

**THE UNIVERSITY OF HONG KONG**  
**HKU Business School**  
**Course Template for the Learning Outcomes System**

**ACCT3106 (G,H,I,J) - Management Control**  
**2021-2022, Semester 2**

**GENERAL INFORMATION**

Instructor: Dr. Olivia Leung

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Consultation times: by appointment

Tutor: Ms. Cassandra Ho

Pre-requisites: ACCT2105 Introduction to Management Accounting or BUSI0027 Management Accounting I

**COURSE DESCRIPTION**

In addition to introduce business processes and analysis, this course covers an in depth discussion of traditional and contemporary approaches to product costing, cost allocation and cost management systems as well as performance measurement issues in a decentralized organization. For each cost management topics, the course examines the development, measurement, analysis, validation and communication of financial and non-financial information.

**COURSE OBJECTIVES**

1. Provide students with advanced concepts in management accounting and the usefulness of internal accounting system;
  - Understand the traditional and contemporary approaches in assigning overhead costs and their effects on measuring cost objects (e.g., products, services).
  - Learn the concepts of customer profitability, strategic profitability, life cycle costing, and cost allocation.
  - Use relevant cost information to price products.
  - Develop financial and non-financial performance measurements for implementing Balanced Scorecard.
  - Evaluate the traditional and contemporary approaches of performance evaluation and compensation system.
  - Practice the use of spreadsheet skill and quantitative tools in solving cost management problems.
2. Provide students with the capability to apply knowledge in decision-making scenarios using case analysis.
3. Develop students' teamwork and professional communication skills using case presentations.

**PROGRAMME LEARNING OUTCOMES**

PLO1: Acquisition and internalization of knowledge of accounting, business, and economics			
PLO2: Application and integration of knowledge			
PLO3: Inculcating professionalism			
PLO4: Developing global outlook			
PLO5: Mastering communication skills			
PLO6: Cultivating leadership			
<b>COURSE LEARNING OUTCOMES</b>			
<b>Course Learning Outcomes</b>		<b>Aligned Programme Learning Outcomes</b>	
CLO1	Understand fundamental concepts and techniques of management accounting analysis.	PLO1	
CLO2	Apply management accounting concepts in costing to make business decisions.	PLO1 & PLO2	
CLO3	Apply management accounting as an analytical tool to resolve business problems.	PLO2, PLO3 & PLO6	
CLO4	Design a balanced scorecard to implement corporate strategy and to analyze changes in operating income to evaluate strategy.	PLO2, PLO3, PLO4 & PLO6	
CLO5	Develop capabilities to communicate effectively in both technical and business ways in a team.	PLO3, PLO4, PLO5 & PLO6	
<b>COURSE TEACHING AND LEARNING ACTIVITIES</b>			
<b>Course Teaching and Learning Activities</b>		<b>Expected contact hour</b>	<b>Study Load (% of study)</b>
T&L1.	Lectures: basic concepts and knowledge will be presented in the class through.	36	30%
T&L2.	Tutorial lab sessions: students practice concepts learned in class in the computer lab and work on examples with the tutor.	8	7%
T&L3.	Case analysis and group presentations: students in team analyze and present their ideas and solutions on selected business cases in class. These practices help students to improve critical thinking abilities, research and group work skills.	30	25%
T&L4.	Self study.	46	38%
Total		120	100%
<b>Assessment Methods</b>	<b>Brief Description (Optional)</b>	<b>Weight</b>	<b>Aligned Course Learning Outcomes</b>

A1. Assignment & Tutorial in-class participation	<p>Students are expected to attend and participate actively in tutorials. Quietly sitting in the tutorials does not count, but of course absenteeism from class will negatively affect the performance. Students are also required to attempt selected assignments through MOODLE before tutorials and selected exercises during tutorials, which will be collected and graded by the tutor. Participation and assignments are evaluated per student by the tutor. The objective of the tutorials is to help students digest and apply the knowledge they have learned from the classes.</p>	10%	CLO 1, 2, 3, 4
A2. Case presentation and participation	<p>Students in groups are required to analyze a business case and present the case in class. Each group is responsible for presenting one case for 25-minute and handling a 10-minute Q&amp;A session. Cases will be assigned on a random basis. The audience is expected to read the case before attending classes and to raise quality questions in class. The presenting group will be evaluated for presentation performance while the audience will be evaluated for participation. The objective of the case presentation is to help students apply the knowledge into real-life situations and improve communication skills.</p>	20%	CLO 1, 2, 3, 4, 5
A3. Midterm Test	<p>Closed-book examination. The midterm test is a part of continuous assessment. Since the subject is in logical sequence, one week builds into the next week. A regular assessment helps students to digest the knowledge on a timely and efficient basis.</p>	20%	CLO 1, 2, 3
A4. Final Examination	<p>Closed-book examination. The final examination covers all the chapters on the course syllabus. The objective of the final exam is to further enhance students' understanding of the</p>	50%	CLO 1, 2, 3, 4

	concepts and theories and develop their ability to apply the knowledge learned in the classes.		
		Total	100%

