

MSCIFM_CPM03_Corporate Performance Management

25.11.2021

General Information

Module Code	W.MSCIFM_CPM03.21
Programme	Master of Science in International Financial Management
Type of Module	Core module in foundation
Level of Module	Advanced
ECTS Credits / Workload	6 ECTS Credits (180 hours)

Module Dependencies

Pre-requisites	Knowledge equivalent to Horngren, C.T., Sundem, G.L., Burgstahler, D. & Schatzberg, J. (2014). "Introduction to Management Accounting" (16th Ed.). Harlow: Pearson, as demonstrated by passing W.MSCIFM_MAC or having acquired similar knowledge in their bachelor's study.
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Follow-up modules

Module Aims

A key management support function of financial management is to establish and make use of a management control and integrated performance management system in international and decentralised organisations. Designing appropriate cost and control systems is as important as managing the financial processes inside the company. The integrated perspective on planning and control comprises not only financial performance but ecological and social dimensions and their interdependency as well.

Learning Outcome 1

Students assess acknowledged measurement methods and scorecards and evaluate the various divisional performance measures and their use in practice. They distinguish between managerial and economic performance and explain the factors which should be considered when designing financial performance measures. Students demonstrate knowledge of standard costing as well as the ability to calculate variances, establish the causes of such variances and identify appropriate action. Further, Students apply a set of advanced management control concepts, management accounting tools and techniques to different decision making scenarios. They distinguish between different budgeting techniques and their suitability in various business environments. Students describe the purposes of decentralised decision making, identify the suitability of different transfer pricing methods and critically evaluate incentive systems

	Importance	Relevant NQF-Descriptors
Subject knowledge and skills: Students know the various performance measures and different types of scorecards. They understand in detail the concepts of standard costing and variance. Students are aware of the current issues in management control and (strategic) management accounting. Students know the various budgetary control systems and evaluate the behavioural aspects of budgeting. They know to describe the purposes of decentralised decision making and explain the need for transfer pricing and understand how they affect managerial incentives.	medium	knowledge
Problem-solving: Students are aware of the issues arising from the measurement of divisional performance. They evaluate measures and establish an effective framework of performance measurement. They can distinguish between relevant and irrelevant information. Students are able to identify information. Students become intelligent users of management control systems. They can discuss the current issues in management control and (strategic) management accounting. They analyse and evaluate the different methods used in determining transfer prices.	high	judgement
Methodology: Students apply the various techniques available to manage and measure the performance of divisions. They know the methods which help to measure performance and can apply them appropriately. They know methods which help to align corporate and business strategies as well as strategy execution and know to apply them appropriately. Students are able to	medium	knowledge; judgement

calculate variances, establish the causes of them and identify appropriate action. Students apply different management accounting tools and techniques in order to medium knowledge; judgement make decisions. They apply appropriate advanced forecasting and planning methods and advanced management control methods.

Communication: Students argue in a constructive and factual way. They analyse the sources of potential conflicts and solve them in a constructive way. medium application; judgement; communication; learning autonomy

Social skills: Students apply their personal and individual resources in teams; they analyse and discuss problems in teams, by considering, evaluating, substantiating and refuting a variety of different arguments; they critically and appreciatively evaluate working results of peers. low judgement; communication; learning autonomy

Self-related skills: Students study and work independently, recognise gaps in their knowledge and fill these gaps independently; they critically reflect work and thought processes and develop possible courses of action; they reflect and challenge personal and external judgments and develop these with regard to the assignment; they demonstrate stamina when confronted with problems during their studies and professional life. low judgement; learning autonomy

Content Outline

- Performance measurement, financial performance measures
- Innovation performance measurement
- Supply chain performance measurement and control
- Balanced scorecard
- Standard costing
- Variance analysis
- Current developments in management control and management accounting
- Levers of control
- Budgeting
- Activity-based costing and management
- Financial responsibility centers
- Transfer pricing and taxes
- Compensation, incentives and motivation

Contact hours are primarily used for group discussions.

Teaching and Learning Methods

Contact Hours seminar; exercises; lecture; presentations; case studies; guest lectures; group work
Directed Study individual work; group work; partner work; compulsory reading

Workload

Contact Hours 54 lessons / 40.5 hours (22.5%)
Directed Study 18 lessons / 13.5 hours (7.5%)
Private Study 126 hours (70%)

Assignments and Assessments

Assessment Type	Quantity	Weight	Form	Evaluation Type	Time
Oral group examination	60 minutes	60%	open book	grades	during semester
Individual written assignment	240 minutes	40%	open book	grades	end of semester