

***Kuwait University***

***College of Business Administration***

***Accounting Department***

**Course Syllabus**

**ACCT 572: Strategic Cost Management**

**Fall 2023**

Dr. Abdulrahman Alrefai

**Email**: ar.alrefai@ku.edu.kw

**Class hours**: Monday

**From:** 5:00pm to 7:50pm

**Floor**: 3 **Area**: D3 **Room**: 1007

**Office Hours:** 12:30pm – 1:30pm (M-W) or by appointment

**CBA Vision:**

*To be the leading provider of quality business education in the region.*

**CBA Mission:**

*As part of Kuwait University, the leading national institution of higher education, the College of Business Administration is committed to providing quality business education, engaging in research and community services to contribute to the socio-economic development of the country.*

# **Course Description**

The changing role of managerial accounting in organizations includes calls for managerial accountants to expand their horizons to incorporate a broad range of issues that they have traditionally not considered to be in their domain. In targeting this course toward prospective Audience and students in graduate programs, this course addresses this expanding role of managerial accounting in a number of ways. Strategic Cost Management includes a number of new topics which are not usually covered (or covered only briefly) in most undergraduate cost and managerial accounting courses. These include strategic positioning (how a firm determines its strategy), Value Chain Analysis, the Balanced Score Card, target costing, theory of constraints, life-cycle costing, economic value added, managing quality and time,  customer costing and profitability analysis, managerial uses of accounting information, and the role of activity-based-costing (ABC) in enforcing activity-based-management (ABM).

# **Grading**

# The grades for this class are distributed as follows:

|  |  |
| --- | --- |
| Grade | Activity |
| 20 | Participation, Cases, & Discussion |
| 40 | Cost Project |
| 40 | Exams |
| **100** | **Total** |

# **Course Schedule:**

|  |  |  |
| --- | --- | --- |
| **Week** | **Topic** | **Chapters** |
| 2 | Strategic Cost Management – Strategy | 1,2 |
| 3 | Strategic Cost Management – The Value Chain. Strategic Cost Management – The Balanced Scorecard. | 2 |
| 4,5 | Activity Based Costing – Introduction  Activity Based Costing – The Calculations  Activity Based Costing – Customer Profitability Analysis, and Capacity | 5 |
| 6 | Cost Allocation: Departments, Joint Products, and By-Products | 7 |
| 7 | **Mid Term Exam** |  |
| 7,8 | The Flexible Budget for Performance Evaluation – Standard Costing.  The Flexible Budget – Problems and cases. | 14 |
| 9,10 | Performance Measurement – Strategic Business Units and the Balanced Scorecard  Performance Measurement – Cost Allocation and Profit Centers. | 18 |
| 11 | Performance Measurement – Investment Centers | 19 |
| 12 | Executive Compensation  Business Valuation | 20 |
| 13 | Course Overview and Review |  |
| 14 | **Project Report & Presentation** |  |
| 15 | **Final Exam** |  |