



PERSONA CIENCIA EMPRESA

UNIVERSITAT RAMON LLULL

**Code:** 80318  
**Name of the subject:** Cost Analysis for Decision Making

### GENERAL CHARACTERISTICS

<b>Number of credits ECTS:</b>	4.5
<b>Language/s</b>	Catalan Spanish English
<b>Type</b>	Normal
<b>Professor/s</b>	Rodríguez Pérez, Gonzalo

### DESCRIPTION

### BRIEF DESCRIPTION AND JUSTIFICATION

The subject firstly provides the basic terminology and concepts of analytical or management accounting. The process to learn how to calculate costs for both stock valuation and decision making is explained, using the most appropriate methodology in each case to understand the relationship between activity level and benefits. On the other hand, the fundamentals of standard costs, deviations and their role in controlling costs are explained.

The result of the assimilation of the above concepts will lead to the student being able to:

- Understand the information provided by a cost system in order to make operational and strategic decisions.
- Evaluate a cost system, proposing improvements in it.
- Identify and control deviations in costs.

### COMPETENCIES

- The student, as a result of the training activities of the curriculum, will be able to: The student should be able to understand the accounting of the firm and draw valid conclusions about its economic-financial situation and its future evolution. (CE2)
- The student should be able to make decisions that are consistent with the company's goal related to investment and the different ways of obtaining financial resources.(CE3) The student should be able to build up hypothesis and analyze systematically the situation in order to determinate the causes and their consequences, as well as to think about the necessary steps in the processes and assess the necessary elements to perform the tasks or

match an objective. The student should be able to anticipate in a realistic way the associate obstacles to a situation and plan how to address them. (Analytic thinking) (CT2)

- The student should be able to set targets and evaluate the indicators for quantifying the degree of fulfillment of these objectives. The student should be able to search, select and interpret relevant information for the achievement of objectives. (CT3)

## PREREQUISITES

- Requirements legally established to access postgraduate programs.
- Degree in the scientific or technological field.

## CONTENTS

1. Introduction.
2. Alternatives of presentation of the result and valuation of stocks.
3. Analysis and decisions related to cost variability.
4. The problem of indirect costs and their delivery solutions.
5. Budget control in decision-making.

## METHODOLOGY

## TRAINING ACTIVITIES:

Training activities	ECTS Credits	Competencies
Lectures presenting concepts and procedures	1,2	CE2; CE3; CT2; CT3
Practical sessions (exercises, case resolution)	0,8	CE2; CE3; CT2; CT3
Assignments by Students	0,4	CE2; CE3; CT2; CT3
Seminars or tutorials	0,3	CE2; CE3; CT2; CT3
Personal study activities	1,6	CE2; CE3; CT2; CT3
Assessment sessions	0,2	CE2; CE3; CT2; CT3
Internship in Company		
<b>TOTAL</b>	<b>4,5</b>	

## EXPLANATION OF TEACHING METHODOLOGY

There are two types of training activities:

### 1.- Exposition and reading of theory on matter

It corresponds to the exposition of the subject by the teacher and to the study of the subject by the student. In this activity we try to know the theoretical foundations of the subject, as well as the basic concepts of analytical accounting and the main objectives of the same.

### 2.- Practical exercises and case discussion

It corresponds to the preparation by the students of the practices corresponding to each theoretical theme. In this activity the transversal competences are developed mainly, while assimilating the knowledge that leads to the specific competences. This section takes into account both the practical sessions, the seminars and tutorials that are developed during the course, and the sessions of continuous evaluation. The work is done both individually and in working groups. They are intended for students to be able to calculate the costs of products with the aim of making decisions. On the other hand students have to understand the process of calculating deviations as the difference between a budget and reality and the activity of controlling them.

## EVALUATION

### METHODS OF EVALUATION

Evaluation Methods	Weight	Competencies
Final exam	40	CE2; CE3; CT2; CT3
Partial exams	30	CE2; CE3; CT2; CT3
Following up activities	10	CE2; CE3; CT2; CT3
Homework and presentations	20	CE2; CE3; CT2; CT3
Experimental work or fieldwork		
Projects		
Evaluation of the company or institution		
Participation		

### LEARNING OUTCOMES

At the end of the course the student should be able to:

- Prepare analytical results accounts according to different cost allocation systems.
- Understand the application of cost variability in order to make short-term decisions.
- Distribute the indirect costs to the different products manufactured by the company.
- Understand and calculate deviations between a budget and reality for control activities

## EVALUATION

The final grade of the course responds to criteria of continuous evaluation and will be the result of applying the following percentages: 40% for the grade obtained in the final exam, 30% for the grade of the partial exams, 10% for the delivery of class exercises and other follow-up activities (works and presentations) and 25% for the delivery of practices about cost accounting problems.

### EVALUATION OF COMPETENCIES

On the basis of continuous assessment and final examination tests, competence is assessed on the development and interpretation of the information provided by cost accounting. These tests also evaluate the competence of analytical thinking, as well as exercises and practices that are delivered throughout the course, in which students have to calculate costs and make decisions related to them.

## **BIBLIOGRAPHY**

### **Bibliography**

Bhimani, A., Horngren, C.T., Datar, S. M. and Rajan, M.V. (2012). Management and cost accounting. Prentice Hall.

Horngren, C.T., Foster, G. y Datar, S.M. (2007). Contabilidad de costos: un enfoque gerencial. Ed. Pearson Education. 12ª edición.

Nicolás P. (1999). Elaboración y control de presupuestos. Ed. Gestión 2000.

Nicolás P. (2009). Costes para la dirección de empresas. Servei de publicacions, UAB.

## **DOCUMENT RECORD**

### **PREVIOUS CHANGES**

10/10/2016. Dr. Gonzalo Rodríguez Pérez

### **LAST REVISION**

10/10/2017. Dr. Gonzalo Rodríguez Pérez