

高等院校双语教学适用教材·会计

# *Managerial Accounting*

Ray H. Garrison / Eric W. Noreen / Peter C. Brewer

Fourteenth Edition

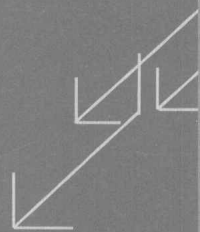
# 管理会计

(美) 雷·H.加里森 / 埃里克·W.诺琳 / 彼得·C.布鲁尔 著

王满 译注



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Graw  
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FE 东北财经大学出版社  
Dongbei University of Finance & Economics Press

大连

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### 图书在版编目 (CIP) 数据

管理会计: 第14版 / 英、汉 / (美) 加里森 (Garrison, R. H.) 等著; 王满译注. — 大连: 东北财经大学出版社, 2012. 7

书名原文: Managerial Accounting  
(高等院校双语教学适用教材·会计)  
ISBN 978-7-5654-0846-5

I. 管… II. ①加… ②王… III. 管理会计—双语教学—高等学校—教材—英、汉  
IV. F234.3

中国版本图书馆 CIP 数据核字 (2012) 第 123786 号

辽宁省版权局著作权合同登记号: 图字 06-2012-02 号

Garrison/Noreen/Brewer  
Managerial Accounting, 13e  
0-07-811100-5

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东北财经大学出版社出版  
(大连市黑石礁尖山街 217 号 邮政编码 116025)

教学支持: (0411) 84710309  
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总 编 室: (0411) 84710523  
网 址: <http://www.dufep.cn>  
读者信箱: [dufep@dufe.edu.cn](mailto:dufep@dufe.edu.cn)

大连图腾彩色印刷有限公司印刷

东北财经大学出版社发行

幅面尺寸: 205mm×275mm 字数: 1167 千字 印张: 40 1/4 插页: 1  
2012 年 8 月第 1 版 2012 年 8 月第 1 次印刷

责任编辑: 李 季  
封面设计: 冀贵收

版式设计: 钟福建

ISBN 978-7-5654-0846-5

定价: 82.00 元

# 译者前言

本人从教 20 多年，主要从事管理会计的教学工作。自 2001 年以来，曾使用多部英文原版教材进行双语教学。这部由加里森（Ray H. Garrison）、诺琳（Eric W. Noreen）和布鲁尔（Peter C. Brewer）编著的《管理会计》是较为适于本科生教学的优秀教材之一，而且作为先后修订了 14 版的著作，已经用数据和事实证明它是一部受欢迎的优秀作品。

该书集理论与实务于一体，将当代管理会计发展的最新成果融入其中，从企业管理的视角对与管理会计课程相关的所有专题进行了较为全面的系统阐述。书中不仅包含了传统管理会计中的成本性态、本量利分析、变动成本计算法、标准成本计算法、预算编制、资本预算、责任会计、财务报表分析、决策中的相关成本、企业经营中常见的经营决策分析等内容，还对近年出现的贡献式分部利润表、作业成本计算法、作业管理、平衡计分卡、精益生产、约束理论（TOC）、六西格玛管理、2002 年的《萨班斯—奥克斯利法案》进行了研究和探讨。

作者将企业关注点（Business focus）用作该书每一章的引言，以引导读者明确该部分研究内容对企业管理而言的重要性。在清楚、明确地阐明每一章基本原理与术语的基础上，每章后面均配有练习、问题、情景题、案例题、研究和应用等辅助学习内容，从而使学习者不仅可以巩固已学的知识，增强感性认识，提高他们发现问题、分析问题和解决问题的能力，而且还能够帮助其理解管理者如何利用这些信息，如何反作用于这些信息，并增强其对管理会计这门应用学科的理解和认识。

该书不仅可以作为教材，深化管理会计的理论教学，也可以作为广大会计与经营管理者在实际工作中的阅读和参考资料。其中的情景题、案例题、研究和应用等内容，可以使他们从国外管理会计的理论和实务中吸取有益的管理思路和方法，并将其应用到我国企业管理的实践之中。

