

General information			
Course co-ordinator		Hrvoje Volarević, PhD	
Course title		STRATEGIC MANAGEMENT ACCOUNTING	
Study programme		Professional undergraduate study Accounting and Finance	
Course status		Obligatory	
Year	Semester	3	VI
Value of credits and lecturing procedures		ECTS	5
		Number of hours (Lectures+Exercises+Seminars)	60 (30+30+0)

1. COURSE DESCRIPTION

1.1. Objectives

The course contents represent upgrading to the contents of the course Management Accounting. The objective is to provide theoretical and practical knowledge on the use of internal and external business and market information aimed at creation of the basis for decision-making on the higher levels of management. The students should acquire the key knowledge on the importance and role of strategic management, which means the realisation of the business strategy, benefits of contemporary ways of measuring business performance, the concept of value added management and the corresponding measurements. The students will be acquainted how management of business operations, costs and assets can lead to competitive advantage on the market, how to use the intellectual capital and the resources on disposal to add value and how Balanced Scorecard functions. Practical work within the course enables the creation of the basic skills of application of the basic methodology referring to the strategic management.

1.2. Course enrolment conditions

None

1.3. Expected outcomes of the course

1. to recognize and classify the information needed for strategic decision-making on various management levels
2. to classify economic characteristics of business segments as criteria for segmenting of business results
3. to organise following of the specific information referring to each business segment
4. to set the criteria for aggregation of two or more business segments according to the similarities of their economic characteristics
5. to analyse the achieved results determined by the budget, to analyse their results, volumes and relations among them
6. to integrate the information used for managerial estimates of the obtained results according to the type of financial effects and economic environment of a company's performance

1.4. Course contents

General concepts of strategy. Definition of management. Efficient performance measurement. Role of strategic accounting in management. Decision making process. Accounting information. Basic cost issues. Short-term decision making. Differential analysis. Investments. Defining terms. General concepts of investing. Value-Based Management (VBM). Value and added value. Outsourcing. Cost of Capital (WACC). CFROI measure. Value Added Cash Flow Value (CVA). Economic Profit (EP). EVA measure. MVA measure. Application of EVA in Europe. Value chain and management. Porter's value chain model. Effect of the chain on the effectiveness of strategic management. Cost benefits analysis. Allocation of costs and assets by cost activities. Business Operations. Analysis of activity costs from the perspective of the value chain. Cost advantage. Cost-

<p>based Approach Method - ABC. Targeted Cost Method. Quality Cost Reduction System - Kaizen. Quality management and cost of quality. The role of information systems in business decision making. Business system. Support systems in decision making. Business Intelligence. Intellectual Capital (IC). Methods of Intellectual Capital Measurement. Measurement of intangible assets. Balanced Scorecard Measurement System. Structure of BSC matrix. Impact measurement for financial perspectives, customer prospects, internal processes. Learning perspective and growth. Strategic budgeting. Importance of budgeting. Strategic budget matrix. Strategic initiatives.</p>							
1.5. Teaching methods		<input checked="" type="checkbox"/> lectures <input type="checkbox"/> instruction <input checked="" type="checkbox"/> guided discovery learning <input checked="" type="checkbox"/> discussion <input checked="" type="checkbox"/> group/team learning <input type="checkbox"/> _____					
1.6. Comments							
1.7. Students' obligations							
<p>Attendance in classes – part time students are expected to be present at least 50% of the total teaching hours, whereas full time students are expected to be present at least 70% of the total teaching hours.</p>							
1.8. Monitoring students' accomplishments							
Attendance	0.5	Student's activity during lectures	0.5	Seminar paper		Experimental work	
Written exam	0	Oral exam	3	Essay		Research work	
Project		Permanent testing of student's knowledge		Written presentation		Practical work	
Portfolio		Independent task solving	1				
1.9. Measuring the achievements of learning outcomes and evaluation and assessment of the results of students' work							
<p>The workload factor of each learning outcome stated in the Chapter 1.3. totals 1. A half of the workload factor for each learning outcome represents a minimum threshold for the achievement of the this learning outcome. During the semester evaluated are student's activity and independent task-solving. The final exam is oral. The final grade is based on the total sum of grades obtained in the oral exam (80%) and the written and presented seminar paper (20%).</p>							
1.10. Obligatory reading							
<ol style="list-style-type: none"> 1. Josipa Mrša: Nastavni materijali i prezentacije s predavanja objavljeni na EduNet-i, 2018. 2. Anthony, R.N. and Reece, J.S., Računovodstvo, Financijsko i upravljačko računovodstvo, RRiF, Zagreb, 2004. 3. Horngren C., Datar, S.M., M.V. Rajan, W Maguire, R. Tan, Horngren's Cost Accounting: A Managerial Emphasis (3e), Pearson, 3rd edition, 2017. 							
1.11. Optional reading							
<ol style="list-style-type: none"> 1. M. Mowen, R. Hansen, L. Heitger, Managerial Accounting, 7th edition, Microsoft Corp., 2017. 							
1.12. Quality control which ensures the acquisition of the corresponding knowledge, skills and competences after the completion of the study.							
<p>At the end of the semester the students fill in an anonymous questionnaire. The comments, suggestions and information in</p>							

the questionnaire and the evaluation procedures are to be used to improve lectures, exercises and other ways of work with students. Self-evaluation of teaching staff is aimed at making some corrections in order to improve the quality of teaching.

1.13. *Expected competences*

- analysis of the achieved results determined by the budget
- integration of the information for managerial estimates of the achieved results according to the type of financial effects and economic environment of a company's performance
- ability to create one's own attitudes and values referring to strategic management accounting