

## Liverpool John Moores University

Title: Management Accounting for Decision Making  
Status: Definitive  
Code: **5001LBSAF** (121677)  
Version Start Date: 01-08-2021

Owning School/Faculty: Business and Management  
Teaching School/Faculty: Business and Management

Team	Leader
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**Academic Level:** FHEQ5      **Credit Value:** 20      **Total Delivered Hours:** 47

**Total Learning Hours:** 200      **Private Study:** 153

### Delivery Options

Course typically offered: Semester 1

Component	Contact Hours
Workshop	44

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Test	AS1	In-class Test	20	
Exam	AS2	Closed Book Examination	80	3

### Aims

- 1. To demonstrate the importance of costs and drivers of costs in the production, analysis and use of information for decision-making in organisations.*
- 2. To provide competencies on how to analyse information on costs, volumes and prices to take short-term decisions on products and services and to develop an understanding of risk on these decisions.*

3. To use budgeting as a means of short-term planning to execute the strategy of organisations.

## Learning Outcomes

After completing the module the student should be able to:

- 1 Discuss costing methods and their results.
- 2 Explain concepts of cost and revenue relevant to pricing and product decisions
- 3 Analyse information to assess risk and its impact on short-term decisions.
- 4 Apply standard costing techniques including the reconciliation of budgeted and actual figures, distinguishing between planning and operational variances.

## Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

In-class Test	1	3	4	
Closed Book Examination	1	2	3	4

## Outline Syllabus

*Information e.g. what is good information, risk management of including TARA and Big Data*

*Behavioural aspects of budgeting including discussion of controllable and uncontrollable costs, 'budget padding'.*

*Linear regression and times series analysis*

*Standard costing and variance analysis (calculation and interpretation) e.g. material, labour, variable, fixed, sales, mix, yield, operational and planning, interpretation, interrelationships and criticisms.*

*Job and batch costing.*

*Activity based costing, activity based budgeting and activity based management & its use in improving the efficiency of repetitive overhead activities.*

*Process Costing including joint and by-products, waste and scrap, valuation of WIP (EU'S) using weighted average and FIFO.*

*Relevant Costing.*

*Pricing strategies and advanced pricing strategies.*

*Risk and uncertainty e.g. decision models, decision trees and networks, Bayes theorem, risk and payoff tables, effect of risk attitudes of individuals on decisions.*

## Learning Activities

Weekly workshops with individual/group activities. Students will be expected to undertake private study as part of this module.

## Notes

The coursework provides an opportunity for formative feedback; the examination is the terminal summative assessment.

This course aims to provide a detailed study of the production of management accounting information for planning, control, and decision making; discussion of the concepts which underpin management accounting theory leading into third level studies.