**STANDARDS FOR ASSESSMENT**

**Course Grade Descriptors**

Course Final Grade	Cumulative Score of all Assessment Tasks	Grade Descriptors
A+, A, A-	90 - 100%	Student has consistently demonstrated an excellent grasp of management accounting concepts, as evidenced by original or exceptionally astute analysis and synthesis of student work.
B+, B, B-	80 - 89%	Student has demonstrated a substantial grasp of management accounting concepts, as evidenced by above average performance in analysis and synthesis of student work.
C+, C, C-	60 - 79%	Student has demonstrated a fair grasp of management accounting concepts, as evidenced by average performance in analysis and synthesis of student work.
D+, D	50 - 59%	Student has demonstrated limited grasp of management accounting concepts, as evidenced by barely satisfactory performance in analysis and synthesis of student work.
F	<50%	Student has demonstrated very limited grasp of management accounting concepts, as evidenced by poor performance in analysis and synthesis of student work.

**Assessment Rubrics for Each Assessment**

**A1. Assignment and Tutorial In-class Participation (10%)**

Performance Level (with Score Range)	Assessment Rubrics for Written Assignment (100%)
Outstanding 90-100	<ul style="list-style-type: none"> <li>- Achieve a standard of excellent performance in the assignment with very accurate computation and very good analytical and problem solving skills</li> <li>- Extremely well prepared for class discussion, active in sharing views and attended at least 90% of classes.</li> </ul>
Proficient 80-89	<ul style="list-style-type: none"> <li>- Achieve a standard of good performance in the assignment with accurate computation and good analytical and problem solving skills.</li> <li>- Partially prepared for class discussion, quite active in sharing views and attended at least 80% of classes.</li> </ul>

Competent 60-79	<ul style="list-style-type: none"> <li>- Master a standard of acceptable performance in the assignment with reasonable accuracy in computation and acceptable analytical and problem solving skills.</li> <li>- Not well prepared for class discussion, limited active in sharing views and attended at least 70% of classes.</li> </ul>
Adequate 50-59	<ul style="list-style-type: none"> <li>- Demonstrate a standard of marginally acceptable performance in the assignment with some errors in computation.</li> <li>- Not well prepared for class discussion, no sharing of views and attended at least 60% of classes.</li> </ul>
Fail <50	<ul style="list-style-type: none"> <li>- Fail to meet a minimum standard of passing the assignment with major errors in computation, inadequate analytical and problem solving skills.</li> <li>- Never prepared for class discussion and no sharing of views and experience and attended less than 60% of classes.</li> </ul>

## A2: Case Presentation and Participation(20%)

Performance Level (with Score Range)	Assessment Rubrics for In-Class participation / Group Case Discussion (100%) (Frequency and quality of response in case study discussion)
Outstanding 90-100	<ul style="list-style-type: none"> <li>- The presentation was highly successful at communicating the essential elements of the topic to the audience. Concepts were thoroughly explained and clarified. The presentation demonstrated deep understanding and comprehension of the topic. There was clear evidence of independent thought and reflection on the topic. The topic was covered in a highly professional and organized manner. The presenter displayed excellent verbal skills and delivered a highly interesting, coherent presentation at an appropriate level for the audience.</li> <li>- Consistently and actively contribute to the class discussions and activities by providing relevant and helpful examples and analysis, identifying important issues, proposing creative and insightful solutions, raising thoughtful questions, synthesizing information obtained from readings and discussions and appropriately challenging assumptions and perspectives.</li> </ul>
Proficient 80-89	<ul style="list-style-type: none"> <li>- The presentation was successful at communicating the essential elements of the topic to the audience. Concepts were well explained and clarified. The presentation demonstrated sound understanding and comprehension of most aspects the topic. There was clear evidence of independent thought and reflection on the topic. The topic was covered in a professional and organized manner. The presenter displayed good verbal skills and mostly delivered an interesting, coherent presentation at an appropriate level for the audience.</li> <li>- Actively contribute to the case discussions and activities by providing relevant and helpful examples and analysis, identifying important issues, proposing creative and insightful solutions, raising some thoughtful questions, occasionally synthesizing information obtained from readings and discussions and appropriately challenging assumptions and perspectives.</li> </ul>
Competent 60-79	<ul style="list-style-type: none"> <li>- The presentation adequately communicated most of the essential elements of the topic to the audience. Most concepts were adequately explained. The presentation demonstrated sound understanding and comprehension of most</li> </ul>