在目录和术语的翻译过程中，力求忠实于原文，但由于本人的水平有限，书中难免有不妥和错误之处，敬请读者不吝指正。

王 满

2012 年 3 月于东财师道斋

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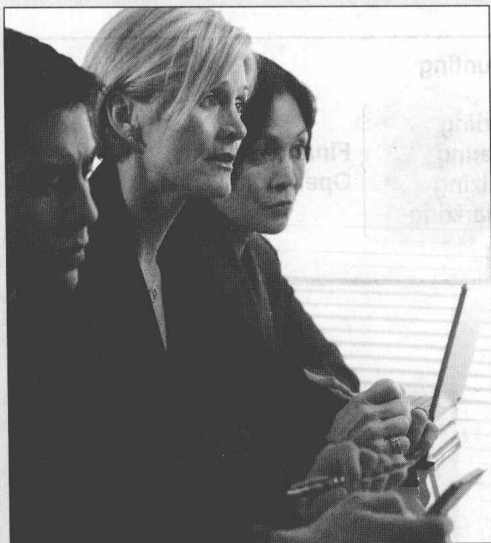
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# Managerial Accounting: An Overview

## Managerial Accounting: It's More Than Just Crunching Numbers



"Creating value through values" is the credo of today's management accountant. It means that management accountants should maintain an unwavering commitment to ethical values while using their knowledge and skills to influence decisions that create value for organizational stakeholders. These skills include managing risks and implementing strategy through planning, budgeting and forecasting, and decision support. Management accountants are strategic business partners who understand the financial and operational sides of the business. They not

only report and analyze financial measures, but also nonfinancial measures of process performance and corporate social performance. Think of these responsibilities as profits (financial statements), process (customer focus and satisfaction), people (employee learning and satisfaction), and planet (environmental stewardship). ■

Source: Conversation with Jeff Thomson, president and CEO of the Institute of Management Accountants.

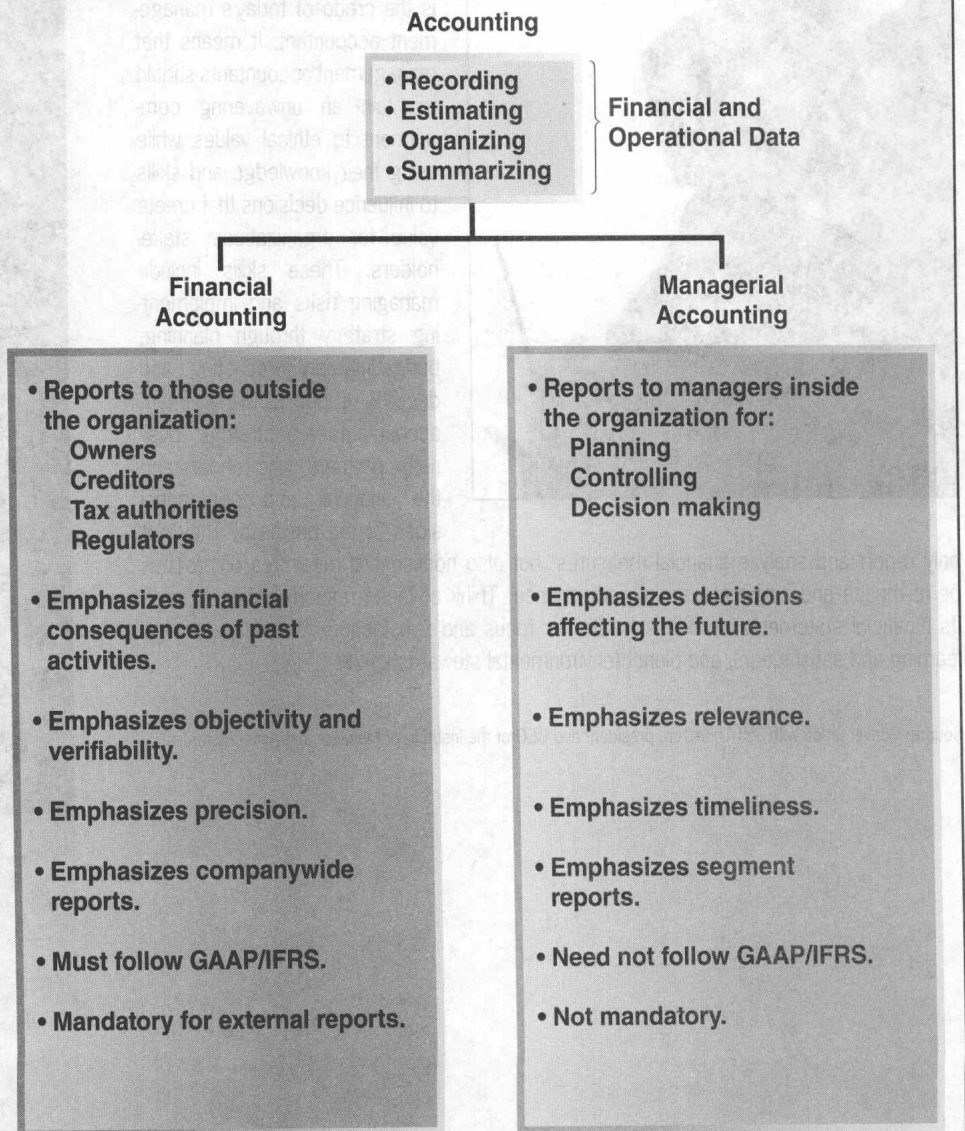
**T**his chapter explains why **managerial accounting** is important to the future careers of all business students. It begins by answering three questions: (1) What is managerial accounting? (2) Why does managerial accounting matter to your career? and (3) What skills do managers need to succeed? It concludes by discussing two topics important to all managers—the role of ethics in business and corporate social responsibility.

