



جامعة الامير سلطان  
PRINCE SULTAN  
UNIVERSITY



رؤية VISION  
2030  
المملكة العربية السعودية  
KINGDOM OF SAUDI ARABIA

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### Course Specification 2020-2021



<b>Course Title:</b>	<b>STRATEGIC COST ANALYSIS</b>
<b>Course Code:</b>	<b>ACC224</b>
<b>Program:</b>	<b>BACHELOR OF SCIENCE IN ACCOUNTING</b>
<b>Department:</b>	<b>ACCOUNTING</b>
<b>College:</b>	<b>COLLEGE OF BUSINESS ADMINISTRATION</b>
<b>Institution:</b>	<b>PRINCE SULTAN UNIVERSITY</b>

National Accreditation



International Accreditation



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## A. Course Identification

<b>1. Credit hours:</b> 3
<b>2. Course type</b>
a. University <input type="checkbox"/> College <input type="checkbox"/> Department <input checked="" type="checkbox"/> Others <input type="checkbox"/>
b. Required <input checked="" type="checkbox"/> Elective <input type="checkbox"/>
<b>3. Level/year at which this course is offered:</b> Year 2 (Semester 2)
<b>4. Pre-requisites for this course (if any):</b> FUNDAMENTALS IN MANAGERIAL ACCOUNTING (ACC222)
<b>5. Co-requisites for this course (if any):</b> None

### 6. Mode of Instruction (mark all that apply)

No	Mode of Instruction	Contact Hours	Percentage
1	Traditional classroom	X	70%
2	Blended		
3	E-learning	X	30%
4	Distance learning		
5	Other		

### 7. Contact Hours (based on academic semester)

No	Activity	Contact Hours
1	Lecture	39
2	Laboratory/Studio	
3	Tutorial	13
4	Others (specify)	8
	<b>Total</b>	<b>60</b>

## B. Course Objectives and Learning Outcomes

### 1. Course Description

This course focuses on accounting for costs and other financial variables within a firm. This is a highly technical course on managerial accounting and is solely intended for students who plan to work in accounting. The entire course revolves around cost measurement, allocation and management, budgeting and performance measurement and control in a manufacturing and service organisations.

### 2. Course Main Objective

Purpose of this course is to enable students to gain CMA qualification (**CMA Part I and Part II**) upon completion of all the management accounting courses. This course is a continuation of the foundations in managerial accounting, namely, ACC222.

### 3. Course Learning Outcomes

CLOs		Aligned PLOs
1	<b>Knowledge and Understanding</b>	
1.1	Explain the concepts of costing and costs classification	PLO 1.1
1.2	Discuss budgetary control and responsibility accounting	PLO 1.2
2	<b>Skills :</b>	
2.1	Implement managerial costing models and processes to improve decision support beyond the basic cost accounting	PLO 2.1
2.2	Perform a comprehensive variance analysis, and interpret drivers of performance variances	PLO 2.1
3	<b>Values:</b>	
3.1	Evaluate team work through cooperative learning strategy	PLO 3.2
3.2	Perform decision analyses using Excel	PLO 3.4

CLOs		SAQF PLOs	AACSB LO	AACSB LG	Level of Instruction AACSB*
1	<b>Knowledge:</b>				
1.1	Explain the concepts of costing and costs classification	PLO 1.1	LO 1.1	LG1	R
1.2	Discuss budgetary control and responsibilities	PLO 1.2	LO 1.2	LG1	R
2	<b>Skills :</b>				
2.1	Implement managerial costing models and processes to improve decision support beyond the basic cost accounting	PLO 2.1	LO 2.1	LG2	R
2.2	Perform a comprehensive variance analysis, and interpret drivers of performance variances	PLO 2.1	LO 2.1	LG2	R
3	<b>Values:</b>				
3.1	Evaluate team work through cooperative learning strategy	PLO 3.2	LO 4.1	LG4	R
3.2	Perform decision analyses using Excel	PLO 3.4	LO 5.2	LG5	R