	<p>aspects the topic. The topic was covered in an organized manner. The presenter displayed adequate verbal skills and mostly delivered a coherent presentation at an appropriate level for the audience.</p> <ul style="list-style-type: none"> <li>– Contribute to the case discussions and activities by providing relevant and helpful examples and analysis, identifying important issues, proposing creative and insightful solutions, raising thoughtful questions, synthesizing information obtained from readings and discussions, appropriately challenging assumptions and perspectives.</li> </ul>
Adequate 50-59	<ul style="list-style-type: none"> <li>– The presentation basically covered the main aspects of the topics. It demonstrated basic understanding and comprehension of most aspects the topic. The topic was covered in a basic manner. The presenter displayed minimal standards of verbal skills and/or coherence and organization.</li> <li>– Contribute to the case discussions and activities by providing limited relevant and helpful examples and analyses, identifying some issues, proposing creative and insightful solutions and raising thoughtful questions.</li> </ul>
Fail <50	<ul style="list-style-type: none"> <li>– The presentation was poorly addressed and/or concepts were inadequately explained. The presentation did not demonstrate sufficient understanding and comprehension of the topic. The topic was not covered acceptably and/or was poorly organized. Verbal skills were inadequate.</li> <li>– Do not contribute or make very few contributions to the class discussions and activities. Tend to provide only irrelevant examples and analysis, and to propose inappropriate solutions. Ideas shared are often unrelated to the topic being discussed.</li> </ul>

### A3. Midterm Examination (20%) and

### A4. Final Examination (50%)

Performance Level (with Score Range)	Assessment Rubrics for Midterm Examination (100%)
Outstanding 90-100	<ul style="list-style-type: none"> <li>– Achieve a standard of excellent performance in the examination with very accurate computation and very good analytical and problem solving skills, give detailed and insightful responses to essay questions.</li> </ul>
Proficient 80-89	<ul style="list-style-type: none"> <li>– Achieve a standard of good performance in the examination with accurate computation and good analytical and problem solving skills, give detailed responses to some essay questions.</li> </ul>
Competent 60-79	<ul style="list-style-type: none"> <li>– Master a standard of acceptable performance in the examination with reasonable accuracy in computation and acceptable analytical and problem solving skills, give limited responses to some essay questions.</li> </ul>
Adequate 50-59	<ul style="list-style-type: none"> <li>– Demonstrate a standard of marginally acceptable performance in the examination with some errors in computation, barely adequate analytical and problem solving skills and with some error of understanding, and/or give unclear responses to most essay questions.</li> </ul>

Fail <50	– Fail to meet a minimum standard of passing the examination with major errors in computation, inadequate analytical and problem solving skills and with major error of understanding or omission of explanation.
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**COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE**

<b>Week</b>	<b>Subject</b>	<b>Supplement/Reference</b>	<b>Remark</b>
<b>1</b>	<i>Course Outline</i>		
<b>2</b>	<i>Cost Allocation - Basics</i> <ul style="list-style-type: none"> <li>▪ Cost Allocation by levels</li> <li>▪ Customer-Profitability Analysis</li> <li>▪ Sales Variance Analysis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Chapter 14</li> </ul>	
<b>CHINESE NEW YEAR HOLIDAY (NO LECTURE)</b>			
<b>3</b>	<i>Cost Allocation – Support Departments</i> <ul style="list-style-type: none"> <li>▪ Allocation of Support Department Costs</li> <li>▪ Common Costs Allocation</li> <li>▪ Common Revenues Allocation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Chapter 15</li> </ul>	
<b>4</b>	<i>Cost Allocation – Joint/By- Products</i> <ul style="list-style-type: none"> <li>▪ Cost Allocation – Joint Products</li> <li>▪ Cost Allocation – By-products</li> </ul>	<ul style="list-style-type: none"> <li>▪ Chapter 16</li> </ul>	Group Forming Completed
<b>5</b>	<i>Decision Making</i>	<ul style="list-style-type: none"> <li>▪ Chapter 11</li> </ul>	Presentation Cases Assigned and Distributed
<b>6</b>	<i>Decision Making</i>	<ul style="list-style-type: none"> <li>▪ Chapter 11</li> </ul>	
<b>6</b>	<b>Midterm Test</b>		
<b>7</b>	<b>READING WEEK (NO LECTURE)</b>		
<b>8</b>	<i>Pricing Decisions and Cost Management</i> <ul style="list-style-type: none"> <li>▪ Target Costing</li> <li>▪ Cost-Plus pricing</li> <li>▪ Life-Cycle Budgeting</li> </ul>	<ul style="list-style-type: none"> <li>▪ Chapter 13</li> </ul>	Case 1 Presentation
<b>9</b>	<i>Management Control System &amp; Transfer Pricing</i> <ul style="list-style-type: none"> <li>▪ Decentralization</li> <li>▪ Transfer Pricing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Chapter 22</li> </ul>	Case 2 Presentation
<b>10</b>	<i>Strategy &amp; Balanced Scorecard</i>	<ul style="list-style-type: none"> <li>▪ Chapter 12</li> </ul>	Case 3 Presentation

