ACCOUNTING AND MANAGEMENT CONTROL

Code: 22000

Main Scientific Area: Accounting and Financial Reporting

Lecturer: Patrícia Rodrigues Quesado

Language of Instruction: Portuguese

Regime: S1

Contact Hours: 30h Total Workload: 138h

ECTS: 6,0

Objectives

This curricular unit aims to present students new developments on management accounting and control trends, namelly by building proper performance evaluation systems, efficient and relevant to business decision-making. It is intended to develop the most up-to-date methodologies in what concerns costing, decision-making and control in a strategic approach that can meet management needs. It is aimed to teach these concepts always under a critical perspective that can show students the value added and constraints of each concept/methodology. Finally, the curricular unit aims to discuss the current and future role of the professional in management accountant or controller as a way to introduce suggestions for students further research in this area.

Learning Outcomes

In particular, it is intended that students are able to: 1) understand the concepts of Accounting and Management Control; 2) assimilate the main perspectives in strategic and budgetary planning and control; 2/11 3) analyze the importance of the activity-based costing system and activitybased management; 4) analyze the pertinence of the various performance evaluation systems, identify the key factors in the creation and implementation of a performance evaluation system, i n the control area, highlighting the Balanced Scorecard and Tableaux de Bord.

Course Contents

I - INTRODUCTION 1 - Fundamentals of Accounting and Management Control 1.1 - Origin and definition of the concept of Accounting and Management Control 1.2 - Objectives and object of study of Accounting and Management Control II - PLANNING AND CONTROL 1 - Strategic and operational planning 1.1 - Strategic planning 1.1.1 The strategic planning process 1.1.2 Usefulness of the strategic plan 1.1.3 Links between strategic planning and management control 1.1.4 Conditions for effective strategic planning 1.2 - Operational planning 1.2.1 - The operational planning process 1.2.2 - Linking strategic and operational planning 1.3 - What planning process to adopt 2 - The Role of Budgets 2.1 - Concept of budget 2.2 - Role of the Budget in management control 2.3 Budgetary procedure 2.4 Obstacles to the budgetary procedure 3 - Strategic and Budgetary Control 3.1 Budgetary control 3.1.1 Deviation diagnosis 3.1.2 Limitations on budgetary control 3.2 - Strategic control 3.2.1 - Key performance indicators 4. Design of management control systems III - MANAGEMENT ACCOUNTING TOOLS 1 - Activity Based Cost (ABC) costing system 1.1 - Justification of the need for the model - criticisms of conventional cost models 1.2 - The ABC costing system 1.3 - The concept of activity 1.4 - The Cost Drivers 1.5 - Advantages and criticisms of the ABC system 1.6 - Management based on “Activity Based Management” (ABM) activities 1.6.1 - Introduction 1.6.2 - Management of activities 1.6.3 - Activities with and without added value 1.6.4 - Application of ABM 2 - Balanced Scorecard (BSC) 2.1 - Definition and main characteristics 2.2 - The BSC as a strategy management and evaluation system 2.3 - The perspectives of the BSC 2.4 - The cause and effect relationships 2.5 - Advantages and critical aspects of the BSC 2.6 - Distinctive aspects between Tableaux de Bord and the BSC 2.6.1 - Similar characteristics 2.6.2 - Main differences

Recommended Bibliography

Borralho, C. (2018). Sistemas de Planeamento e Controlo de Gestão: Fundamentos e ferramentas de suporte, Lisboa: Edições Sílabo. Burns, J.; Quinn, M.; Warren, L. Oliveira, J. (2013). Management Accounting, McGrawHill. Cruz, I., Coimbra, C., Abrantes, L., Alves. M.C., Quesado, P. (2022). Contabilidade de Gestão Avançada. Coimbra: Almedina. Groot, T. e Selto, F. (2013). Advanced Management Accounting; Pearson Ed. Ferreira, D.; Caldeira, C.; Asseiceiro, J.; Vieira, J.; Vicente, C. (2014). Contabilidade de Gestão: Estratégia de Custos e de Resultados, Lisboa: Rei dos Livros. Ferreira, D.; Caldeira, C.; Asseiceiro, J.; Vieira, J.; Vicente, C. (2016). Contabilidade de Gestão: Estratégia de Custos e de Resultados – Casos Práticos, Vol. I e Vol. II, Lisboa: Rei dos Livros. Franco et al. (2007). Temas de Contabilidade de Gestão: Gestão Orçamental e Medidas Financeiras de Avaliação do Desempenho, Livros Horizonte, 2.ª Edição, Lisboa. Johnson; Kaplan, R.S. (1987). Relevance Lost. The rise and fall of management accounting. Boston, Massachusetts: Harvard Business School Press. Jordan, H.; Neves, J.; Rodrigues, J. (2011). O Controlo de Gestão - ao Serviço da Estratégia e dos Gestores, 9ª Ed. Lisboa, Áreas Editora. Kaplan, R.; Atkinson, A. (2013). Advanced Management Accounting (3ª Ed.), Pearson Ed. Major, M.; Vieira, R. (2017). Contabilidade e controlo de gestão: teoria, metodologia e prática, Lisboa: Escolar Editora. Smith, J. (2007). Handbook of Management Accounting (4th Edn), Oxford: CIMA Publishing

Learning and Teaching Methods

In order to achieve the objectives of providing new developments in the area of ??acc ounting and management control and to contextualize management control in the business planni ng process, comprising the fundamental instruments for managing management control - for ecasts (operational plan and budgets) we teach the chapters I and II. In order to develop the most up-todate methodologies in the costing area and to address the issue of building adequate, efficient and relevant performance evaluation and str ategic management systems, we teach chapter III.

Assessment Methods

The evaluation in the Managment Master is continuous and takes place through two components: (a) test (minimum rating of 7 values; competes with 60% to the final mark); (b) Presentations and discussion, groups of 2 students, of a scientific paper previously aprooved by teacher (competes with 40% to the final mark). Students will have to atend to a minimum rate of 10 values to get final aproval on this course. If not, they will be submited to Final Exam - date for this exam will be fixed by Master Director. Minimum rate of 10 values to get final aproval do this course.

The evaluation in the Master in Business Management is continuous and takes place thr ough two components: (a) Attendance and participation (with a weighting of 10% for th e final mark) (b) Written work and presentation in class (with a weight of 90% for th e final mark). If the student does not approve by continuous assessment, he will be a dmitted to the Exam in the Exam Season - weighting of 100% for the final grade. Minim um final grade: 10 points.