**Note: AACSB: I = Introduced; R = Reinforced; M = Mastery**

### C. Course Content

No	List of Topics	CLO alignment	Alignment with professional accounting syllabus						Contact Hours
			A	I	C	C	A	C	
			C	C	M	P	A	M	
			A	E	A	F	A	A	
				W		A			

1	<b>Introduction – Management Accounting Information and Decision Making</b>	CLO 1.1	MA	BST M	P1 E2	MA	Paper 12	Part I	3
2	<b>Overhead Costs</b> <ul style="list-style-type: none"> <li>• Fixed and Variable Overhead Expenses</li> <li>• Plant-Wide Versus Departmental Overhead</li> <li>• Determination of Allocation Base</li> </ul>	CLO 1.1	MA	BST	P1 BA2	MA	Paper 12	Part1	6
3	<b>Cost / Volume / Profit Analysis</b> <ul style="list-style-type: none"> <li>• Breakeven Analysis</li> <li>• Profit Performance and Alternative Operating Levels</li> <li>• Analysis of Multiple Products</li> </ul>	CLO 2.1 & 3.2	MA	BST	P1	MA	Paper 12	Part 2	3
4	<b>Marginal Cost Analysis</b> <ul style="list-style-type: none"> <li>• Sunk costs, opportunity costs, and other related concepts</li> <li>• Marginal costs and marginal revenue</li> <li>• Special orders and pricing</li> <li>• Make vs. buy</li> <li>• Sell or process further</li> <li>• Add or drop a segment</li> <li>• Capacity considerations</li> </ul>	CLO 2.1	MA	BST	P1	MA	Paper 12	Part 1	3
5	<b>Costing Systems</b> <ul style="list-style-type: none"> <li>• Process Costing</li> <li>• Activity-Based Costing</li> </ul>	CLO 2.1 & 3.2	MA	BST	P1	MA	Paper 12	Part 2	6
7	<b>Budgeting Methodologies</b> <ul style="list-style-type: none"> <li>• Activity-Based Budgeting</li> <li>• Zero-Based Budgeting</li> <li>• Rolling Budgets</li> <li>• Project Budgeting</li> </ul>	CLO 1.2	MA	SBM	P1	MA	Paper 12	Part I	3
8	<b>Cost and Variance Measures</b> <ul style="list-style-type: none"> <li>• FOH Cost Variances</li> <li>• Variance Analysis</li> </ul>	CLO 2.2	MA	BST	P1	MA	Paper 12	Part I	3
9	<b>Responsibility Centers and Reporting Segments</b> <ul style="list-style-type: none"> <li>• Types of Responsibility Centers</li> <li>• Transfer Pricing Models</li> <li>• Reporting of Organizational Segments</li> </ul>	CLO 1.2	MA	BST	P2	MA	Paper 12	Part I	6
10	<b>Measurement Concepts</b> <ul style="list-style-type: none"> <li>• Absorption (Full) Costing</li> <li>• Variable (Direct) Costing</li> <li>• Joint and By-Product Costing</li> </ul>	CLO 2.1	MA	MI BST	P1	MA	Paper 12	Part 1	6
<b>Total</b>									39

## D. Teaching and Assessment

### 1. Alignment of Course Learning Outcomes with Teaching Strategies and Assessment Methods

Code	Course Learning Outcomes	Teaching Strategies	Assessment Methods
<b>1.0</b>	<b>Knowledge and Understanding</b>		
1.1	Explain the concepts of costing and costs classification	Lectures and case studies	Major exam and case studies analysis and presentation
1.2	Discuss budgetary control and responsibility accounting	Lectures, tutorial and in class exercises	Online quizzes, major exam, final exams, individual assignments and homework
<b>2.0</b>	<b>Skills</b>		
2.1	Implement managerial costing models and processes to improve decision support beyond the basic cost accounting	Lectures, tutorial and in class exercises	Online quizzes, major exams, final exams, individual assignments and homework
2.2	Perform a comprehensive variance analysis, and interpret drivers of performance variances	Lectures, tutorial and in class exercises	Major exams, case studies, final exams,
...			
<b>3.0</b>	<b>Values</b>		
3.1	Evaluate team work through cooperative learning strategy	Case studies	Group assignment and presentation
3.2	Perform decision analyses using Excel	Case studies	Group assignment
...			