## What Is Managerial Accounting?

Many students enrolled in this course will have recently completed an introductory *financial accounting* course. **Financial accounting** is concerned with reporting financial information to external parties, such as stockholders, creditors, and regulators. **Managerial accounting** is concerned with providing information to managers for use within the organization. Exhibit 1–1 summarizes seven key differences between financial and managerial accounting. It recognizes that the fundamental difference between financial and managerial accounting is that financial accounting serves the needs of

### EXHIBIT 1–1

Comparison of Financial and Managerial Accounting



those *outside* the organization, whereas managerial accounting serves the needs of managers employed *inside* the organization. Because of this fundamental difference in users, financial accounting emphasizes the financial consequences of past activities, objectivity and verifiability, precision, and companywide performance, whereas managerial accounting emphasizes decisions affecting the future, relevance, timeliness, and *segment* performance. A **segment** is a part or activity of an organization about which managers would like cost, revenue, or profit data. Examples of business segments include product lines, customer groups (segmented by age, ethnicity, gender, volume of purchases, etc.), geographic territories, divisions, plants, and departments. Finally, financial accounting is mandatory for external reports and it needs to comply with rules, such as generally accepted accounting principles (GAAP) and international financial reporting standards (IFRS), whereas managerial accounting is not mandatory and it does not need to comply with externally imposed rules.

As mentioned in Exhibit 1-1, managerial accounting helps managers perform three vital activities—*planning*, *controlling*, and *decision making*. **Planning** involves establishing goals and specifying how to achieve them. **Controlling** involves gathering feedback to ensure that the plan is being properly executed or modified as circumstances change. **Decision making** involves selecting a course of action from competing alternatives. Now let's take a closer look at these three pillars of managerial accounting.

## Planning

Assume that you work for Procter & Gamble (P&G) and that you are in charge of the company's campus recruiting for all undergraduate business majors. In this example, your planning process would begin by establishing a goal such as: our goal is to recruit the "best and brightest" college graduates. The next stage of the planning process would require specifying how to achieve this goal by answering numerous questions such as:

- How many students do we need to hire in total and from each major?
- What schools do we plan to include in our recruiting efforts?
- Which of our employees will be involved in each school's recruiting activities?
- When will we conduct our interviews?
- How will we compare students to one another to decide who will be extended job offers?
- What salary will we offer our new hires? Will the salaries differ by major?
- How much money can we spend on our recruiting efforts?

