COST ACCOUNTING, PLANNING & CONTROL

(Prof. Antonio CHIRICO)

TEACHING STAFF RESPONSIBLE FOR THE COURSE:

Prof. Antonio CHIRICO, Ph.D.
Email: chirico@economia.uniroma2.it
Office Hour:Tuesday 16:00 – 18:00

OTHER MEMBERS CONTRIBUTING TO THE COURSE:

Assistant Researcher : dr. Gabriele Saponaro
Email: saponaro@economia.uniroma2.it

PRE-REQUISITES FOR THE COURSE:

General concepts of Financial Accounting

AIMS OF COURSE

The course emphasizes the use of accounting information for internal planning and control purposes. The aim of this course is to provide foundations of managerial accounting and its concepts and enable students to use accounting information to make better decisions. The focus of the course is calculation and decision making based on cost-volume profit analyses, relevant costs. This course also aims to enable students to effectively use budget as a planning and control device. Moreover this course will get students familiar with special cases in management accounting. Therefore, the course will cover topics and mechanics of cost accounting, basic issues involved in the design of a cost accounting system, and the role of management accounting in decisions concerning resource allocation and performance evaluation.

COURSE CONTENT

A study of the accounting information in managerial analysis and decision making; analysis of the output of the accounting system for planning and controlling activities of an organization; formulation of budgets as a planning and control tool; variance analysis and performance measurement.

LEARNING OUTCOMES OF THE COURSE

Upon successful completion of this course, the enrolled students will be gaining the following knowledge, skills and competences:

1. To articulate the role of the accountant's in the organization
2. To distinguish functions of management accounting from financial accounting
3. To define cost terms examining the use of cost data
4. To identify cost types and behaviors
5. To distinguish between various costing system
6. To prepare master budget
7. To define budget variances
8. To use relevant information in decision making
9. To prepare a Balanced Scorecard

COURSE STRUCTURE

The course is divided into six different sections:

- Section I: Concepts and Fundamentals of Management Accounting
- Section II: Cost Accounting Systems and Cost Analysis
- Section III: Relevant Costs for Decision Making and Control
- Section IV: Budgeting Process for Planning and Controlling
- Section V: Segment Reporting, Decentralization and the Balanced Scorecard
- Section VI: Managerial Accounting in practice: cases study discussion

TEACHING METHODS

The course will be a combination of lectures, problem-solving, case studies, and interactive class discussions.

MAIN REFERENCES

Garrison, Norreen, Brewer, *Managerial Accounting* (17th Edition, McGraw-Hill International Edition)

In particular, students are requested to study chapters: 1-14

During the course, cases will be discussed from the book above-mentioned or other text book provided by lectures.

CASE DISCUSSIONS

Students are expected to be fully engaged in the entire learning process. This means that students need to prepare the assigned readings of the cases prior to each class and come to class prepared to participate in group work and/or discussions to enhance the learning of the individual and the class. Students will find the relative assignment for each case on the website. Please read the questions carefully before the lesson.

The objective is to involve all the class members in the discussion. The cases are designed to integrate the concepts from the case into the context of the course.

With case discussions, each student will develop:

1. The ability to set the parameters for the problem (key concepts from the case).
2. Ample knowledge regarding the subject of the case (understanding of material, good response to the observations of others).
3. The ability to connect the case to other course concepts.
4. The ability to involve others in the discussion.

In order to effectively discuss the cases, students need to be:

- prepared with facts and specific quotes from the case.
- prepared to comment, ask questions, or make observations about the case.

During the discussion, students need to:

- take a position on a question or a point.
- ask questions to clarify a point.
- help keep the discussion moving and on track.
- help draw others into the discussion.
- integrate theories and content from other cases.

During the discussion, students should not:

- come unprepared and show their lack of knowledge.
- monopolise the discussion.
- make irrelevant comments.
- be insensitive to other's desire to speak or share opinions.

OTHER LEARNING SOURCES

Slides and other material will be available on the course website.

ATTENDANCE

Due to the concentrated nature of the MScBA programme, attendance in class is very important.

