



College of Business Administration

Department of Accounting

ACCT 613

Managerial Accounting Seminar

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Office Hours: Sun: 11:00-1:00; Tue: 1:00-3:00 and by appointment

2nd semester 1443 /2022

Course Summary

The main aim of this course is to explore and discuss ongoing and emerging issues in managerial accounting through a critical evaluation and analysis of recent published papers in accounting journals and other sources. A secondary aim of the course is to provide students with an opportunity to understand, analyze, evaluate, and conduct empirical accounting research. Emphasis is placed on competing theories of the role of management accounting in organizations and society, as well as the issues and problems surrounding the implementation of management accounting techniques in practice. Topics include cost accounting, budgeting and resource allocation, performance measurement, control and risk management, transfer pricing and other management tools and models in business organizations, as well as major contemporary issues that have emerged in management accounting in recent years.

Learning Outcomes

Upon the successful completion of this course, the student should be able to:

- Understand and analyze some of the major contributions of the research literature on contemporary issues that have emerged in management accounting.
- Assess the quality and relevance of research papers.
- Demonstrate the skills required to participate in debates and discussions on academic research in management accounting including the design of relevant questions, the techniques of argument and the skills of leading a discussion.
- Conduct an accounting research that examines a particular managerial accounting issue.

Main Topics of the Course:

1. Framework for Management Accounting
2. Cost Accounting
3. Budgets and Beyond Budgeting
4. Decentralization, Responsibility Accounting, and Transfer Pricing
5. Performance Measurement
6. Sustainability Accounting
7. Governance, Control, and Risk Management

Prerequisites

Students are expected to have a reasonable knowledge of an equivalent course in advanced managerial accounting, including the following topics:

- The difference between Cost Accounting, Management Accounting, Financial Accounting, Strategic Cost Management.
- Cost Accounting, Traditional approaches (such as cost behavior, job order costing, Absorption costing, ...) and new approaches (such as ABC, ABM, TDAC, BSC, ...)
- Budgeting
- Decentralization and responsibility Accounting
- Costs and Decision Making
- Investment Appraisal Techniques
- Measuring and Reporting Performance

Assessment and Evaluation:

The grade will be assigned based on the following allocation:

Class participation and contribution to discussions	10%
Articles Summaries	15%
Research Paper	35%
Final examination	40%
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	100%

Quality of Class participation & Articles Summaries (25%)

Regular attendance and active participation are highly encouraged in class as this contributes heavily to the learning process and to your grades too. Students are expected to be interactive and carry a meaningful discussion.

The summaries of two articles for each student will be evaluated on the basis of completeness, correctness and being on time. Your summaries should have the following:

- The article's title and author's name (complete citation).
- The main points of the article including: Theoretical foundation, methodology, results and conclusions.
- Your impression
- Critical review
- Summarized by: Your name

Research Paper (35%)

The aim of your research project is to enhance your experience of doing research of the type needed for a dissertation. Write your paper in the form of a journal article. You are expected to submit a well-structured research paper starting with an abstract, introduction, literature review, methods, discussion, findings, conclusions, references, and appendices. See the table for submission due dates!

You will present your final research paper at the end of the semester, using power point, to highlight the main research questions, hypothesize, objectives, literature framework, methodology, findings, and limitations. Questions will be asked; grades of presentation will be assigned based on the attached rubric.

Table I: Paper Submission due dates

No.	Tasks	Due date	Grades 35/35
1	Research Problem Approval	27/1 2021	4
2	Research Problem with objectives and Hypotheses	10/2/2021	4
3	Research Design and Data Collection Methodology	24/2/2021	4
4	Questionnaire (measurement instrument)	10/3/ 2021	4
5	Literature Review	17/3/2021	4
6	Data Collection	24/3/2021	4
7	Data Analysis	31/3/2021	4
8	Final Paper submission and presentation	14/4/2021	7

Final Exam (40%)

Students will take one comprehensive exam at the end of the semester. The exam is worth 40% of total grade and consists of collection of questions from lectures and text material.

Table 2: Course Schedule

Weeks	Topics
1	Introductions, Syllabus
2	Framework for Management Accounting
3	Cost Accounting
4	Cost Accounting

Weeks	Topics
5	Budgets and Beyond Budgeting
6	Budgets and Beyond Budgeting
7	Decentralization, Responsibility Accounting, and Transfer Pricing
8	Decentralization, Responsibility Accounting, and Transfer Pricing
9	Performance Measurement
10	Performance Measurement
11	Sustainability Accounting
12	Sustainability Accounting
13	Governance, Control, and Risk Management
14	Governance, Control, and Risk Management
15	Research paper presentation
16	Final Exam

Reading and key learning resources

Readings are listed below. These readings are available electronically (search library page) or as offprint collections. Lecturers will work on the assumption that students have read all the listed readings.

