

# IB232-15 Management Accounting for Decision Making and Control

**23/24**

**Department**

Warwick Business School

**Level**

Undergraduate Level 2

**Module leader**

Darren Sparkes

**Credit value**

15

**Module duration**

10 weeks

**Assessment**

Multiple

**Study location**

University of Warwick main campus, Coventry

---

## Description

### Introductory description

Welcome to Management Accounting for Decision Making and Control. This module is designed to build on your first year studies in management accounting by exploring further issues in providing key information for planning, decision making and control within a variety of organisational contexts.

[Module web page](#)

### Module aims

1. The module will build on core concepts introduced in IB146 Accounting for Business, IB116 Foundations of Management Accounting, IB133 Foundations of Accounting, and IB2D3 Accounting in Practice and will further students' understanding of how accounting is used within organisations for the planning, control and evaluation of activity with a special focus on the manager's role.
2. The module will cover technical issues in cost management and performance measurement systems, and wider issues concerning the role of management accounting in shaping management structures and decisions in manufacturing and service contexts.

The module is also relevant for profit, not-for-profit, public and private sector organisations. It will draw on recent research to explain how accounting systems are designed and function in different organisational and social contexts.

3. The module aims to develop both a technical and critical appreciation of management accounting and an understanding of its strengths and limitations. A key emphasis will be on application, for example, the intelligent use of the information available to managers to aid their decisions and to evaluate the performance of business units and individuals within them.

## **Outline syllabus**

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

Short and long term decision making.

Organisational Planning and Control.

Performance Measurement and Management.

Management Accounting and the modern business environment.

## **Learning outcomes**

By the end of the module, students should be able to:

- Discuss the technical and conceptual issues of costing and management control systems and their effect on behaviour
- Discuss the need for tailored cost management approaches for different contexts.
- Apply and interpret performance control and short-term decision making techniques to suit different organisational contexts..
- Evaluate the alternative approaches to investment appraisal and its practical applications.
- Discuss and apply financial divisional performance measures and their impact on management decisions.
- Explain the theory of optimal transfer pricings.
- Discuss and apply alternative transfer pricing approaches.
- Discuss the behavioural implications of alternative transfer pricing approaches in a range of organisational contexts.
- Evaluate the need for balanced performance measurement systems aligned to corporate strategy.
- Evaluate the need for a greater external focus in management accounting and the roles of strategic management accounting.
- Develop and demonstrate analytical, and problem solving skills.
- Understand the relationship between theoretical work in management accounting and management accounting practice.
- Evaluate and interpret management accounting information and its relevance to management decisions.
- Appreciate the cultural and organisational environment and its influences on management accounting theory and practice.

## Indicative reading list

Required (Core) Text:

Drury, C., (2021), Management and Cost Accounting (11th Edition), Cengage Learning, Hampshire.

Other Useful Texts:

Drury, C. (2021) Management Accounting for Business (11th Edition), Thomson Business Press, London.

Bhimani, A., Horngren, C.T., Datar, S. M. and Rajan, M (2015) Management and Cost Accounting (6th edition), Prentice Hall, London.

Seal, W., Garrison, R. H. and Noreen E. W. (2006) Management Accounting, McGraw-Hill, Berkshire.

Bhimani, A. (2006) Contemporary Issues in Management Accounting, Oxford University Press, Oxford.

Hopper, T., Northcott, D. and Scapens, R. (2007) Issues in Management Accounting, Prentice Hall, London.

Chapman, C. S. (2005) Controlling Strategy: Management, Accounting and Performance Measurement, Oxford University Press, Oxford.

Grey, S. J., Salter, S. B. and Radebaugh, L. H. (2001) Global Accounting and Control: A Managerial Emphasis, Wiley, New York.