As you can see, there are many questions that need to be answered as part of the planning process. Plans are often accompanied by a **budget**. A **budget** is a detailed plan for the future that is usually expressed in formal quantitative terms. As the head of recruiting at P&G, your budget would include two key components. First, you would have to work with other senior managers inside the company to establish a budgeted amount of total salaries that can be offered to all new hires. Second, you would have to create a budget that quantifies how much you intend to spend on your campus recruiting activities.

## Controlling

Once you established and started implementing P&G's recruiting plan, you would transition to the control process. This process would involve gathering, evaluating, and responding to feedback to ensure that this year's recruiting process meets expectations. It would also include evaluating the feedback in search of ways to run a more effective recruiting campaign next year. The control process would involve answering questions such as:

- Did we succeed in hiring the planned number of students within each major and at each school?
- Did we lose too many exceptional candidates to competitors?

- Did each of our employees involved in the recruiting process perform satisfactorily?
- Is our method of comparing students to one another working?
- Did the on-campus and office interviews run smoothly?
- Did we stay within our budget in terms of total salary commitments to new hires?
- Did we stay within our budget regarding spending on recruiting activities?

As you can see, there are many questions that need to be answered as part of the control process. When answering these questions your goal would be to go beyond simple yes or no answers in search of the underlying reasons why performance exceeded or failed to meet expectations. Part of the control process includes preparing *performance reports*. A **performance report** compares budgeted data to actual data in an effort to identify and learn from excellent performance and to identify and eliminate sources of unsatisfactory performance. Performance reports can also be used as one of many inputs to help evaluate and reward employees.

Although this example focused on P&G's campus recruiting efforts, we could have described how planning enables FedEx to deliver packages across the globe overnight, or how it helped Apple develop and market the iPad. We could have discussed how the control process helps Pfizer, Eli Lilly, and Abbott Laboratories ensure that their pharmaceutical drugs are produced in conformance with rigorous quality standards, or how Kroger relies on the control process to keep its grocery shelves stocked. We also could have looked at planning and control failures such as BP's massive oil spill in the Gulf of Mexico. In short, all managers (and that probably includes you someday) perform planning and controlling activities.

## Decision Making

Perhaps the most basic managerial skill is the ability to make intelligent, data-driven decisions. Broadly speaking, many of those decisions revolve around the following three questions. *What* should we be selling? *Who* should we be serving? *How* should we execute? Exhibit 1-2 provides examples of decisions pertaining to each of these three categories.

The left-hand column of Exhibit 1-2 suggests that every company must make decisions related to the products and services that it sells. For example, each year Procter & Gamble must decide how to allocate its marketing budget across 23 brands that each generates over \$1 billion in sales as well as other brands that have promising growth potential. Mattel must decide what new toys to introduce to the market. Southwest Airlines must decide what ticket prices to establish for each of its thousands

### EXHIBIT 1-2

#### Examples of Decisions

What should we be selling?	Who should we be serving?	How should we execute?
What products and services should be the focus of our marketing efforts?	Who should be the focus of our marketing efforts?	How should we supply our parts and services?
What new products and services should we offer?	Who should we start serving?	How should we expand our capacity?
What prices should we charge for our products and services?	Who should pay price premiums or receive price discounts?	How should we reduce our capacity?
What products and services should we discontinue?	Who should we stop serving?	How should we improve our efficiency and effectiveness?

of flights per day. General Motors must decide whether to discontinue certain models of automobiles.

The middle column of Exhibit 1–2 indicates that all companies must make decisions related to the customers that they serve. For example, Sears must decide how to allocate its marketing budget between products that tend to appeal to male versus female customers. FedEx must decide whether to expand its services into new markets across the globe. Hewlett-Packard must decide what price discounts to offer corporate clients that purchase large volumes of its products. A bank must decide whether to discontinue customers that may be unprofitable.

