

## Cost Management Systems

Code: 104608  
ECTS Credits: 6

2024/2025

Degree	Type	Year
2500003 Business and Information Technology	OB	3

### Contact

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### Teaching groups languages

You can view this information at the [end](#) of this document.

### Prerequisites

Prerequisites are not required to take this subject.

### Objectives and Contextualisation

Context:

This subject is contextualized between the knowledge areas of Accounting (Principles of Accounting subject in Business and Information Technology's degree) and Operations (with Business Process Management and Operations Management as subjects of the Business and Information Technology's degree).

Goals:

- Understanding the relationship between the Financial Accounting and Cost Accounting.
- Understand the concept of cost and the relationship between cost and expense, as well as the classification of costs.
- Knowing how to use process-costing systems in different types of industry.
- Understand the concept and applications of the standard cost as a basic tool for Planning and Budgeting Process.
- Learn the relevant information for decision making.
- Understand the concept of quality in its different areas (product, company and environment). Know how to calculate the costs of product quality or service.

### Competences

- Act with ethical responsibility and respect for fundamental rights and duties, diversity and democratic values.
- Analysing, diagnosing, supporting and taking decisions in terms of organisational structure and business management.
- Capacity for working in teams.
- Demonstrating a comprehension of the principles, structure, organisation and inner workings of companies and organisations.

- Demonstrating a sensibility towards social and environmental issues.
- Demonstrating the ability to plan in accordance to the objectives and available resources.
- Students must be capable of communicating information, ideas, problems and solutions to both specialised and non-specialised audiences.

## Learning Outcomes

1. Analysing and determining the accounting structure of the costs of goods and services.
2. Appropriately drawing up technical reports according to the customer's demands.
3. Communicating with experts of other fields and non-experts.
4. Demonstrating a sensibility towards social and environmental issues.
5. Demonstrating the ability to plan in accordance to the objectives and available resources.
6. Explain the explicit or implicit code of practice of one's own area of knowledge.
7. Producing accounting reports about the quality and environmental costs for the company managers.
8. Producing technical accounting reports for the company managers, to help them take decisions related to management.
9. Working in teams, sharing knowledge and communicating it to the rest of the team and the organisation.

## Content

### Topic 1. Concept and Classification of Costs

1. Differences between Financial Accounting and Cost Management.
2. Cost concept.
3. Classification of costs.
4. Costs for Nature.
  1. The cost of materials.
  2. The cost of labor.
  3. Other costs.

### Topic 2. Cost Allocation Systems

1. Direct Cost.
2. Full Cost Industrial.
3. Rational Allocation.
4. Total Full Cost.

### Topic 3. Cost Pool Homogeneity

1. The process of allocating costs. Organic system versus Inorganic System.
2. Operating Departments and Support Departments.
3. Statistics Costs Settlement

### Topic 4. Costing systems

1. Job-costing system.
  1. Allocation of costs to orders.
  2. Assessment of current orders.
  3. The result calculation of the orders.
3. Process-costing system.
  1. Table of distribution and Table Matrix
  2. Process costing with both some opening and some closing work-in-progress stock.
  3. The unit cost structure.

### Topic 5. The Standard Cost and Budget Control

1. Cost Standard. Concept and Calculation.
2. The Budgeting Process.
3. Managing the Budgeting Process.
  1. Flexible Budget.
  2. Analysis of variances.

#### Topic 6. Control systems and transfer pricing

1. The decentralization.
2. Transfer pricing.

#### Topic 7. Costs and Business Management

1. Costs of Quality. Concept and Classification.
2. Decision Making.
  1. Relevant costs.
  2. Accepting or rejecting one-off special decision.
4. The case of cost management in technology projects.

### Activities and Methodology

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Laboratory practice	10	0.4	8
Practical sessions and problem solving	10	0.4	1, 4, 5, 7
Theoretical sessions, case studies and work team	29.5	1.18	1, 7, 8
Type: Supervised			
The monitoring and supervision of the exercises and case studies	5	0.2	1, 7, 8
Tutorials of case studies and work group	10	0.4	1, 3, 4, 5, 6, 8, 9
Type: Autonomous			
Study and research for information	40.5	1.62	1, 4, 5, 7, 8
Work group	45	1.8	1, 2, 4, 5, 7, 8, 9

The teaching methodology will be based on a combination of the following four types of activities:

- Guided activity: theoretical and practical classes based on theoretical debates, group project development and case studies.
- Supervised activity: consists of the assistance to tutorials and the realization of the work-group project with guided follow-up.
- Individual self-study activity: it will include the student's personal study and the resolution and analysis of practical cases.
- Autonomous group activity: Project development.

