

**STRATEGIC MANAGEMENT
ACCOUNTING AND
CONTROLS**

ACCT7310

TEACHING MATERIAL

- Garrison, H. R., Noreen, E., & Brewer, P. C., Managerial Accounting. Boston: McGraw-Hill/Irwin.
- Li
- Research papers. *do not read before hand*
- Other relevant articles and materials. *newer, Makinson*
- Need to purchase?

*CGMA }
CIMA }*

GRADES

- **Class participation = 10%**
- **Assignments and presentations = 15%**
 - 1 at Dec 16 (7%) and Feb 10 (8%)
- **Mid-term test = 10%**
 - January 13, 2020
- **Group project and presentation = 25%**
 - Both on March 2, 2020
- **Final exam = 40%**
 - Tuesday, March 10, 2020

① evaluate performance

ratios

ROA

ROI

⋮

② use cases
— given (short cut)

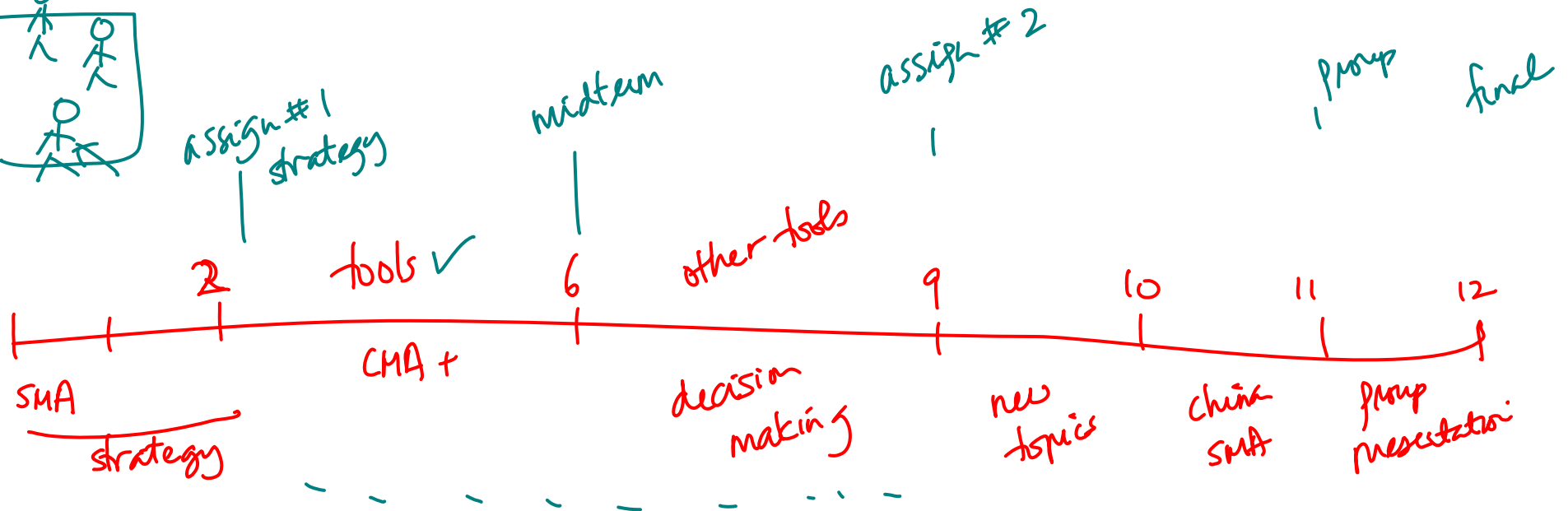
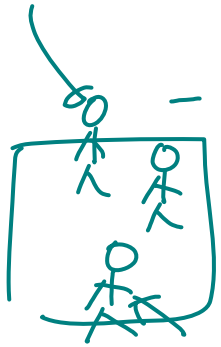
strategic
book

report 15%

10%

ASSIGNMENTS & PRESENTATIONS

- group of 4 ± 1 for assign 1 & 2 + group
- find / decide company today - fun, your interest
- #1 strategy
- #2 measurement using tools



GROUP PROJECT REPORT & PRESENTATION

- assign # 2

- future strategies

Strategic Management

- Pearce & Robinson

- how 5 years later

- p. 442 case guide

- wr CEO Tesla China

- p. 451 on 30 cases

- how to measure:

- 1-25 in back of book

✓ - how to reach strategy

Case name index

✓ - how to measure

SM concepts - Rothaermel

- small 1-2 pages cases

✓ - " " " later

GROUP PROJECT REPORT & PRESENTATION

- **Assignment 1 and 2**
- **1-2 page report (not more than 5 pages)**
- **15 minutes presentation**

- **Final group project**
- **Report not more than 10 pages**
- **20 minutes presentation**

CLASS PARTICIPATION RUBRICS

1. Course Component: Class Participation Rubric (10%)

Assessment Criteria		Excellent (10)	Good (8)	Satisfactory (6)	Marginal Pass (4)	Fail (2-0)
Professional conduct and manner ✓ (20%)	CILOs 1 to 5	Student attends all classes throughout the semester	Student is absent one or two times in the semester, but provided instructor with a reasonable excuse.	Student is absent not more than three times in the semester but provided instructor with reasonable excuses.	Student is absent four to five times in the semester, and/or did not provide instructor with reasonable excuses.	Student attends less than 70% of the total classes.
Level of engagement ✓ (50%)	CILOs 1 to 5	Student enthusiastically asks and responds to questions and participates in discussions.	Student regularly asks and responds to questions and participates in discussions.	Student occasionally asks and responds to questions and participates in discussions.	Student rarely asks and responds to questions and participates in discussions.	Non-participation
Demonstration of commitment to learning ✓ (30%)	CILOs 1 to 5	Always pays undivided attention in class.	Often pays undivided attention in class.	Occasionally pays undivided attention in class.	Rarely pays undivided attention in class.	Commitment not evident

ASSIGNMENT RUBRICS

2. Course Component: Assignment 1 Rubric (7%)

Assessment Criteria		Excellent (10)	Good (8)	Satisfactory (6)	Marginal Pass (4)	Fail (2-0)
KNOWLEDGE (40%) Demonstrates an understanding of basic accounting principles and concepts appropriately to the subject question	CILOs 1, 3	Demonstrates thorough knowledge and understanding of key concepts and related principles	Demonstrates sufficient knowledge and understanding of key concepts and related principles	Demonstrates some knowledge and understanding of key concepts and related principles	Demonstrates limited knowledge and understanding of key concepts and related principles	Non submission
(Note: Marking scheme will provide reference for assessment)						
COMMUNICATION (20%) Analysis and explanations are clearly written, making effective use of grammar, spelling and vocabulary	CILOs 1, 3	Summarizes and writes with a high degree of effectiveness	Summarizes and writes with a considerable degree of effectiveness	Summarizes and writes with adequate degree of effectiveness	Summarizes and writes with a limited degree of effectiveness	Non submission
COMPLETENESS (40%)	CILOs 1, 3	The entire assignment is completed in full	At least 3/4 of the assignment is completed.	At least 1/2 of the assignment is completed.	Less than 1/2 of the assignment is completed.	No assignment is submitted

Late Work Policy: Deduction of 20% of total marks if assignment is submitted 1 calendar day late, 40% if 2 calendar days late, and 60% if 3 calendar days late. Assignment will not be graded and zero mark will be awarded if submitted 4 or more calendar days late.

ASSIGNMENT RUBRICS

3. Course Component: Assignment 2 Rubric (8%)

Assessment Criteria		Excellent (10)	Good (8)	Satisfactory (6)	Marginal Pass (4)	Fail (2-0)
KNOWLEDGE (40%) Demonstrates an understanding of basic accounting principles and concepts appropriately to the subject question	CILOs 3, 4, 5 ✓	Demonstrates thorough knowledge and understanding of key concepts and related principles	Demonstrates sufficient knowledge and understanding of key concepts and related principles	Demonstrates some knowledge and understanding of key concepts and related principles	Demonstrates limited knowledge and understanding of key concepts and related principles	Non submission
(Note: Marking scheme will provide reference for assessment)						
COMMUNICATION (20%) Analysis and explanations are clearly written, making effective use of grammar, spelling and vocabulary	CILOs 3, 4, 5 ✓	Summarizes and writes with a high degree of effectiveness	Summarizes and writes with a considerable degree of effectiveness	Summarizes and writes with adequate degree of effectiveness	Summarizes and writes with a limited degree of effectiveness	Non submission
COMPLETENESS (40%)	CILOs 3, 4, 5 ✓	The entire assignment is completed in full	At least 3/4 of the assignment is completed.	At least 1/2 of the assignment is completed.	Less than 1/2 of the assignment is completed.	No assignment is submitted

Late Work Policy: Deduction of 20% of total marks if assignment is submitted 1 calendar day late, 40% if 2 calendar days late, and 60% if 3 calendar days late. Assignment will not be graded and zero mark will be awarded if submitted 4 or more calendar days late.