### 2. Assessment Tasks for Students

#	Assessment task*	Week Due	Percentage of Total Assessment Score
1	<b>Assignments, Quizzes, Homework, In class exercises and participation</b>	Continuous	20%
2	<b>Major Exam I</b>	9	20%
3	<b>Major Exam 2</b>	13	20%
4	<b>Final Exam</b>	16	40%
5			
6			
7			
8			

\*Assessment task (i.e., written test, oral test, oral presentation, group project, essay, etc.)

## E. Student Academic Counseling and Support

**Arrangements for availability of faculty and teaching staff for individual student consultations and academic advice :**

6 office hours weekly are allocated for students' consultation. ( 4 office hours and 2 academic advising hours)

## F. Learning Resources and Facilities

### 1. Learning Resources

<b>Required Textbooks</b>	CMA Excel Learning System Exam Review, Part I and II (2021 edition), 9781119519805
<b>Essential References Materials</b>	<ol style="list-style-type: none"> <li>1. Management Accounting Research</li> <li>2. Journal of Accountancy</li> <li>3. Management Accounting Quarterly</li> <li>4. IMA Educational Journal</li> <li>5. Professional magazines - Strategic Finance</li> </ol> Professional accounting bodies' websites (e.g. IMA websites, CMA websites) (State some specific accounting journals - discipline related)
<b>Electronic Materials</b>	Moodle (LMS), E-learning resources from IMA (include link here) <a href="https://www.imanet.org/cma-certification/getting-started/cma-resources?ssopc=1">https://www.imanet.org/cma-certification/getting-started/cma-resources?ssopc=1</a>
<b>Other Learning Materials</b>	Other textbooks titles to be included here

### 2. Facilities Required

Item	Resources
<b>Accommodation</b> (Classrooms, laboratories, demonstration rooms/labs, etc.)	<ul style="list-style-type: none"> <li>● Classroom with 25 seating capacity</li> </ul>
<b>Technology Resources</b> (AV, data show, Smart Board, software, etc.)	<ul style="list-style-type: none"> <li>● Smartboard (Overhead projector and Screen)</li> <li>● Whiteboard</li> <li>● LMS, Google Meet</li> <li>● CMA Learning Resources</li> </ul>
<b>Other Resources</b> (Specify, e.g. if specific laboratory equipment is required, list requirements or attach a list)	Laptop

## G. Course Quality Evaluation

Evaluation Areas/Issues	Evaluators	Evaluation Methods
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Effectiveness of teaching and assessment	Course leader Program leaders	<b>Direct assessment</b> – Classroom observation <b>Indirect assessment</b> - Course Evaluation Survey
Extent of achievement of course learning outcomes	Faculty	<b>Direct assessment</b> – Academic assessment (AOL) Rubrics assessment <b>Indirect assessment</b> Course Evaluation Survey
Quality of learning resources	Student	<b>Indirect assessment</b> Course Evaluation Survey
Action Plan continuity (Closing the loop)	AOL Committee and course leaders	AOL Report

**Evaluation areas** (e.g., Effectiveness of teaching and assessment, Extent of achievement of course learning outcomes, Quality of learning resources, etc.)

**Evaluators** (Students, Faculty, Program Leaders, Peer Reviewer, Others (specify))

**Assessment Methods** (Direct, Indirect)

## H. Specification Approval Data

<b>Council / Committee</b>	Department of Accounting Council
<b>Reference No.</b>	Term 202, Meeting No. 6
<b>Date</b>	May 6, 2021