

## **MÁSTER UNIVERSITARIO EN DIRECCIÓN FINANCIERA Y CONTABLE DE LA EMPRESA**

**(Official Master's Degree in Accounting and Financial Management)**

### **Subject**

- **Name:** Strategic Cost Management

Type of subject: Compulsory

Credits: 3 ECTS

Hours dedication: 18 hours (in classroom) 60 hours (out classroom)

Professor: Ramon Bastida

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### **Course description**

Strategic cost management plays a key-supporting role in the creation of more value to the consumer of a firm's products and services, thus enhancing its competitiveness. This course provides advanced knowledge on the most commonly used cost management systems. Any organization can benefit from cost management systems that accurately provide information and that facilitate integration of initiatives such as total quality, new product and service design, cost reduction and business process improvement that enhances their competitiveness and profitability.

Topics will include design and implementation of classical and advanced costing measurement systems. Special attention will be paid to the activity-based costing. It will also include techniques to optimize and reduce costs, such as target costing, lean management, quality and non-quality costs, among others.

### **Learning results**

Following this course, students will:

- Learn to cost products, services and strategies in manufacturing, financial and service industries with accuracy.
- Learn to discern between activities that do not contribute value to the firm and those that increase efficiency of operations, facilitating intelligent strategic budgeting processes.
- Efficient cost reduction approaches, monitoring of performance, quality enhancement projects and strategies to increase profitability of the firm.
- Tools such as activity-based costing, target costing, Kaizen and customer profitability analysis.

### **Specific abilities**

CE1. Taking decisions aimed at achieving the company's overall accounting and financial objectives through the application of practical and advanced analysis techniques adapted to the business sector in which it operates.

CE2. Applying expert knowledge to finances and accounting through actual cases,

role-play and real practices.

CE5 Carrying out projects in the accounting and finance field in order to have a set of scenarios to make the best decisions.

CE6. Applying specific analytical techniques from the field of finances and accounting with the aim of taking the most appropriate decisions, taking into account the economic context and the company's expectations.

CE8. Managing the company's financial resources effectively and efficiently with the aim of increasing its profits and profitability, in keeping with its overall accounting and financial objectives.

### **Methodology**

There will be 4 sessions of four and a half hours each. The course will combine lectures with case discussions, and presentation of reports about cases made by groups of students. During the discussion of some cases, the students will be divided in groups using the role-playing approach

### **Evaluation criteria**

Grading will be done through:

- 30 % Exam**
- 20 % Case studies,**
- 40% final project,**
- 10% oral presentations, attendance, etc**

### **Total course**

Students need to obtain a minimum of 5 in the final exam to pass the course. This condition applies to both the regular exam and the retake exam. The final course grade of students that do not obtain **a minimum of 5 in the exam** will have a retake exam opportunity that will be programmed in accordance with the academic calendar. If a student has to retake the exam, his **maximal grade for the course will be a 5.**

Students are required to **attend 80% of classes.** Failing to do so without justified reason will imply a Zero grade in the participation/attendance evaluation item and may lead to suspension from the program.

Plagiarism is to use another's work and to present it as one's own without acknowledging the sources in the correct way. All essays, reports or projects handed in by a student must be original work completed by the student. By enrolling at any UPF BSM Master's Degree and signing the "Honor Code," students acknowledge that they understand the schools' policy on plagiarism and certify that all course assignments will be their own work, except where indicated by correct referencing. Failing to do so may result in automatic expulsion from the program."

### **Contents**

1. Introduction and previous concepts. Costs and business model. Costs and key success factors.
2. Classical methods of costing. Direct costing and Full costing systems.

3. Activity-based costing system: Activity Based Costing; Activity Based Management.
4. Differentiation through cost leadership. Conventional approach vs. Target cost.
5. Strategic management and cost reduction.

### **Reading Materials/ Bibliography/Resources**

- Horngren, C., Datar, S. and Rajan, M. (2015) Cost accounting, 15<sup>th</sup> edition, Pearson, London.
- Drury, C. (2012): Management and Cost Accounting, 8th edition, Cengage Learning, Hampshire.
- Lucey, T. (2007): Costing, Thomson Learning, London.

### **Bio of Professor**

Ramon Bastida-Vialcanet holds a PhD in Business Administration and Management. He is currently an Associate Professor of Accounting and Finance at the UPF- Barcelona School of Management. He is also a professor at the Faculty of Economics and Business at Pompeu Fabra University (UPF). Previously, he held the position of lecturer at the International University of Catalonia (UIC). His main lines of research focus on improving financial information and management of social enterprises, and new organizations that have emerged around the collaborative economy. He has published articles in peer-reviewed scientific journals nationally and internationally, has participated in the publication of several books, and in competitive research projects. He has also carried out international research stays in France and Belgium.