SMA TOOLS

- **Activity based management (ABM)**
- **Business process management (BPM)**
- **Target costing**
- **Life cycle costing**
- **Quality costing** — # of defect — zero defect ←
  - cost vs benefit
- **Attribute costing** — use attribute to costing
  - eg. P40 pro huawei
  - 7 lens
- **Value chain costing**

customers want

Porter's
value chain
(cut cost from
doing costing that (like ABC
but use value chain
classification)

SMA TOOLS

- **Quality related tools**
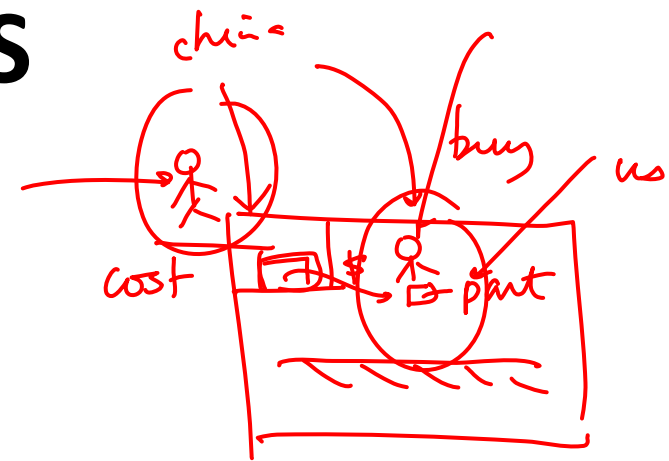 - **Just-in-time (JIT)**
  - **Total quality management (TQM)**
  - **Continuous improvement**
  - **Quality circles**
  - **Kaizen**
  - **Six Sigma**
- **Lean manufacturing** ✓ combination of process improvements & quality
- **Transfer pricing** ✳ make or buy decision
  - own factory → outsourcing → mini tax
- **HR management**
- **Environmental management accounting** → performance reward ✳

ADVANCED SMA TOOLS

- **Pricing decisions**
- **Strategic pricing**
- **Customer profitability analysis**
- **Competitive position monitoring**
- **Competitor appraisal**
- **Competitor cost assessment**
- **Brand value budgeting and monitoring**

marketing

price — customer / demand vs supply

vs others

competitor appraisal — overall strategic

vs others

competitor

A   B

own financial

non-financial

perf measurement

risk

control — budgeting

* perf measurement

PRICING DECISIONS

- **Needs good costing information**

- **Decide on how to price products**

- **Cost plus**

- **Marginal**

- **Pricing decisions / cost plus / strategic pricing**

- **Cost information for price and product planning**

ABC

way / how
ad / dsadv.
elasticity —
economic