The right-hand column of Exhibit 1–2 shows that companies also make decisions related to how they execute. For example, Boeing must decide whether to rely on outside vendors such as Goodrich, Saab, and Rolls-Royce to manufacture many of the parts used to make its airplanes. Cintas must decide whether to expand its laundering and cleaning capacity in a given geographic region by adding square footage to an existing facility or by constructing an entirely new facility. In an economic downturn, a manufacturer might have to decide whether to eliminate one 8-hour shift at three plants or to close one plant. Finally, all companies have to decide among competing improvement opportunities. For example, a company may have to decide whether to implement a new software system, to upgrade a piece of equipment, or to provide extra training to its employees.

This portion of the chapter has explained that the three pillars of managerial accounting are planning, controlling, and decision making. This book helps prepare you to become an effective manager by explaining how to make intelligent data-driven decisions, how to create financial plans for the future, and how to continually make progress toward achieving goals by obtaining, evaluating, and responding to feedback.

## Why Does Managerial Accounting Matter to Your Career?

Many students feel anxious about choosing a major because they are unsure if it will provide a fulfilling career. To reduce these anxieties, we recommend deemphasizing what you cannot control about the future; instead focusing on what you can control right now. More specifically, concentrate on answering the following question: What can you do now to prepare for success in an unknown future career? The best answer is to learn skills that will make it easier for you to adapt to an uncertain future. You need to become adaptable!

Whether you end up working in the United States or abroad, for a large corporation, a small entrepreneurial company, a nonprofit organization, or a governmental entity, you'll need to know how to plan for the future, how to make progress toward achieving goals, and how to make intelligent decisions. In other words, managerial accounting skills are useful in just about any career, organization, and industry. If you commit energy to this course, you'll be making a smart investment in your future—even though you cannot clearly envision it. Next, we will elaborate on this point by explaining how managerial accounting relates to the future careers of business majors and accounting majors.

### Business Majors

Exhibit 1–3 provides examples of how planning, controlling, and decision making affect three majors other than accounting—marketing, operations management, and human resource management.

The left-hand column of Exhibit 1–3 describes some planning, controlling, and decision-making applications in the marketing profession. For example, marketing managers make planning decisions related to allocating advertising dollars across various communication mediums and to staffing new sales territories. From a control standpoint, they may closely track sales data to see if a budgeted price cut is generating an anticipated increase in unit

**EXHIBIT 1-3**

Relating Managerial Accounting  
to Three Business Majors

	Marketing	Operations Management	Human Resource Management
Planning	<p>How much should we budget for TV, print, and Internet advertising?</p> <p>How many salespeople should we plan to hire to serve a new territory?</p>	<p>How many units should we plan to produce next period?</p> <p>How much should we budget for next period's utility expense?</p>	<p>How much should we plan to spend for occupational safety training?</p> <p>How much should we plan to spend on employee recruitment advertising?</p>
Controlling	<p>Is the budgeted price cut increasing unit sales as expected?</p> <p>Are we accumulating too much inventory during the holiday shopping season?</p>	<p>Did we spend more or less than expected for the units we actually produced?</p> <p>Are we achieving our goal of reducing the number of defective units produced?</p>	<p>Is our employee retention rate exceeding our goals?</p> <p>Are we meeting our goal of completing timely performance appraisals?</p>
Decision Making	<p>Should we sell our services as one bundle or sell them separately?</p> <p>Should we sell directly to customers or use a distributor?</p>	<p>Should we buy a new piece of equipment or upgrade our existing machine?</p> <p>Should we redesign our manufacturing process to lower inventory levels?</p>	<p>Should we hire an on-site medical staff to lower our health care costs?</p> <p>Should we hire temporary workers or full-time employees?</p>

sales, or they may study inventory levels during the holiday shopping season so that they can adjust prices as needed to optimize sales. Marketing managers also make many important decisions such as whether to bundle services together and sell them for one price or to sell each service separately. They may also decide whether to sell products directly to the customer or to sell to a distributor, who then sells to the end consumer.

