

## Accounting for Managerial Decision Making

**Course Code:** CUSCOM102CR

**Max Marks:** 100

**M.Com :** 1<sup>st</sup> Semester

**Continuous Internal Assessment: 20**

**Course Type:** Core

### Module – I

Role of Accounting in decision making. Financial, Cost and Managerial Accounting. Cost Management Systems: Treatment of overheads under Traditional vs. Activity Based Costing (ABC) systems. Design and Implementation of the ABC System. Product Profitability and Customer Profitability Analysis under ABC. Role of ABC in Strategic Cost Management. Cost information for pricing decisions. Target costing.

### Module – II

Marginal Costing and Mgt. decisions, Marginal vs. Absorption costing, Tools of marginal costing, Cost-volume -Profit- Relationship, Break –even analysis, Methods and applications. Differential Costing and Mgt. Decisions: special applications in Make or buy, Change vs. Status quo, Optimum sales mix, Selling or further processing, Shutdown or Continue, Exploring new market, and Adding or dropping a Product.

### Module – III

Life Cycle Costing-Concept and characteristics. Product life cycle costing- procedure for implementation. Quality Costs: concept, types of quality costs. Management of quality costs. Human Resource Accounting: Concept, and importance; Valuation of Human Resources. Accounting for Intangible Assets: concept and computation

### Module – IV

Learning Curve model: Concept, Factors affecting learning and experience curve. Application of Learning Curve model in decision making. Theory of Constraints (TOC) - Concept, steps in implementation. Role of TOC in decision making. Benchmarking: concept, types of benchmarking, procedure of Benchmarking. Uses and applications of Benchmarking in decision making. Value Chain analysis: concept and application in decision making.

### Suggested Readings

1. Zemmerman Jerold, *Accounting for Decision Making*, Tata McGraw-Hill publishing House, 2010.
2. Atkinson, Banker, Kaplan, and Young, *Management Accounting*, Pearson Education, 2008.

3. Young, S Mark, ***Readings in Management Accounting***, Prentice Hall of India Pvt. Ltd. New Delhi, 2012.
4. Kaplan and Atkinson, ***Advanced Management Accounting***, Pearson Education, 2006.
5. Sharma & Gupta, ***Management Accounting***, Kalyani Publications, Delhi 2012
6. Kishore, R. M, ***Advanced Management. Accounting***, Taxman publications, New Delhi 2012

**Journals**

1. Indian Journal of Accounting
  2. Journal of Accounting and Finance
  3. Journal of Accounting, Auditing & Finance
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