GROUP PROJECT RUBRICS

4. Course Component: Group Project (25%)

Assessment Criteria		Excellent (10)	Good (8)	Satisfactory (6)	Marginal Pass (4)	Fail (2-0)
KNOWLEDGE (40%) Demonstrates an understanding of basic accounting principles and concepts appropriately to the subject question	CILOs 1 to 5	Demonstrates thorough knowledge and understanding of key concepts and related principles	Demonstrates sufficient knowledge and understanding of key concepts and related principles	Demonstrates some knowledge and understanding of key concepts and related principles	Demonstrates limited knowledge and understanding of key concepts and related principles	Non submission
(Note: Marking scheme will provide reference for assessment)						
COMMUNICATION (40%) Analysis and explanations are clearly written, making effective use of grammar, spelling and vocabulary	CILOs 1 to 5	Summarizes and writes with a high degree of effectiveness	Summarizes and writes with a considerable degree of effectiveness	Summarizes and writes with adequate degree of effectiveness	Summarizes and writes with a limited degree of effectiveness	Non submission
COMPLETENESS (20%)	CILOs 1 to 5	The entire assignment is completed in full	At least 3/4 of the assignment is completed.	At least 1/2 of the assignment is completed.	Less than 1/2 of the assignment is completed.	No assignment is submitted

Late Work Policy: Deduction of 20% of total marks if assignment is submitted 1 calendar day late, 40% if 2 calendar days late, and 60% if 3 calendar days late.

Assignment will not be graded and zero mark will be awarded if submitted 4 or more calendar days late.

MIDTERM TEST RUBRICS

5. Course Component: Mid-term Test Rubric (10%)

Assessment Criteria		Excellent (10)	Good (8)	Satisfactory (6)	Marginal Pass (4)	Fail (2-0)
Knowledge (33%)	CILOs 1,2,3	Answers show a thorough understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show a substantial understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show a general understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show partial understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show minimal understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).
Accuracy/ Completeness (33%)	CILOs 1,2,3	All computational answers are accurate/complete/thorough (according to the marking scheme).	Majority of /Substantially all computational answers are accurate/complete (according to the marking scheme).	Over 50% of computational answers are accurate/complete (according to the marking scheme). (50% -59.99%)	Few computational answers are accurate/complete (according to the marking scheme).	Computational answers are inaccurate/ incomplete (according to the marking scheme).
Explanation & Analysis (34%)	CILOs 1,2,3	All responses to short-answer questions (definitions/ explanations/analysis) are accurate/thorough (according to the marking scheme).	Major responses to short-answer questions (definitions/ explanations/analysis) are accurate/thorough (according to the marking scheme).	Adequate/ Reasonable responses to short-answer questions (definitions/ explanations/analysis) are accurate/thorough (according to the marking scheme).	Few responses to short-answer questions (definitions/ explanations/analysis) are accurate/ thorough (according to the marking scheme).	Responses to short- answer questions (definitions/ explanations/analysis) are inaccurate and/or lack thoroughness (according to the marking scheme).

FINAL EXAMINATION RUBRICS

6. Course Component: Final Examination Rubric (40%)

Assessment Criteria		Excellent (10)	Good (8)	Satisfactory (6)	Marginal Pass (4)	Fail (2-0)
Knowledge (33%)	CILOs 1 to 5	Answers show a thorough understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show a substantial understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show a general understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show partial understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).	Answers show minimal understanding of the basic concepts of Accounting, the operations of the Accounting cycle, and application of the concepts learned in real-life scenarios (according to the marking scheme).
Accuracy/ Completeness (33%)	CILOs 1 to 5	All computational answers are accurate/complete (according to the marking scheme).	Most computational answers are accurate/complete (according to the marking scheme).	Over 50% of computational answers are accurate/complete (according to the marking scheme). (50% -59.99%)	Few computational answers are accurate/complete (according to the marking scheme).	Computational answers are inaccurate/ incomplete (according to the marking scheme).
Explanation & Analysis (34%)	CILOs 1 to 5	All responses to short-answer questions (definitions/ explanations/analysis) are accurate/thorough (according to the marking scheme).	Most responses to short-answer questions (definitions/ explanations/analysis) are accurate/thorough (according to the marking scheme).	Adequate/ Reasonable responses to short-answer questions (definitions/ explanations/analysis) are accurate/thorough (according to the marking scheme).	Few responses to short-answer questions (definitions/ explanations/analysis) are accurate/ thorough (according to the marking scheme).	Responses to short- answer questions (definitions/ explanations/analysis) are inaccurate and/or lack thoroughness (according to the marking scheme).