Students are strongly encouraged to supplement the following readings by seeking out books and articles that seem relevant or interesting.

Topic: 1: Framework for Management Accounting

- Caplan, E.H., 1966. Behavioral assumptions of management accounting. *The Accounting Review*, 41(3), pp.496-509.
- Cooper, DJ. and Morgan, W. 2008. Case study research in accounting. *Accounting horizons*, 22(2), pp.159-178.
- Dunbar, A.E and Weber, D.P. 2013. What influences accounting research? A citations-based analysis. *Issues in Accounting Education*, 29(1), pp.1-60.
- Fleischman, G.M., Johnson, E.N. and Walker, K.B., 2016. An exploratory examination of management accounting service and information quality. *Journal of Management Accounting Research*, 29(2), pp.11-31.
- Ittner, C.D. and Larcker, D.F., 2001. Assessing empirical research in managerial accounting: a value-based management perspective. *Journal of accounting and economics*, 32(1-3), pp.349- 410.
- Lavia López, O. and Hiebl, M.R., 2014. Management accounting in small and medium-sized enterprises: current knowledge and avenues for further research. *Journal of Management Accounting Research*, 27(1), pp.81-119.
- Merchant, K.A., 2010. Paradigms in accounting research: A view from North America. *Management Accounting Research*, 21(2), pp. 116-120.
- Oler, D.K. and Pasewark, W.R., 2014. How to review a paper. *Issues in Accounting Education*, 31(2), pp.219-234.
- Shields, M.D. 2015. Established management accounting knowledge. *Journal of Management Accounting Research*, 27(1), 123-132.

Topic 2: Cost Accounting

- Armstrong, P. 2002. The Costs of Activity-Based Management. *Accounting, Organizations and Society* 27(1-2), 99-120.
- Baxendale, S.J. and Raju, P.S., 2004. Using ABC to enhance throughput accounting: A strategic perspective. *Journal of cost management*, 18(1), pp.31-38.

- Hoozée, S. and Hansen, S.C., 2017. A comparison of activity-based costing and time-driven activity-based costing. *Journal of Management Accounting Research*, 30(1) pp.143-167.
- Kennedy, T. and Affleck-Graves, J., 2001. The impact of activity-based costing techniques on firm performance. *Journal of management accounting research*, 13(1), pp.19-45.
- Rajiv D Banker, Indranil R Bardhan, Tai-Yuan Chen. 2008. The role of manufacturing practices in mediating the impact of activity-based costing on plant performance. *Accounting Organizations and Society* 33 (1), 1
- Ciftci, ML, Mashruwala, R. and Weiss, D., 2015. Implications of cost behavior for analysts' earnings forecasts *Journal of Management Accounting Research*, 28(1), pp.57-80.
- Fullerton, R.R. 2003. Performance measurement and reward systems in JT and non-JIT firms. *Journal of cost management*.17 (6), pp 40-48
- Maiga, A.S. and Jacobs, F.A., 2008. Assessing JIT performance: An econometric approach. *Journal of Management Accounting Research*, 20(s1), pp.47-59.

Topic 3: Budgets and Beyond Budgeting

- Becker, S.D., Mahlendorf, M.D., Schäffer, U. and Thaten, M., 2016. Budgeting in times of economic crisis. *Contemporary Accounting Research*, 33(4), pp. 1489-1517.
- Bourmistrov, A. and Kaarboe, K., 2013. From comfort to stretch zones: A field study of two multinational companies applying "beyond budgeting" ideas. *Management Accounting Research*, 24(3), pp.196-211
- Brown, J.L., Fisher, J.G., Peffer, S.A. and Sprinkle, G.B., 2016. The effect of budget framing and budget-setting process on managerial reporting. *Journal of Management Accounting Research*, 29(1), pp.3 1 -44.
- Chandra, A., Menon, N.M. and Mishra, B.K., 2017. Budget Adjustments and Spending Patterns: A Transaction-Cycle View. *Journal of Information Systems*, 32(1). pp.19.43.
- Chong, K.M. and Mahama, H., 2014. The impact of interactive and diagnostic uses of budgets on team effectiveness. *Management Accounting Research*. 25(3). pp.206-222.
- Heinle, M.S., Ross, N. and Saouma. R.E., 2013. A theory of participative budgeting. *The Accounting Review*, 89(3), pp.1025-1050.
- Hansen, S.C. 2011. A theoretical analysis of the impact of adopting rolling budgets, activity-based budgeting and beyond budgeting. *European Accounting Review*, 20(2), pp.289-319.
- Libby, T. and Lindsay, R.M., 2018. The Effects of Superior Trust and Budget-Based Controls on Budgetary Gaming and Budget Value. *Journal of Management Accounting Research*.
- Sandalgaard, N. and Nikolaj Bukh, P., 2014. Beyond Budgeting and change: a case study. *Journal of Accounting & Organizational Change*, 10(3), pp.409-423
- Reading supplement: Hope, J., Fraser, R., 1997. Beyond Budgeting Breaking through the barrier to the "third wave". *Management Accounting*, 75, 11, p. 20-23.

