

Syllabus  
**BAE2512 Management Accounting**  
 Prof. Harald Schnell  
 Winter Semester 2024/25

<b>Level</b>	Bachelor	
<b>Credits</b>	2	
<b>Student contact hours</b>	2	
<b>Workload</b>	60 hours	
<b>Language of teaching</b>	English	
<b>Prerequisites</b>	You should have a good understanding of traditional cost accounting systems (see lectures of Business Administration I (BAE1120)) and financial accounting, as well as financing and investment calculation and strategic management (see lectures of Business Administration II (BAE1110)).	
<b>Time</b>	Tuesday, 15.30 p.m.	
<b>Room</b>	see online schedule	
<b>Start date</b>	<b>1<sup>st</sup> October 2024</b>	
<b>Lecturer(s)</b>	<b>Name</b>	Prof. Harald Schnell
	<b>Office</b>	T1.3.28
	<b>Virtual Office</b>	<a href="#">WI Besprechungsraum Professor*innen/Teilnehmer</a> → Room „Schnell“
	<b>Office Hours</b>	Thursday, 17.15 – 18.45 p.m. and according to individual arrangement, online
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## Summary

The main topic of this course is how management accountants, also called financial controllers, think and act in order to reach the financial goals of a company. Financial methods and instruments such as business planning and budgeting, the use of key performance indicators (KPIs) as well as the examination of business reports and conducting product and target costing are some of the themes which will be addressed in this course.

Management accounting is a corporate function, which has to ensure effectiveness and efficiency of companies, especially concerning the main corporate objectives of profitability and liquidity. Managerial accountants are internal business consultants of all decision-makers and act as navigators for the achievement of corporate objectives.

## Outline of the Course

1. Introduction
  - 1.1 Objectives of a company and tasks to achieve them
  - 1.2 Management and Management Accounting
2. Ensuring Effectiveness and Efficiency in a Company
  - 2.1 SWOT analysis of a company
  - 2.2 Business strategy and operating planning: Business planning and budgeting
  - 2.3 Target costing and pricing: The “right” products
  - 2.4 Article profit and loss statement
  - 2.5 Break-even-point analysis
3. Performance Measurement
  - 3.1 Management accounting reports and charts
  - 3.2 Financial ratios and financial ratio systems
4. Summary and Outlook

## Course intended learning outcomes and their contribution to study program intended learning outcomes / Program goals

LO	Learning objective	Contribution
1.3	Students demonstrate key knowledge in Business Administration.	Deepening the knowledge of cost and activity accounting (e.g. target costing, process costing, life cycle costing, contribution accounting) and accounting. On the basis of smaller case study. The student simultaneously learns to know the application
3.1	Students are able to apply analytical and critical thinking skills to complex problems.	With the help of the methods of modern cost management, the student is able to analyse and critically evaluate operational decision problems with regard to their - especially strategic - cost and profitability effects and to make recommendations for an optimal decision from a profitability point of view.
6	Students show that they are able to work successfully in a team by performing practical tasks.	Working on exercises and case studies in a team to deepen the knowledge imparted.