The middle column of Exhibit 1-3 states that operations managers have to plan how many units to produce to satisfy anticipated customer demand. They also need to budget for operating expenses such as utilities, supplies, and labor costs. In terms of control, they monitor actual spending relative to the budget, and closely watch operational measures such as the number of defects produced relative to the plan. Operations managers make numerous decisions, such as deciding whether to buy a new piece of equipment or upgrade an existing piece of equipment. They also decide whether to invest in redesigning a manufacturing process to reduce inventory levels.

The right-hand column of Exhibit 1-3 explains how human resource managers make a variety of planning decisions, such as budgeting how much to spend on occupational safety training and employee recruitment advertising. They monitor feedback related to numerous management concerns, such as employee retention rates and the timely completion of employee performance appraisals. They also help make many important decisions such as whether to hire on-site medical staff in an effort to lower health care costs, and whether to hire temporary workers or full-time employees in an uncertain economy.

For brevity, Exhibit 1-3 does not include all business majors, such as finance, supply chain management, management information systems, and economics. Can you explain how planning, controlling, and decision-making activities would relate to these majors?

## Accounting Majors

Many accounting graduates begin their careers working for public accounting firms that provide a variety of valuable services for their clients. Some of these graduates will build successful and fulfilling careers in the public accounting industry; however, most will leave public accounting at some point to work in other organizations. In fact, the Institute of Management Accountants (IMA) estimates that more than 80% of professional accountants in the United States work in nonpublic accounting environments ([www.imanet.org/about\\_ima/our\\_mission.aspx](http://www.imanet.org/about_ima/our_mission.aspx)).

The public accounting profession has a strong financial accounting orientation. Its most important function is to protect investors and other external parties by assuring them that companies are reporting historical financial results that comply with applicable accounting rules. Managerial accountants also have strong financial accounting skills. For example, they play an important role in helping their organizations design and maintain financial reporting systems that generate reliable financial disclosures. However, the primary role of managerial accountants is to partner with their co-workers within the organization to improve performance.

Given the 80% figure mentioned above, if you are an accounting major there is a very high likelihood that your future will involve working for a nonpublic accounting employer. Your employer will expect you to have strong financial accounting skills, but more importantly, it will expect you to help improve organizational performance by applying the planning, controlling, and decision-making skills that are the foundation of managerial accounting.

## A NETWORKING OPPORTUNITY

The Institute of Management Accountants (IMA) is a network of more than 60,000 accounting and finance professionals from over 120 countries. Every year the IMA hosts a student leadership conference that attracts 300 students from over 50 colleges and universities. Guest speakers at past conferences have discussed topics such as leadership, advice for a successful career, how to market yourself in a difficult economy, and excelling in today's multigenerational workforce. One student who attended the conference said, "I liked that I was able to interact with professionals who are in fields that could be potential career paths for me." For more information on this worthwhile networking opportunity, contact the IMA at the phone number and website shown below.

Source: Conversation with Jodi Ryan, the Institute of Management Accountants' Director of Alliances and Student/Academic Communities. (800) 638-4427 or visit its website at [www.imanet.org](http://www.imanet.org).

## IN BUSINESS

**Professional Certification—A Smart Investment** If you plan to become an accounting major, the Certified Management Accountant (CMA) designation is a globally respected credential (sponsored by the IMA) that will increase your credibility, upward mobility, and compensation. Exhibit 1-4 summarizes the topics covered in the two-part CMA exam. For brevity, we are not going to define all the terms included in this exhibit. Its purpose is simply to emphasize that the CMA exam focuses on the planning, controlling, and decision-making skills that are critically important to nonpublic accounting employers. The CMA's internal management orientation is a complement to the highly respected Certified Public Accountant (CPA) exam that focuses on rule-based compliance—assurance standards, financial accounting standards, business law, and the tax code. Information about becoming a CMA is available on the IMA's website ([www.imanet.org](http://www.imanet.org)) or by calling 1-800-638-4427.

