.	0-1 point for each student in the group work
5. Students will be able to evaluate usage of full absorption costing, variable costing and process costing systems. Group presentation task "Costing methods".	0-1 point for each student in the group work. Individual assignment 0-7 points
6. Students will be able to discuss and make group opinion about importance and usage of costing methods.	0-1 point for each student in the group work. Presentation 0-10 points
7. Students will be able to comprehend costing methods. Will be able to analyse different costing methods. Will be able to evaluate opportunities of costing methods.	0-1 point for each student in the group work
8. Students will be able to evaluate Activities Based Costing gains and potentialities.	0-1 point for each student in the group work
9. Students will be able to understand and evaluate JIT usage potential. Will be able to assess influence of limited factors to maximizing profit.	0-1 point for each student in the group work
10. Students will be able to interpret and evaluate usage of financial analysis.	0-1 point for each student in the group work. Individual assignment 0-7 points
11. Students will be able to discuss and make group opinion about importance and usage of financial analysis.	0-1 point for each student in the group work. Presentation 0-10 points
12. Students will be able to design budgets, use cost volume profit analyses and evaluate methods opportunities and constraints. Will be able to plan cash flow; comprehend essence of capital budgeting efficiency indicators and its different results; create capital budgeting projects.	0-1 point for each student in the group work
13. Students will be able to calculate and interpret main standard variances, analyse variances from organization budget, ground causes from internal and external costs. Will be able to figure out and plan quality management costs, ground causes from internal and external costs.	0-1 point for each student in the group work. Individual assignment 0-7 points
14. Students will be able to discuss and make group opinion about importance of quality management costs.	0-1 point for each student in the group work. Presentation 0-10 points
15. Exam test and exercise. Students will be able to apply knowledge and skills in management cost accounting.	Test 10 points. Exercises 26 points

### ***Study subject structure***

Part	CP	ECTS	Hours per Week			Tests		
			Lectures	Practical	Lab.	Test	Exam	Work
1.	6.0	9.0	3.0	3.0	0.0		*	