Topic 4: Decentralization, Responsibility Accounting, and Transfer Pricing

- Arya, A. and Mittendorf, B., 2007. Interacting supply chain distortions: The pricing of internal transfers and external procurement. *The Accounting Review*, 82(3), pp.551-580.
- Bouwens, J. and Steens, B., 2016. Full-Cost Transfer Pricing and Cost Management. *Journal of Management Accounting Research*, 28(3), pp.63-81.

- Chen, C.X., Chen, S., Pan, F. and Wang, Y., 2014. Determinants and consequences of transfer pricing autonomy: An empirical investigation. *Journal of Management Accounting Research*, 27(2), pp.225-259.
- Cools, M. and Slagmulder, R., 2009. Tax-compliant transfer pricing and responsibility accounting, *Journal of Management Accounting Research*, 21(1), pp.151-178.
- Indjejikian, R.J. and Matějka, M., 2011. Accounting decentralization and performance evaluation of business unit managers. *The Accounting Review*, 87(1), pp.261-290.
- Indjejikian, R.J. and Matejka, M., 2006. Organizational slack in decentralized firms: The role of business unit controllers. *The accounting review*, 81(4), pp.849-872.
- Reichmann, S. and Rohlfing-Bastian, A., 2013. Decentralized task assignment and centralized contracting: On the optimal allocation of authority. *Journal of Management Accounting Research*, 26(1), pp.33-55.

Topic 5: Performance Measurement

- Alexandra Albertsen, O. and Lueg, R., 2014. The balanced scorecard's missing link to compensation: A literature review and an agenda for future research. *Journal of Accounting & Organizational Change*, 10(4), pp.431 -465.
- Bartlett, G., Johnson, E. and Reckers, P., 2014. Accountability and role effects in balanced scorecard performance evaluations when strategy timeline is specified. *European Accounting Review*, 23(1), pp.143-165.
- Bouwens, J. and Van Lent, L., 2007. Assessing the performance of business unit managers. *Journal of Accounting research*, 45(4), pp.667-697.
- Broadbent, J. and Laughlin, R., 2009. Performance management systems: A conceptual model. *Management Accounting Research*, 20(4), pp.283-295.
- Brüggen, A., Feichter, C. and Williamson, M.G., 2017. The effect of input and output targets for routine tasks on creative task performance. *The Accounting Review*, 93(1), pp.29-43.
- Burkert, M. and Lueg, R., 2013. Differences in the sophistication of Value-based Management-The role of top executives. *Management Accounting Research*, 24(1), pp.3-22.
- Sigalas, C., 2015. Empirical investigation of balanced scorecard's theoretical underpinnings. *Journal of Accounting & Organizational Change*, 11(4), pp.546-572.
- Cooper, D.J. and Ezzamel, M., 2013. Globalization discourses and performance measurement systems in a multinational firm. *Accounting, Organizations and Society*, 38(4), pp.288-313.
- Ferreira, A. and Otley, D., 2009. The design and use of performance management systems in extended framework for analysis. *Management accounting research*, 20(4), pp.263-282.
- Grabner, I. and Moers, F., 2013. Management control as a system or a package? Conceptual and empirical issues. *Accounting, Organizations and Society*, 38(6-7), pp.407-419.
- Hoque, Z., 2014. 20 years of studies on the balanced scorecard: trends, accomplishments, gaps and opportunities for future research. *The British accounting review*, 46(1), pp.33-59.
- Kaplan, S.E., Petersen, M.J. and Samuels, J.A., 2017. Further Evidence on the Negativity Bias in Performance Evaluation: When Does the Evaluator's Perspective Matter? *Journal of Management Accounting Research*.
- Melnyk, S.A., Bititei, U., Platts, K., Tobias, J. and Andersen, B. 2014. Is performance measurement and management fit for the future?. *Management Accounting Research*, 25(2), pp.173-186.
- Micheli, P. and Mari, L., 2014. The theory and practice of performance measurement. *Management accounting research*, 25(2), pp.147-156.

- Rodrigue, M., Magnan, M. and Boulianne, E., 2013, Stakeholders' influence on environmental strategy and performance indicators: A managerial perspective. *Management Accounting Research*, 24(4), pp.301-316.
- Spekle, R.F. and Verbeeten, F.H., 2014. The use of performance measurement systems in the public sector: Effects on performance. *Management Accounting Research*, 25(2), pp.131-146.