### EXHIBIT 1-4

CMA Exam Content Specifications

#### Part 1 Financial Planning, Performance, and Control

Planning, budgeting, and forecasting  
Performance management  
Cost management  
Internal controls  
Professional ethics

#### Part 2 Financial Decision Making

Financial statement analysis  
Corporate finance  
Decision analysis and risk management  
Investment decisions  
Professional ethics

## IN BUSINESS

### HOW'S THE PAY?

The Institute of Management Accountants has created the following table that allows individuals to estimate what their salary would be as a management accountant.

			Your Calculation
Start with this base amount . . . . .		\$72,288	\$72,288
If you are top-level management . . . . .	ADD	\$36,591	
OR, if you are entry-level management . . . .	SUBTRACT	\$23,553	
Number of years in the field _____	TIMES	\$700	
If you have an advanced degree . . . . .	ADD	\$12,216	
If you hold the CMA . . . . .	ADD	\$8,185	
OR, if you hold the CPA . . . . .	ADD	\$11,872	
Your estimated salary level . . . . .			

For example, if you make it to top-level management in 10 years, have an advanced degree and a CMA, your estimated salary would be \$136,280 [\$72,288 + \$36,591 + (10 × \$700) + \$12,216 + \$8,185].

Source: David L. Schroeder, Lee Schiffel, and Kenneth A. Smith, "IMA 2009 Salary Survey," *Strategic Finance*, June 2010, pp. 21–39.

## What Skills Do Managers Need to Succeed?

Managers possess a variety of skills that enable them to do their jobs, including strategic management skills, enterprise risk management skills, process management skills, measurement skills, and leadership skills. We will discuss each of these skill sets in turn.

### Strategic Management Skills

Successful managers understand that the plans they set forth, the variables they seek to control, and the decisions they make are all influenced by their company's *strategy*. A **strategy** is a "game plan" that enables a company to attract customers by distinguishing itself from competitors. The focal point of a company's strategy should be its target customers. A company can only succeed if it creates a reason for customers to choose it over

a competitor. These reasons, or what are more formally called *customer value propositions*, are the essence of strategy.

Customer value propositions tend to fall into three broad categories—*customer intimacy*, *operational excellence*, and *product leadership*. Companies that adopt a *customer intimacy* strategy are in essence saying to their customers, “You should choose us because we can customize our products and services to meet your individual needs better than our competitors.” Ritz-Carlton, Nordstrom, and Virtuoso (a premium service travel agency) rely primarily on a customer intimacy value proposition for their success. Companies that pursue the second customer value proposition, called *operational excellence*, are saying to their target customers, “You should choose us because we deliver products and services faster, more conveniently, and at a lower price than our competitors.” Southwest Airlines, Walmart, and Google are examples of companies that succeed first and foremost because of their operational excellence. Companies pursuing the third customer value proposition, called *product leadership*, are saying to their target customers, “You should choose us because we offer higher quality products than our competitors.” Apple, BMW, Cisco Systems, and W. L. Gore (the creator of GORE-TEX® fabrics) are examples of companies that succeed because of their product leadership. Although one company may offer its customers a combination of these three customer value propositions, one usually outweighs the other in terms of importance.<sup>1</sup>

### A FOUR-YEAR WAITING LIST AT VANILLA BICYCLES

Sacha White started Vanilla Bicycles in Portland, Oregon, in 2001. After eight years in business, he had a four-year backlog of customer orders. He limits his annual production to 40–50 bikes per year that sell for an average of \$7,000 each. He uses a silver alloy that costs 20 times as much as brass (which is the industry standard) to join titanium tubes together to form a bike frame. White spends three hours taking a buyer’s measurements to determine the exact dimensions of the bike frame. He has resisted expanding production because it would undermine his strategy based on product leadership and customer intimacy. As White said, “If I ended up sacrificing what made Vanilla special just to make more bikes, that wouldn’t be worth it to me.”