**WHAT IS
STRATEGIC MANAGEMENT
ACCOUNTING & CONTROL?**

WHAT IS STRATEGIC MANAGEMENT ACCOUNTING & CONTROL

- Strategic management + accounting + control ?
focus *normal*
 - Strategic + management accounting control ?
 - Strategic + management accounting + control ?
basic input ** Topic 4* *Topic 5 make sure*
 - What is control anyways?
performance measurement — *reward/bonus* — *variance* *things work to* *controllability* *can follow up*
 - On-going operation and control
before & after
 - Help CEO in strategic directions
CMA *CEO — improve customer service*
eg. — phone call answer time
— long call is
— feedback
- Group project*
- non-productive
 - non-financial

WHAT IS MANAGEMENT ACCOUNTING

- Difference between financial accounting and management accounting table from CPAA SMA package

audit FA

- not timely
- Summarized
(no details)
- bc external use
by many people
- must have rule
to record GAAP
IFRS

banks,
investors,
sh
competitors

MA

- timely (useful)
- details

~~X~~

*

- project to
future
- any data
that's useful

WHERE SMA STANDS?

not food , not being used
as it should

- **Information / input to decide what strategy to do and what not to do**
- **Provide useful information (financial and non-financial) to the end useful (the CEO and Board)**
- **Information that was requested + information not requested but useful**
- **Required to know what they do and the process so can provide useful information on a timely basis**

"boss" mind set
"take ownership"

- Problem – there is an infinite number of way to organize the information, useful, timely, easy to understand, can answer questions known or unknown of the end user
- As a result, must be proactive and be aware of current and expected situation to provide useful information that will be needed

COURSE FLOW

- **Strategy – 2 classes + assignment 1**
- **SMA tools – 4 classes + midterm test**
- **SMA controls and performance measurement – 3 classes + assignment 2**
- **New issues / latest – 1 week**
- **SMAC in China – 1 week**
- **Group presentations – 1 week**
- **Final exam**

STRATEGY

I WANT TO BE A ...

- Check outside world (demands)
 - Check what I like to do
 - Check what I am good at (supply)
 - Try to find match
 - Other existing and new people
 - Am I good at something better than all others (only I have, is what buyer wanted, not replaceable)
- ⇒ Choices to what can do
- ⇒ Select best choice
- ⇒ Do it
- ⇒ Check over time

external

小麦弟妹

internal

(高中)

competitor's 5 forces

KOL 网红 "youtube" 网红

*- play video
- learn coding - design video game
- watch of video game player*

WHAT IS STRATEGY?

- " Strategy is the direction and scope of an organization over the long term, which achieves advantage in a changing environment through its configuration of ["]resources["] and ["]competences["] with the aim of fulfilling (stakeholder) expectations. Strategic decisions are made under conditions of complexity and uncertainty, they have wide impact on the organization and often lead to major change. "
- How to be a successful firm ?
- Successful = ?

*strategy
needed
to achieve
success*

*non-profit
govt
NGO*

- **Purpose = bring value**
- **What is value?** , \$, benefits to stakeholders
- **Stakeholders approach**
' not test

VISION, MISSION AND OBJECTIVES

INFORMATION GATHERING AND ANALYSIS

EXTERNAL ENVIRONMENT

CORPORATE APPRAISAL

INTERNAL ENVIRONMENT

STRATEGIC CHOICE / DECISIONS
PRICING
BUSINESS DEVELOPMENT
NEW PRODUCT DEVELOPMENT
MERGERS AND ACQUISITIONS

STRATEGY FORMULATION
OPTIONS GENERATION
STRATEGIC CHOICE
IMPLEMENTATION
MONITORING AND EVALUATION

MONITORING AND REPORTING
BUDGET / FORECASTING
VARIANCE ANALYSIS
EXCEPTION REPORTING
MARGIN ANALYSIS

BUSINESS PARTNERING

INVESTMENT APPRAISAL
BENCHMARKING
CUSTOMER PROFITABILITY

SWOT

SW

PESTEL
on
macro
environment

5 forces
- industry

- firm level
- value chain
- product life cycles
...

