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| <b>Subject Code</b>                            | <b>AF5231</b>   |
| <b>Subject Title</b>                           | <b>Managerial Accounting and Information Systems</b>  |
| <b>Credit Value</b>                            | 3   |
| <b>Level</b>                                   | 5   |
| <b>Normal Duration</b>                         | 1-semester  |
| <b>Pre-requisite / Co-requisite/ Exclusion</b> | None  |
| <b>Role and Purposes</b>                       | This subject aims to provide students with an understanding of the key issues in management accounting and information systems associated with corporate governance. It contributes to the achievement of MCG Programme Outcomes by enabling students to identify the key issues in management accounting and information systems associated with corporate governance, apply the knowledge and practical experience in solving problems of management accounting and information systems (Outcome 5), identify management accounting from a manager's perspective and the different forms of information systems as well as to manage and utilize information technologies (Outcome 5), apply management accounting information for improvement of decision making, planning and control and utilize information technologies to improve business processes and decision making in practice (Outcome 5). |
| <b>Subject Learning Outcomes</b>               | On successfully completing this subject, students will be able to: <ul style="list-style-type: none"> <li>(a) apply managerial accounting information for improvement of decision making, planning and control;</li> <li>(b) identify the different forms of information systems and to manage and utilize information technologies to improve business processes, conduct electronic commerce, improve decision-making and gain competitive advantage; and</li> <li>(c) apply support tools for managers in decision-making, such as data-mining application software.</li> </ul>  |
| <b>Subject Synopsis/ Indicative Syllabus</b>   | <p>Managerial Accounting and the Business Environment</p> <p>Major differences and similarities between financial and managerial accounting. The role of management accountants in an organisation. The importance of upholding ethical standards: competence, confidentiality, integrity, objectivity and resolution of ethical conflict.</p> <p>Cost Concepts and Cost Accumulation Systems</p> <p>The nature of costs. Cost behaviour. Estimation and use of the cost function. Job-order and process costing systems.</p>   |

## Information for Decision Making

Information to support decision making. Variable Costing. Cost-Volume-Profit analysis. Relevant cost for decision making. Pricing decisions.

## Standard Costing and Budgetary Control

Setting standards. Flexible budgets, variance analysis and investigation. Master budget and operations budgets. Behavioural aspects of budgeting.

## Performance Evaluation and Transfer Pricing

Incentive conflicts and contracts. Incentive compensation. Responsibility accounting. Operating performance measures. Transfer pricing and its effects on performance evaluation.

## Current Management Accounting Practices

Activity-based costing. Just-in-time. Total quality management. Process reengineering; Balanced Scorecard.

## Overview of Information System (IS)

Introduction to information systems. Introduction to E-business. Electronic data interchange. Importance of IS in assisting companies to achieve competitive advantages. Ethical issues in the use of computer.

## Information Technologies and Security

Database systems. Networking and wireless technologies. Information systems control and security.

## Information System Development and Management

Stages and techniques involved in information system development and management. The role of accountants or corporate administrators throughout the process.

## Enterprise Systems

Enterprise resource planning systems. Decision Support Systems. Customer Relationship Management Systems. Supply Chain Management Systems.

## Applications of Information Systems to Accounting

The revenue cycle: sales and cash collections. The expenditure cycle: purchasing and cash disbursements. The production cycle. Accounting reports and XBRL.

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| <b>Teaching/Learning Methodology</b> | The subject will use a combination of teaching and learning approaches including lectures, case studies, computer demonstrations and group discussion and presentation problem solving and discussion. Lectures are intended to highlight the concepts relating to management accounting and information systems. Real world cases and problems from the textbook and other sources enable students to apply their knowledge, practical experience and ethical reasoning in solving problems. |
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| <b>Assessment Methods in Alignment with Subject Learning Outcomes</b>   | Specific assessment methods/tasks | % weighting | Intended subject learning outcomes to be assessed (Please tick as appropriate) |   |   |  |  |  |
|   |                                   |             | a  | b | c |  |  |  |
|   | Term Test                         | 25%         | √  | √ |   |  |  |  |
|   | Class Participation               | 10%         | √  | √ | √ |  |  |  |
|   | In-class Exercises                | 15%         | √  | √ | √ |  |  |  |
|   | Final Examination                 | 50%         | √  | √ |   |  |  |  |
|   | Total                             | 100%        |  |   |   |  |  |  |
| <p>Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> <p>The Term Test assesses the students' understanding of management accounting concepts.</p> <p>Class Participation stimulates students' critical thinking in issues related to management planning, control and decision making. Case discussion on information systems will allow students to understand how information systems can be used in solve strategic and operational management problems.</p> <p>In-class Exercises require students to complete a problem/mini-case by applying the management accounting or information systems concepts presented in class.</p> <p>Final Examination – Students are required to solve problems/cases related to both management accounting and information systems by analyzing the facts given and apply the principles/concepts learned in class.</p> <p><b>Note: To pass this subject, students are required to obtain Grade D or above in BOTH the Continuous Assessment and Examination components. In addition, the specific requirements on individual assessment components discussed above could be adjusted based on the pedagogical needs of subject lecturers.</b></p> |                                   |             |  |   |   |  |  |  |

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| <b>Student Study Effort Required</b> | Class contact:                     |         |
|                                      | ▪ 13 weeks of 3 hours seminar each | 39 Hrs. |
|                                      | Other student study effort:        |         |

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|                                    | <ul style="list-style-type: none"> <li>▪ Students are expected to spend, on average, 5 hours for every 3-hour seminar to read textbook/supplementary material and to do review problems.</li> </ul>   | 65 Hrs.  |
|                                    | Total student study effort  | 104 Hrs. |
| <b>Reading List and References</b> | <p>Romney, M.B. and P.J. Steinbart, <i>Accounting Information Systems</i>, latest edition, Prentice Hall.</p> <p>Garrison, R.H. and E.W. Noreen, <i>Managerial Accounting</i>, latest edition, McGraw Hill.</p> <p>Laudon K.C. &amp; Laudon J.P., <i>Essentials of Management Information Systems: Organization and Technology</i>, latest edition, Prentice Hall.</p> <p>Selected articles from relevant journals.</p> |          |