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

## Assessment

### Continous Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Final Test	40%	0	0	1, 4, 5, 7, 8
Laboratory practice	15%	0	0	1, 7, 8
Project Group	45%	0	0	1, 2, 3, 4, 5, 6, 7, 8, 9

### Evaluation

This subject does not offer the option for comprehensive evaluation. Student assessment will be based on the following activities:

1. Project Group (45% of the total).
  1. 5% Deliveries on time (at least 80%).
  2. 35% of the project. Will be assessed based on a rubric.
    1. 15% First prototype (note Group).
    2. 5% Oral Defense (note Group).
    3. 15% Final version (note group).
  4. 5% Individual evaluation (weighted average about the score of colleagues and the score of the professor). It is not computable if do not done this activity.
3. Laboratory practice (15% of the total). The grade is computable if you get a score higher than 5 out of 10.
4. Final Test, 5 to 7 subjects (40% of the mark). The grade is computable if you get a score higher than 3,5 out of 10.

To pass the course the student should get her an aggregate grade not less than 4.9 out of 10. To pass the course is also necessary have completed all activities: Laboratory Practice, project and Final Test.

### Calendar of evaluation activities

The dates of the evaluation activities (Laboratory practice, assignments ...) will be announced well in advance during the semester.

The date of the final exam is scheduled in the assessment calendar of the Faculty.

*"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity."* **Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB).** Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an Application for exams' reschedule at [https://eformularis.uab.cat/group/deganat\\_feie/application-for-exams-reschedule](https://eformularis.uab.cat/group/deganat_feie/application-for-exams-reschedule)

### Grade revision process

After all grading activities have ended students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

## Retake Process

"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject." Section 3 of Article 112 ter. The recovery (UAB Academic Regulations). Additionally, it is required that the student to have achieved an average grade of the subject between 3.5 and 4.8.

The date of the retake exam is posted in the calendar of evaluation activities of the Faculty. Students taking this exam and passing will get a grade of 5 for the subject. For the students that do not pass the retake, the grade will remain unchanged, and hence, will fail the course.

## Irregularities in evaluation activities

Despite other disciplinary measures deemed appropriate, and in accordance with current academic regulations, "whenever a student makes any irregularity that could lead to a significant variation in the grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In case of occurrence of various irregularities in the evaluation of the same subject, the final grade of this subject will be 0". **Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).**

## Bibliography

### Main references:

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Bhimani, Alnoor, et al. *Management and Cost Accounting*, Pearson Education, Limited, 2018. *ProQuest Ebook Central*, <https://ebookcentral.proquest.com/lib/uab/detail.action?docID=5763136>.

Horngren, Charles T., Srikant M. Datar, and Madhav V. Rajan. *Horngren's Cost Accounting: a Managerial Emphasis / Charles T. Horngren, Srikant M. Datar, Madhav V. Rajan*. Sixteenth edition, global edition. Harlow, Essex, England: Pearson Education Limited, 2017. Print.

Kaplan, Robert S., and David P. Norton. *El Cuadro de mando integral = The balanced scorecard / Robert S. Kaplan, David P. Norton*; [traducción: Adelaida Santapau]. 3a ed. rev. Barcelona: Gestión 2000, 2009. Print.

Mallo, C.; Mallo, M.A.; Jiménez M.A.; Mallo, J. & Merlo, J. (2000). *Contabilidad de Costes*. Pirámide.

Ripoll Feliu, V. & Álvarez López, J. (1994). *Introducción a la contabilidad de gestión. Cálculo de costes*. s. n/Madrid.

UAB: Material proporcionado en el Aula Moodle de la asignatura.

### Secondary references:

Datar, Srikant, and Madhav Rajan. *Horngren's Cost Accounting, Global Edition*, Pearson Education, Limited, 2020. *ProQuest Ebook Central*, <https://ebookcentral.proquest.com/lib/uab/detail.action?docID=6340519>.

Farooq, Muhammad Arsalan et al. "Cost of Quality: Evaluating Cost-Quality Trade-Offs for Inspection Strategies of Manufacturing Processes." *International journal of production economics* 188 (2017): 156-166. Web.

Horngren, Charles T., Srikant M. Datar, and Madhav V. Rajan. *Horngren's Cost Accounting: a Managerial Emphasis / Charles T. Horngren, Srikant M. Datar, Madhav V. Rajan*. Sixteenth edition, global edition. Harlow, Essex, England: Pearson Education Limited, 2017. Print.

Kaplan, R. S., & Norton, D. P.(2001). Transforming the balanced scorecard from performance measurement to strategic management: Part I. *Accounting Horizons*, 15(1), 87-104. Retrieved from <https://www.proquest.com/scholarly-journals/transforming-balanced-scorecard-performance/docview/208896029>

Kaplan, R. S., & Norton, D. P. (2001). Transforming the balanced scorecard from performance measurement to strategic management: Part II. *Accounting Horizons*, 15(2), 147-160. Retrieved from <https://www.proquest.com/scholarly-journals/transforming-balanced-scorecard-performance/docview/208910161>

## Software

Excel will be used as a spreadsheet.

## Language list

Name	Group	Language	Semester	Turn
(PAUL) Classroom practices	201	Catalan	first semester	morning-mixed
(PLAB) Practical laboratories	201	Catalan	first semester	morning-mixed
(PLAB) Practical laboratories	202	Catalan	first semester	morning-mixed
(TE) Theory	20	Catalan	first semester	morning-mixed