NOTE: Attendance for the first class session is mandatory as important information regarding the course and the lecturer's expectations are given. However, If students know in advance that they will be absent for one session, they must contact lecturer to ensure that absence from that particular session is acceptable.

EXAM

The exam is made up of two parts: a written and an oral exam which will be usually held on the same day.

I° - Written exam) The format will be the follow:
Part A: multiple choice quizzes and true/false quizzes;
Part B: exercises ("Managerial Accounting in practice");
Part C: open questions (from 1 to 3).

II° - Oral exam) Students may be asked to discuss their written answers and to focus on some specific theoretical issues.

<u>ANALYTICAL SYLLABUS A.Y. 2026/2027</u>

Date	Time	Agenda	Lecture/Case discussion

<u>I MODULE</u>: 14th September 2026 – 23rd October 2026

Section I:
Concepts and Fundamentals of Management Accounting

14th September 2026	09:00 11:00	Introduction to Management Accounting Concepts	Lecture
15th September 2026	09:00 11:00	Managerial Accounting and Cost Concepts	Lecture
21st September 2026	09:00 11:00	Managerial Accounting and Cost Concepts	Lecture

Section II:
Cost Accounting System and Cost Analysis

22th September 2026	09:00 11:00	System Design: Job-Order Costing	Lecture Case study
23th September 2026	09:00 11:00	System Design: Process Costing	Lecture Case study
28th September 2026	09:00 11:00	Applications	Lecture Case study
29 th September 2026	09:00 11:00	Case study	Lecture
30 th October 2026	09:00 11:00	Applications	Lecture
5th October 2026	09:00 11:00	Cost Behaviour: Analysis and Use	Lecture Case study
6th October 2026	09:00 11:00	Cost-Volume-Profit Relationships	Case study Exercises
7th October 2026	09:00 11:00	Applications	Case study Exercises
12th October 2026	09:00 11:00	Variable Costing: A Tool for Management	Case study Exercises

Section III:
Relevant Costs for Decision Making

13th October 2026	09:00 11:00	Applications	Lecture Case study
14th October 2026	09:00 11:00	Case Study	Lecture Case study
19th October 2026	09:00 11:00	Activity-Based Costing: A Tool to Aid Decision Making	Lecture
20 th October 2026	09:00 11:00	Activity-Based Costing: A Tool to Aid Decision Making	Lecture
21st October 2026	09:00 11:00	Activity-Based Costing: A Tool to Aid Decision Making	Case study Exercises
22nd October 2026	09:00 11:00	Applications	Case study Exercises

<u>II MODULE: 2nd november 2026 – 11th december 2026</u>

2nd November 2026	09:00 11:00	The Make or Buy Decisions	Lecture
3rd November 2026	09:00 11:00	Opportunity costs, Special Orders and utilization of Constrained Resource	Lecture Exercises
4th November 2026	09:00 11:00	Applications	Case study Exercises
9th November 2026	09:00 11:00	Profit Planning	Lecture
10th November 2026	09:00 11:00	Applications	Exercises
11th November 2026	09:00 11:00	Applications	Exercises

Section V:
Segment Reporting, Decentralization and the Balanced Scorecard

16th November 2026	09:00 11:00	Case study on Profit Planning	Lecture
17th November 2026	09:00 11:00	Standard Costs and Management by exception	Exercise

18 th November 2026	09:00 11:00	Applications	Exercises
23th November 2026	09:00 11:00	Flexible Budget	Lecture Exercises
24th November 2026	09:00 11:00	Performance management and Balanced Scorecard	Lecture
25th November 2026	09:00 11:00	Balanced Scorecard	Exercises
30th November 2026	09:00 11:00	Service Department allocation	Lecture Exercises
1st December 2026	09:00 11:00	Pricing product and services	Lecture Exercises

Section VI:

Managerial Accounting in practice: case study on budgeting - discussion

2nd December 2026	09:00 11:00	Discussion budget case study
7th December 2026	09:00 11:00	Discussion budget case study
9th December 2026	09:00 11:00	Discussion budget case study