

I. COURSE DESCRIPTION:

Accounting and finance, the financial information system of the organization, serve to summarize organizational plans and the results of actual operations. Because these are too pervasive in the organization, it is necessary for the Human Resources Manager to understand the measurement bases and the underlying methodologies used. Many of the decisions faced by the H.R. Manager have an accounting or finance aspect. This may require a detailed knowledge of the procedure. This would be the case, for example, where the H.R. Manager is called upon to prepare an operating budget for their area of responsibility. Alternatively it may require a familiarity, without necessarily requiring the ability to carry out the calculations, as such. This would be the case, for example, where the H.R. Manager is called upon to interpret, or react, to standard costing variances in respect of their area of responsibility, or the effect of their decisions on the overall results of the organization.

II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:

Upon successful completion of this course, the student will demonstrate:

1. An understanding of the nature of financial accounting, management accounting and finance, how they relate to each other and how they relate to the rest of the organization.
2. An understanding of the conceptual foundations of financial accounting, management accounting and finance, and familiarity with the principle reports which they produce, with particular reference to reports likely to be used by H.R. Managers.
3. The ability to execute detailed calculations (with particular emphasis on applications in the H.R. area) in the following areas:
 - interpretation of the income statement, the balance sheet and the statement of cash flows
 - calculation and interpretation of financial ratios
 - calculation and interpretation of contribution margin and break-even analysis
 - preparation of operating budgets
 - calculation of net present value, payback and return on assets for investment proposals
4. Familiarity with the following:
 - understanding cost behaviour
 - understanding of the allocation of costs, including service department costs, and activity based costing
 - interpretation of budget variances

- understanding of transfer pricing
- preparation of operating budgets
- understanding risk through sensitivity analysis
- debt and equity as sources of finance
- the use of cash and equity as part of compensation

III. TOPICS:

1. Financial Accounting: The Record Keeping and External Reporting System

- the purpose and objectives of financial and management accounting
- the concepts, techniques and conventions of financial accounting

Reading: Parkinson, John: "Accounting for Non-Financial Managers: Chapters 1 to 5

- the main financial accounting reports
 - the balance sheet
 - the income statement
 - the cash flow statement
 - statement of retained earnings
- analyzing financial statements:
 - liquidity ratios
 - profitability ratios
 - stability ratios
 - growth ratios
 - cash flow analysis

Reading: Parkinson, John Chapter 11

2. Management Accounting: The Internal Information and Decision Support System: Cost Behaviour & Costs in Decision Making

- cost behaviour & cost-volume analysis
- other cost drivers
- variable costs
- fixed costs
- cost estimation
- contribution margin
- break-even point
- cost-volume-profit
- analyzing changes
- sensitivity analysis
- limitations of c-v-p
- activity based costing

Reading: Parkinson, John: "Accounting for Non-Financial Managers, Chapters 7 and 8

- cost systems
 - variable costing
 - cost allocation
 - service department costs

Reading: Parkinson, John: "Accounting for Non-Financial Managers, Chapters 7 and 8"

- costs in decision making
 - service department costs
 - cost accuracy vs relevance
 - special orders
 - costs & pricing
 - make or buy decisions
 - irrelevant costs
 - costing collective
 - bargaining proposals
 - cost-benefit analysis
 - cost allocation

Reading: Parkinson, John: "Accounting for Non-Financial Managers, Chapters 7 and 8"

3. Management Accounting: The Internal Information and Decision Support System: Budgets & Budgetary Control

- budget preparation
 - nature of budgets
 - relevant data for budgeting
 - cost & revenue forecasting
 - operating budget
 - budgeted income statement
 - budgeted balance sheet
 - cash flow budget
 - forecasting
 - budgets & behaviour

Reading: Parkinson, John: "Accounting for Non-Financial Managers, Chapter 6"

- budgetary control & responsibility accounting
 - static vs flexible budgets
 - cost variances (materials, labour, overhead)
 - revenue variances
 - using variances in decisions
 - management control systems
 - motivation & control
 - measuring responsibility center performance
 - non-financial performance measures
 - the balanced scorecard

- transfer pricing
- cost centres & profit centres

Reading: Parkinson, John: "Accounting for Non-Financial Managers, Chapter 6

4. Finance: Sources & Uses of Long Term Capital

- sources of capital
 - equity capital
 - debt
 - cost of capital
 - using equity in compensation

Reading: Parkinson, John: "Accounting for Non-Financial Managers, Chapter 9

- uses of capital
 - programmes & projects
 - cash flow
 - depreciation
 - net present value
 - internal rate of return
 - payback
 - accounting rate of return
 - investment decisions
 - sensitivity analysis

Reading: Parkinson, John: "Accounting for Non-Financial Managers, Chapter 10

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

Parkinson, John: Accounting for Non-Financial Managers, Captus Press.

V. EVALUATION PROCESS/GRADING SYSTEM:

The evaluation process will consist of:

1. Three tests

Test #1	15%
Test #2	15%
Test #3	15%
2. Case study 15%
3. Final exam 40%

NOTE: A minimum grade of 70% is required to pass this course.

The following semester grades will be assigned to students:

Grade	Definition	<i>Grade Point Equivalent</i>
A+	90 – 100%	
A	80 – 89%	4.00
B	70 - 79%	3.00
C	60 - 69%	2.00
D	50 – 59%	1.00
F (Fail)	49% and below	0.00
CR (Credit)	Credit for diploma requirements has been awarded.	
S	Satisfactory achievement in field /clinical placement or non-graded subject area.	
U	Unsatisfactory achievement in field/clinical placement or non-graded subject area.	
X	A temporary grade limited to situations with extenuating circumstances giving a student additional time to complete the requirements for a course.	
NR	Grade not reported to Registrar's office.	
W	Student has withdrawn from the course without academic penalty.	

VI. SPECIAL NOTES:

Special Needs:

If you are a student with special needs (e.g. physical limitations, visual impairments, hearing impairments, or learning disabilities), you are encouraged to discuss required accommodations with your professor and/or the Special Needs office. Visit Room E1101 or call Extension 703 so that support services can be arranged for you.

Retention of Course Outlines:

It is the responsibility of the student to retain all course outlines for possible future use in acquiring advanced standing at other postsecondary institutions.

Plagiarism:

Students should refer to the definition of “academic dishonesty” in *Student Rights and Responsibilities*. Students who engage in “academic dishonesty” will receive an automatic failure for that submission and/or such other penalty, up to and including expulsion from the course/program, as may be decided by the professor/dean. In order to protect students from inadvertent plagiarism, to protect the copyright of the material referenced, and to credit the author of the material, it is the policy of the department to employ a documentation format for referencing source material.

Course Outline Amendments:

The professor reserves the right to change the information contained in this course outline depending on the needs of the learner and the availability of resources.

Substitute course information is available in the Registrar's office.

VII. PRIOR LEARNING ASSESSMENT:

There is no PLAR in Human Resource Practice Certificate courses.

VIII. DIRECT CREDIT TRANSFERS:

Students who wish to apply for direct credit transfer (advanced standing) should obtain a direct credit transfer form from the Dean's secretary. Students will be required to provide a transcript and course outline related to the course in question.