Source: Christopher Steiner, “Heaven on Wheels,” *Forbes*, April 13, 2009, p. 75.

### IN BUSINESS



## Enterprise Risk Management Skills

As a future manager, you need to understand that every business strategy, plan, and decision involves risks. **Enterprise risk management** is a process used by a company to identify those risks and develop responses to them that enable it to be reasonably assured of meeting its goals. The left-hand column of Exhibit 1–5 provides 12 examples of business risks. This list is not exhaustive; rather, its purpose is to illustrate the diverse nature of business risks that companies face. Whether the risks relate to the weather, computer hackers, complying with the law, employee theft, or products harming customers, they all have one thing in common: If the risks are not managed effectively, they can threaten a company’s ability to meet its goals.

Once a company identifies its risks, it can respond to them in various ways such as accepting, avoiding, or reducing the risk. Perhaps the most common risk management tactic is to reduce risks by implementing specific controls. The right-hand column of Exhibit 1–5 provides an example of a control that could be implemented to help

<sup>1</sup> These three customer value propositions were defined by Michael Treacy and Fred Wiersema in “Customer Intimacy and Other Value Disciplines,” *Harvard Business Review*, Volume 71 Issue 1, pp. 84–93.

**EXHIBIT 1-5****Identifying and Controlling Business Risks**

Examples of Business Risks	Examples of Controls to Reduce Business Risks
<ul style="list-style-type: none"> <li>Intellectual assets being stolen from computer files</li> <li>Products harming customers</li> <li>Losing market share due to the unforeseen actions of competitors</li> <li>Poor weather conditions shutting down operations</li> <li>A website malfunctioning</li> <li>A supplier strike halting the flow of raw materials</li> <li>A poorly designed incentive compensation system causing employees to make bad decisions</li> <li>Financial statements inaccurately reporting the value of inventory</li> <li>An employee stealing assets</li> <li>An employee accessing unauthorized information</li> <li>Inaccurate budget estimates causing excessive or insufficient production</li> <li>Failing to comply with equal employment opportunity laws</li> </ul>	<ul style="list-style-type: none"> <li>Create firewalls that prohibit computer hackers from corrupting or stealing intellectual property</li> <li>Develop a formal and rigorous new product testing program</li> <li>Develop an approach for legally gathering information about competitors' plans and practices</li> <li>Develop contingency plans for overcoming weather-related disruptions</li> <li>Thoroughly test the website before going "live" on the Internet</li> <li>Establish a relationship with two companies capable of providing needed raw materials</li> <li>Create a balanced set of performance measures that motivates the desired behavior</li> <li>Count the physical inventory on hand to make sure that it agrees with the accounting records</li> <li>Segregate duties so that the same employee does not have physical custody of an asset and the responsibility of accounting for it</li> <li>Create password-protected barriers that prohibit employees from obtaining information not needed to do their jobs</li> <li>Implement a rigorous budget review process</li> <li>Create a report that tracks key metrics related to compliance with the laws</li> </ul>

reduce each of the risks mentioned in the left-hand column of the exhibit. Although these types of controls cannot completely eliminate risks, companies understand that proactively managing risks is a superior alternative to reacting, perhaps too late, to unfortunate events.

**IN BUSINESS****MANAGING THE RISK OF A POWER OUTAGE**

Between January and April of 2010, the United States had 35 major power outages. For business owners, these power outages can be costly. For example, a New York night club called the Smoke Jazz and Supper Club lost an estimated \$1,500 in revenue when a power outage shut down its on-line reservation system for one night. George Pauli, the owner of Great Embroidery LLC in Mesa, Arizona, estimates that his company has an average of six power outages every year. Since Pauli's sewing machines cannot resume exactly where they leave off when abruptly shut down, each power outage costs him \$120 in lost inventory. Pauli decided to buy \$700 worth of batteries to keep his sewing machines running during power outages. The batteries paid for themselves in less than one year.

Source: Sarah E. Needleman, "Lights Out Means Lost Sales," *The Wall Street Journal*, July 22, 2010, p. B8.