## Tentative Schedule

No.	Date	Subject / Item
1.	01. Okt	Introduction into Financial Control and Managerial Accounting and the way of thinking and acting of controllership's staff
2.	08. Okt	Ensuring effectiveness and efficiency in a company: Analysis of SWOT of a company <b>Case 1: KPI Case Bike Ltd.: Characteristics of a company</b>
3.	15. Okt	Analysis of SW of the product programme and OT of the markets: Relative market share and portfolio analysis <b>Case Bike: Portfolio</b>
4.	22. Okt	Introduction in business planning and budgeting: Business strategy and operating planning <b>Case Bike: Sale- and Resource-Planning</b>
5.	29. Okt	Financial planning; Case Study "E-Wheely Ltd.": Sales and capacity <b>Case Bike: Capacity, Planning of Budgets</b>
6.	05. Nov	Budgeting – Case Study "E-Wheely Ltd.": Budgets and P&L-Statement <b>Case Bike Ltd.: P&amp;L</b> CF-Statement (Direct method & indirect method) <b>Case Bike Ltd.: CF I and CF II Case 2.2: Indirect CF statement</b> Preparation of a balance sheet <b>Case Bike Ltd.: Balance Sheet Case 2.3: Financial Planning / Budgeting</b>
7.	12. Nov	Organisational aspects of business planning and budgeting: The role of management accountants / The twofold budgeting process  Target costing and pricing: Introduction
8.	19. Nov	Target costing and pricing: Cost Break down <b>Case 3: TC Burger</b> Target Costing Control Diagram, Measures to reduce costs <b>Case 4: TC Wash Case study: TC at EWheelchair Ltd.</b>
9.	26. Nov	Sales result accounting <b>Case 5: Sales result accounting</b>
10.	03. Dez	Break-even-Analysis <b>Case 6: Break-even-Analysis</b>
11.	10. Dez	Management Reports: Controllership's reports and charts – Purposes of reports, types of reports, requirements of reports <b>Case Bike Ltd.: Reporting, Key ratio systems</b>
12.	17. Dez	Balanced Scorecard (BSC) <b>Case 8: BSC</b>
		<b>Winter holiday</b>
13.	07. Jan	Financial ratios and financial ratio systems – Du-Pont-Ratio-System – Explanation of ROI/ROA/ROC, Structure of DuPont <b>Case 7: Du-Pont-Ratio System</b>
14.	14. Dez	Conclusions: Questions / Preparation for the exam / Outlook on Management Accounting in other lectures and semesters

## Literature and Course Materials

Besides lecture notes (including a complex case study and additional exercises), which can be downloaded from "E-Learning" (see course BAE2292-Financial Control / Prof. Schnell/ <https://lms.hs->

[pforzheim.de/course/view.php?id=3281](https://pforzheim.de/course/view.php?id=3281) ), additional lecture will be recommended. You will find these hints in the lecture notes.

## Assessment

### Writing the final exam:

After the end of the semester, you will write a 60-minute exam on 'Controlling' in English. During the lectures, you will be prepared for the exam by preparing many case studies. Summaries and key learnings will be given that provide you with the framework of what to prepare for the exam. In addition, the style of the exam will be explained.

Corresponding to „§ 24 (2) SPO“ the following grading for evaluating your exam applies:

- |                                |   |
|--------------------------------|---|
| 1 = <i>sehr gut</i> =          | very good = represents exceptional work.  |
| 2 = <i>gut</i> =               | good = represents good work, far above average                                  |
| 3 = <i>befriedigend</i> =      | sufficient = represents average work  |
| 4 = <i>ausreichend</i> =       | still acceptable = represents below average work with considerable shortcomings |
| 5 = <i>nicht ausreichend</i> = | failed = represents work which won't be accepted due to serious shortcomings    |

For a differentiated evaluation of the examination, individual grades will be increased or decreased by steps of 0.3; the grades 4.3 and 5.3 are excluded.

## Academic Integrity and Student Responsibility

- Repeat the tackled chapters and the case studies of the lecture regularly, ideally minimum once per week!
- Don't hesitate do ask me if you don't understand something of the content of the lecture!!!
- Use written examinations of previous semesters, which are given to you for preparing the new ones and to get familiar with the character, the volume and the level of difficulty of the forthcoming examinations.
- Please read newspapers regularly and especially economic-relevant information to become aware of topical items, which are relevant for the lecture. By doing this, you will improve your capabilities to transfer theoretical knowledge into practice.

## Teaching Philosophy

I care about your learning outcomes and helping you is important to me. If you have a problem or questions about some aspects of the course, do not hesitate to contact me. I will respond quickly and if necessary, we can make an appointment. If you have problems with your progress in the course, or with a teammate or your group please contact me as early as possible. I really want you to pass the exam, but you must earn it!