

NIRMA UNIVERSITY
Institute of Management
Master of Business Administration (Family Business & Entrepreneurship) Programme
Term - II

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Course Code	MFB4CCEF03
Course Title	Accounting for Decision Making

Course Learning Outcomes (CLO):

At the end of the course, students will be able to:

1. Explain the various concepts of costs and classify the elements of cost based on various classifications.
2. Estimate full cost of a product/service and determine the bases of allocating overhead costs.
3. Analyze the impact of cost, volumes and selling price on profits by applying the concept of relevant cost for decision-making.
4. Formulate master budget as a tool for planning and appraise the actual performance with the help of variance analysis.

Syllabus

Teaching Hours

<p>Unit I: Full Cost & Product Costing Systems</p> <ul style="list-style-type: none"> • Management Accounting: Overview & Scope; • Classification of Costs: Various Concepts of Costs; • Full Cost Calculations: Direct Costs & Indirect Cost; • Traditional Costing System: Allocation of Overheads; • Activity Based Costing & Activity Based Management; • Time Driven Activity Based Costing 	10
<p>Unit II: Use of Relevant Cost for Short Run Decision Making</p> <ul style="list-style-type: none"> • Cost-Volume-Profit Analysis; • Relevant Costs for Short Run Decisions 	10
<p>Unit III: Management Planning and Control</p> <ul style="list-style-type: none"> • Budgetary Control: Operating Budgets & Master Budget; • Variance Analysis: Flexible Budgets, Standard Costing & Variance Analysis; • Management Control Systems: Responsibility Accounting 	10

Suggested Readings:

1. Atkinson, A. A., Matsumura, E. M., Kumar, G., Kaplan, R.S. & Young M. *Management Accounting*. Pearson Education,
2. Horngren, C. T., Datar, S. M. & Foster, G. *Cost Accounting*. Pearson Education.
3. Anthony, R. N., Hawkins, D. F., & Merchant, K. A. *Accounting Texts and Cases*, McGraw Hill,
4. Hilton, R. W. & Platt, D. E. *Managerial Accounting*. McGraw Hill Education, Latest edition.
5. Hansen, D. R. & Mowen, M. M. *Management Accounting*. Cengage Learning.