

Number of ECTS credits : 5
Course leader : MATON Eric

Speakers : BONIN Florence , CHARLES François , GIBASSIER Delphine , GILQUIN Pascal , HONORE Gwenaele , MOINARD Christian , REQUILLART Christelle , THIERRY Patrick , ZIAN Houda

≡ COURSE DESCRIPTION

The course introduces the student to basic management accounting tools and techniques useful to analyse complex situations, choose between options and anticipate future outcomes of present decisions. The lectures will introduce fundamental management accounting concepts providing participants with a solid understanding of technical issues in the design and functioning of budgets and reporting. Participants will therefore be made familiar with forecasts and variance analysis. This course requires a prior understanding of basic concepts of financial accounting (P&L; Balance Sheet; Cash Flow Statements) and prior knowledge of Cost accounting methods and Cost Volume Profit analysis.

≡ COURSE OBJECTIVES

Upon successful completion of this course a student will be able to:

- Participate to budgeting and reporting procedures
- Implement sound reasonings grounded on management accounting concepts
- Use appropriate management accounting tools in decisions making
- Plan resources (material, technical,...)
- Assess financial implications of decisions

Develop an understanding of:

- methods and techniques of forecasting
- the formulas used in budget control (variances)

≡ LEARNING OBJECTIVES

C4B learning goal	LG1 - Analysis
C4B learning objective	L02 - Analyse complex situations
Outcomes	Lev. 0 - NC
C4B learning goal	LG2 - Action
C4B learning objective	L05 - Evaluate, prevent and manage short, medium and long-term risks
Outcomes	Lev. 0 - NC
C4B learning goal	LG3 - Entrepreneurship and Innovation
C4B learning objective	L07 - Identify needs and draw up an appropriate offer
Outcomes	Lev. 0 - NC
C4B learning goal	LG5 - Cooperation
C4B learning objective	L015 - Act with flexibility, adaptability and intellectual curiosity
Outcomes	Lev. 0 - NC

≡ TACKLED CONCEPTS

- Forecasting techniques
- Reporting structure
- Budget control
- EBIT
- Profit & loss account
- Cash flow budget
- Variances (flexed budget & profit reconciliation statement).

≡ LEARNING METHODS

Lecture, discussion, case analysis

≡ ASSIGNMENTS

Reading before sessions. Case studies preparation. The whole course represents a minimum of 10 hours of personal work.

≡ BIBLIOGRAPHY

Loning, H., Malleret V., Méric J. and Pesqueux Y. (2016), Performance management and Control, Paris: Dunod (available online, see Blackboard)

≡ EVALUATION METHODS

30 % : Contrôle continu

70 % : Examen

≡ SESSIONS

1 Management control system: Management control and strategy

LECTURE : 02h00

From management accounting to management control: which tools serve which strategy?

Alltel Pavilion case

2 Management control system (part 2)

LECTURE : 02h00

Management Control System: Organization strategic coherence, Strategy and Performance Indicators

Applix case

Chapter 1 Organisational structures and control (Textbook)

3 Management control system (part 3)

LECTURE : 02h00

The structuring of a company according to management control: responsibility centers (cost centers, revenue centers, profit centers and investment centers) and the issue of transfer pricing

The same difference? case

Chapter 2 Internal transactions and transfer pricing (textbook)

4 Budget process and control (Part 1)

LECTURE : 02h00

Roles of budgets and budget processes: time frame aspects and links between operational budgets

Developing an operating budget for Extended Family, Inc. Case

Chapter 3 Financial performance management (textbook)

5

Budget process and control (Part 2)

LECTURE : 02h00

Financial planning and investment choices

Invest Case

Chapter 3 Financial performance management (textbook)

6

Budget process and control (Part 3)

LECTURE : 02h00

Budget Review (limitations of budgets and budget process problems)

Svenska Handelsbanken case

Chapter 3 Financial performance management (textbook)

7

Budget process and control (Part 4)

LECTURE : 02h00

Variances: methodology and aims

Global Air Case

Chapter 3 Financial performance management (textbook)

8

Budget process and control (Part 5)

LECTURE : 02h00

Variances: methodology and limitations

Berkshire Toy Company Case

Chapter 3 Financial performance management (textbook)

9

Operational and financial management (Part 1)

LECTURE : 02h00

Scorecard: How do operational indicators, financial indicators and strategy relate to each other?

HCS Designing a balanced scorecard in a knowledge-based company case

Chapter 4 Strategic and operational performance management (textbook)

10

Operational and financial management (Part 2)

LECTURE : 02h00

Scorecard: Link between scorecards of different hierarchical levels?

Baier building products Inc. Case Study

Chapter 4 Strategic and operational performance management (textbook)

11

Operational and financial management (Part 3)

LECTURE : 02h00

Changes in management control: from industrial management control to management control of services

St George Hospital Case

Chapter 4 Strategic and operational performance management (textbook)

12

Operational and financial management (Part 4)

LECTURE : 02h00

New trends in management control: 2 examples (CSR and value chain approach including suppliers and customers)

One laptop per child Case

Article: The truth about CSR, K. Rangan, L. Chase and S. Karim, Harvard Business Review, January-February 2015