NPV

FEEDBACK

STRATEGIC CHOICE

- Stakeholders, ethics and culture

- External analysis = PESTEL

- Internal analysis = SWOT

- Industry analysis = "5 forces"

- Other analysis = Value chain analysis, product life cycle, "BCG" matrix, Ansoff matrix

- Generic, differentiation, focused strategy

- Strategic positioning

- Strategic choices

Stakeholder Theory X

environment
legal

beef not
food environment

東
破

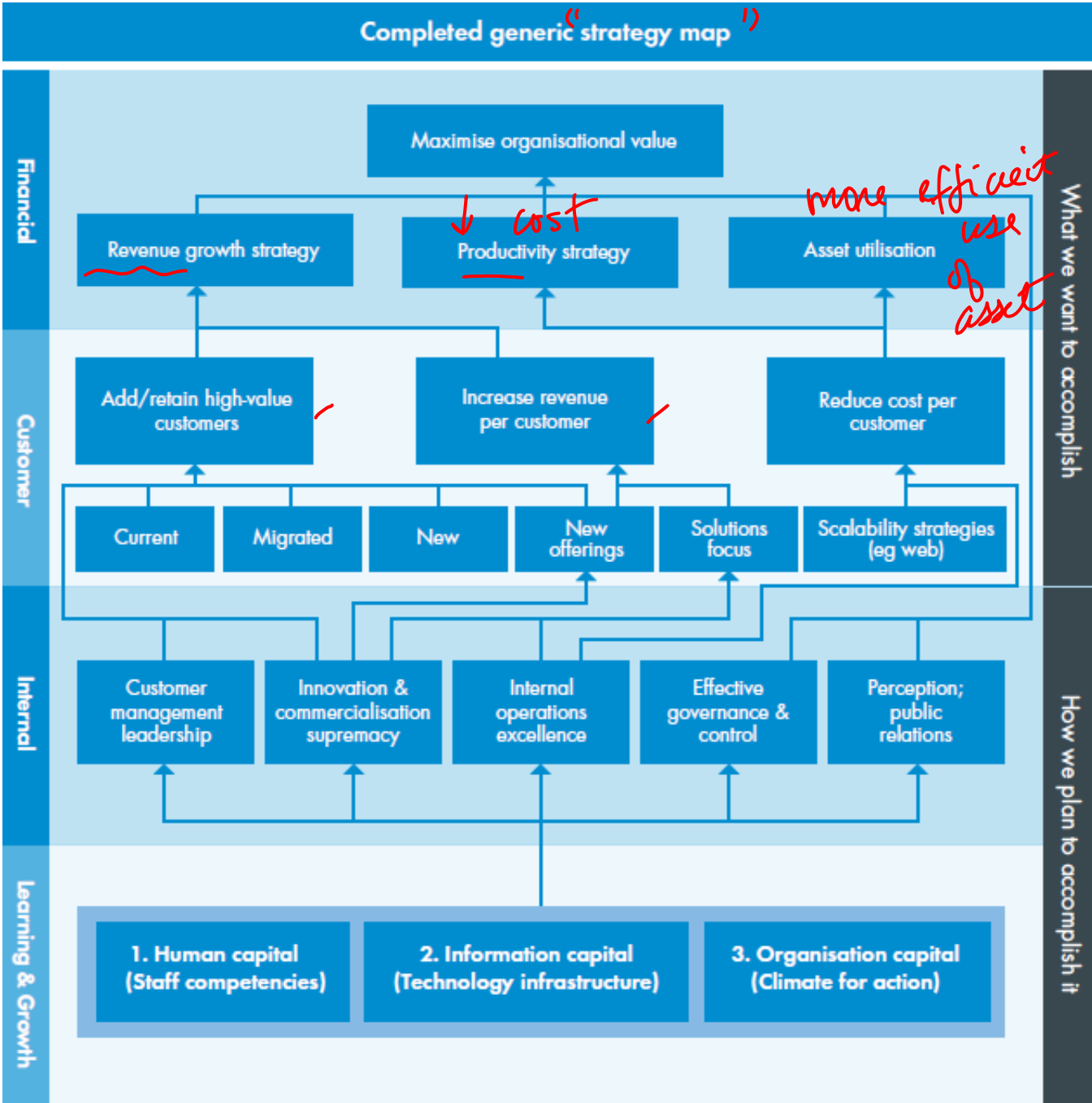
multi-product

cost

STRATEGIC IMPLEMENTATION

- Choose
- Implement
- Review and improve / update

*Group
Project*



Source: CGMA Strategy Mapping Tool