Topic 6: Sustainability Accounting

- Figge, F., & Hahn, T. 2013. Value drivers of corporate eco-efficiency: Management accounting information for the efficient use of environmental resources. *Management Accounting Research*, 24(4), 387-400.
- Hales, J., Matsumura, E.M., Moser, D.V. and Payne, R., 2016. Becoming sustainable: A rational decision based on sound information and effective processes?. *Journal of Management Accounting Research*, 28(2), pp.13-28.
- Herremans, L.M. and Nazari, J.A., 2016. Sustainability reporting driving forces and management control systems. *Journal of Management Accounting Research*, 28(2), pp. 103-124.
- Joshi, S. and Li, Y., 2016. What is corporate sustainability and how do firms practice it? A management accounting research perspective. *Journal of Management Accounting Research*, 28(2), pp.1-11.
- Moore, D. R. 2013. Sustainability, institutionalization and the duality of structure: Contradiction and unintended consequences in the political context of an Australian water business. *Management Accounting Research*, 24(4), 366-386.
- Peters, G. F, & Romi, A. M. 2014. The association between sustainability governance characteristics and the assurance of corporate sustainability reports. *Auditing: A Journal of Practice & Theory*, 34(1), 163-198.
- Pondeville, S., Swaen, V., & De Rongé, Y. 2013. Environmental management control systems: The role of contextual and strategic factors. *Management Accounting Research*, 24(4), 17- 332.
- Spence, L. J., & Rinaldi, L. 2014. Governmentality in accounting and accountability: A case study of embedding sustainability in a supply chain. *Accounting, Organizations and Society*, 39(6), 433-452.
- Thomson, I., Grubnic, S., & Georgakopoulos, G. 2014. Exploring accounting-sustainability hybridisation in the UK public sector. *Accounting, Organizations and Society*, 39(6), 453-476.
- Walls, J.L., Berrone, P., Phan, P.H., 2012. Corporate Governance and Environmental Performance: Is There Really a Link? *Strategic Management Journal* 33(8), 885-913.

Topic 7: Governance, Control, and Risk Management

- Christ, M.H., Mintchik, N., Chen, L. and Bierstaker, J.L., 2014. Outsourcing the information system: Determinants, risks, and implications for management control systems., *Journal of Management Accounting Research*, 27(2), pp.77-120.
- Cools, M., Stouthuysen, K. and Van den Abbeele, A., 2017. Management control for stimulating different types of creativity: The role of budgets. *Journal of Management Accounting Research*, 29(3), pp.1-21.
- Flor, C. R., Frimor, H., & Munk, C. 2014. Options in compensation: Promises and pitfalls. *Journal of Accounting Research*, 52(3), 703-732.

- GarciaOsma, B., Guillamón-Saorin, E., 2011. Corporate Governance and Impression Management in Annual Results Press Releases. *Accounting, Organizations and Society* 36(4), 187-208.
- Gendron, Y., Brivot, M. and Guénin-Paracini, H., 2016. The construction of risk management credibility within corporate boardrooms. *European Accounting Review*, 25(3), pp.549-578.
- Grabner, I. 2014. Incentive system design in creativity-dependent firms. *The Accounting Review*, 89(5), 1729-1750.
- Hayne, C., & Free, C. 2014. Hybridized professional groups and institutional work: COSO and the rise of enterprise risk management. *Accounting, Organizations and Society*, 39(5), 309-330.
- Huber, C., & Scheytt, T. 2013. The dispositif of risk management: Reconstructing risk management after the financial crisis. *Management Accounting Research*, 24(2), 88-99.
- Kim, K., Mauldin, E., & Patro, S. 2014. Outside directors and board advising and monitoring performance. *Journal of Accounting and Economics*, 57(2), 110-131.
- Mikes, A., 2011. From counting risk to making risk count: Boundary-work in risk management. *Accounting, organizations and society*, 36(4-5), pp.226-245.
- Panaretou, A., Shackleton, M. B., & Taylor, P. A. 2013. Corporate Risk Management and Hedge Accounting. *Contemporary Accounting Research*, 30(1), 116-139.
- Rose, J. M., Rose, A. M., Norman, C. S., & Mazza, C. R. 2014. Will Disclosure of Friendship Ties between Directors and CEOs Yield Perverse Effects? *The Accounting Review*, 89(4), 1545-1563.
- Soin, K., & Collier, P. 2013. Risk and risk management in management accounting and control. *Management Accounting Research*, 24(2), 82-87.
- Speklé, R.F., van Elten, H.J. and Widener, S.K., 2017. Creativity and Control: A Paradox Evidence from the Levers of Control Framework. *Behavioral Research in Accounting*, 29(2), pp.73-96