11	<i>Strategic Profitability Analysis</i>	▪ Chapter 12	Case 4 Presentation
12	<i>Performance Measures &amp; Compensation</i>	▪ Chapter 23	
13	<i>Course Review</i>		Case 5 Presentation

#### REQUIRED/RECOMMENDED READINGS & ONLINE MATERIALS

Textbook:

*Horngren, Datar and Foster, Ittner, Rajan, Cost Accounting: A Managerial Emphasis, Global Edition, 16/E, Pearson Publishing.*

Cases:

Case material will be provided and distributed in class.

#### MEANS/PROCESSES FOR STUDENT FEEDBACK ON COURSE

SETL

#### COURSE POLICY

(1) The University Regulations on academic dishonesty will be strictly enforced. Please check the University Statement on plagiarism at <http://www.hku.hk/plagiarism/>

(2) Where a candidate for a degree or other award uses the work of another person or persons without due acknowledgement:

- (a) The relevant Board of Examiners may impose a penalty in relation to the seriousness of the offence;
- (b) The relevant Board of Examiners may report the candidate to the Senate, where there is prima facie evidence of an intention to deceive and where sanctions beyond those in (a) might be invoked.

(3) Plagiarism and copying of copyright materials are serious offences and may lead to disciplinary actions. You should read the chapters on "Plagiarism" and "Copyright" in the Undergraduate/Postgraduate Handbook for details. You are strongly advised to read the booklet entitled "What is Plagiarism" which was distributed to you upon your admission into the University, a copy of which can be found at [www.hku.hk/plagiarism](http://www.hku.hk/plagiarism). A booklet entitled "Plagiarism and How to Avoid it" is also available from the Main Library.



- (4) The course enrollment is entirely handled by the faculty office. Please approach the staff in the faculty office for any queries about course enrollment, class quota, etc.
- (5) Students are required to attend all tutorial classes on time. Being late for more than 10 minutes will be considered as absent. Students are not allowed to bring in food or eat during classes. In case they cannot attend, they should inform the instructor and tutor beforehand.
- (6) Students are required to arrive lecture room before group presentation starts. Students coming in after group presentation has started will be considered late and subject to the late penalty of 50% participation score deduction. Students coming in 10 minutes after class has started are considered absent and earn no participation score.
- (7) **There is no make-up test for the mid-term test.** If you are absent from the mid-term test without eligible reasons and original supporting documents, you will not earn any marks on the mid-term test. If you are absent from the mid-term test with eligible reasons and original supporting documents and you have obtained the lecturer's permission and approval **IN ADVANCE**, your mid-term test weighting will be shifted to the final examination. If you are sick on the mid-term test date, you are required to notify your instructor and tutor immediately and to submit original medical certificate to your instructor or tutor within a week from the mid-term test, your mid-term test weighting will be shifted to the final examination.
- (8) **There is no make-up session for the oral presentation.** If you are absent from the oral presentation without eligible reasons/documents, you will not earn any marks on the oral presentation. If you are absent from the oral presentation with eligible reasons/documents and you have obtained the lecturer's permission and approval **IN ADVANCE**, your oral presentation weighting will be shifted to the final examination. If you are sick on the presentation date, you are required to notify your instructor and tutor immediately and to submit original medical certificate to your instructor or tutor within a week from the presentation date, your presentation weighting will be shifted to the final examination.
- (9) A Make-up Final exam will be offered if students are absent from the final exam with valid reason and supporting documentations. Please follow the application procedures described in this link:  
<http://www.hku.hk/exam/B.htm>

#### ADDITIONAL COURSE INFORMATION

##### Late Penalty

Late assignments and presentation powerpoint files are NOT accepted.