Current research may also be found in such journals as Management Accounting Research (MAR, UK); Journal of Management Accounting Research (JMAR, US); Journal of Cost Management (JCM, US); Accounting Organisations and Society (AOS); Critical Perspectives in Accounting (CPA); Harvard Business Review (HBR), Information and Organization (IO) and Accounting Auditing and Accountability Journal (AAAJ). Accounting Historians Journal (AHJ), Practitioner's articles may also be found in the CIMA journal Financial Management and in the US journal Management Accounting.

## Subject specific skills

Demonstrate technical skills related to the preparation and presentation of management accounting information.

Apply management accounting concepts and practices to analyse business problems and make recommendations.

Prepare and present management accounting information in an appropriate format and in a professional manner.

## Transferable skills

Develop and demonstrate written communication skills .

Apply electronic calculation techniques where appropriate.

Develop and demonstrate group work skills, oral communication and presentation skills.

---

## Study

## Study time

Type	Required
Lectures	10 sessions of 1 hour (7%)
Seminars	9 sessions of 1 hour (6%)
Online learning (independent)	10 sessions of 1 hour (7%)
Private study	48 hours (32%)
Assessment	73 hours (49%)
Total	150 hours

## Private study description

Directed reading; assessment & examination preparation; private study.

## Costs

No further costs have been identified for this module.

---

## Assessment

You do not need to pass all assessment components to pass the module.

### Assessment group D8

	Weighting	Study time	Eligible for self-certification
Group Presentation (15 CATS) Tutor assessed student presentations.	20%	15 hours	No
In-person Examination	80%	58 hours	No
<ul style="list-style-type: none"><li>• Answerbook Green (8 page)</li><li>• Students may use a calculator</li></ul>			

### Assessment group R3

	Weighting	Study time	Eligible for self-certification
In-person Examination Exam.	100%		No

---

- Answerbook Green (8 page)

## **Feedback on assessment**

Feedback via my.wbs.

[Past exam papers for IB232](#)

---

## **Availability**

### **Pre-requisites**

Management and non-WBS students will also be required to take bridging materials.

To take this module, you must have passed:

- All of
  - [IB116-15 Foundations of Management Accounting](#)
  - [IB146-15 Accounting for Business](#)
  - [IB133-15 Foundations of Accounting](#)
  - [IB2D3-15 Accounting in Practice](#)

### **Post-requisite modules**

If you pass this module, you can take:

- IB373-15 Advances in Management Accounting

## **Courses**

This module is Optional for:

- UIBA-MN34 Law and Business Four Year (Qualifying Degree)
  - Year 3 of MN34 Law and Business Studies Four Year (Qualifying Degree)
  - Year 4 of MN34 Law and Business Studies Four Year (Qualifying Degree)
- Year 4 of UECA-4 Undergraduate Economics 4 Year Variants
- Year 3 of UIBA-MN31 Undergraduate Law and Business Studies
- UIBA-MN32 Undergraduate Law and Business Studies
  - Year 3 of MN32 Law and Business Studies (Four-Year)
  - Year 4 of MN32 Law and Business Studies (Four-Year)
- UIBA-MN37 Undergraduate Law and Business Studies (Qualifying Degree) with Intercalated Year
  - Year 2 of MN37 Law and Business Studies (Qualifying Degree) with Intercalated Year

- Year 5 of MN37 Law and Business Studies (Qualifying Degree) with Intercolated Year
- UIBA-MN35 Undergraduate Law and Business Studies with Intercolated Year (3+1)
  - Year 3 of MN35 Law and Business Studies with Intercolated Year (3+1)
  - Year 4 of MN35 Law and Business Studies with Intercolated Year (3+1)
- UIBA-MN36 Undergraduate Law and Business Studies with Intercolated Year (4+1)
  - Year 2 of MN36 Law and Business Studies with Intercolated Year (4+1)
  - Year 5 of MN36 Law and Business Studies with Intercolated Year (4+1)
- Year 4 of UECA-GL12 Undergraduate Mathematics and Economics (with Intercolated Year)