

# BA 213 : MANAGERIAL ACCOUNTING

---

## Transcript title

Managerial Accounting

## Credits

4

## Grading mode

Standard letter grades

## Total contact hours

40

## Lecture hours

40

## Recommended preparation

BA 212.

## Course Description

Introduces managerial accounting theory, including cost-volume-profit analysis, product costing, budgeting, capital investing, and cost management in manufacturing and service organizations.

## Course learning outcomes

1. Understand the difference between financial accounting and managerial accounting and explain why a company requires good information that supports effective planning, controlling, and evaluating processes.
2. Define fixed and variable costs, and use them to calculate Cost Volume Profit (CVP) analysis.
3. Define the major product cost classifications - direct materials, labor, and overhead, and understand their importance in the controlling process.
4. Explain and analyze the basic cost behavior patterns – variable, fixed, mixed, and stepped and analyze mixed costs using the scattergraph and high-low methods.
5. Identify the strengths and limiting assumptions of CVP analysis.
6. Calculate overhead for manufacturing and service organizations and explain the flow of goods and services in these organizations.
7. Explain the master budget and its components for manufacturing firms, merchandising firms, and service firms.
8. Describe standard costing and the basic variable analysis model and use material and labor cost variance analysis to explain how performance is controlled in cost centers.
9. Identify the different types of inventory in manufacturing, service and merchandising organizations and explain how these costs are reflected on the income statement and balance sheet.
10. Describe the fundamentals of activity-based costing (ABC) and activity-based management (ABM).
11. Explain how evaluation leads to planning and why products and processes must be continuously evaluated.
12. Explain the concepts of sunk costs and differential costs and revenues, and be able to identify those costs and revenues that are relevant to making product and process decisions.

## Content outline

Management Accounting Job Order Costing Cost Management Systems  
Cost Volume Profit Analysis Master Budgets Responsibility Accounting  
Short-term Business Decisions Capital Investment Decisions

## Required materials

Required textbook and online access.