

Sam 445 unit 1

Business, Management



Managerial Accounting Managerial Accounting According to Weyandt, Kimmel, & Kieso , managerial accounting is a process that identifies measures, analyzes, interprets and communicates information that seeks the goals of an organization. It remains as an integral part in management process since managerial accountants are core strategic partners in an organization team. There is great distinction between managerial accounting and financial accounting. Managerial accounting is more flexible than financial accounting, does not aim at generally accepted accounting principles (GAAP) and has a future focus other than past focus when compared to financial accounting. There are four managerial functions an Athletic Director utilizes when planning activities for a football program. These are decision-making, planning, directing operational activities, and controlling.

Planning

Planning as a managerial function in accounting perspective ensures efficient communication of the football program that outlines the goals of the university. Effective planning is achieved through budgeting process based on decisions made by managers. The budgets outline sources or inflows of economic resources as well as the uses of economics of the institution.

Decision-making

The types of decisions made depend on accounting information. However, information provided in financial accounting is not elaborate enough to assist in internal decisions.

Controlling

Controlling function is a function achieved by measuring performance,

comparing the real performance with the budgets and taking action where required. There are different approaches for analyzing performance. Performance will be equated to the number of wins acquired by the institution from the football games. However the process of determining the persons who performed well sounds challenging. The challenge lies among the persons to be given credit; coach, manager or the team. Poor performance is evaluated from the number of lost football games, the number of head coach fired and such like. The challenge worth argument in case of matches lost from football games is the person to be evaluated. Does the coach win or lose the games or is the team responsible for the performance?

Reference List

Weygandt, J., Kimmel, P., & Kieso, D. (2012). *Managerial accounting: Tools for business decision making* (6th ed.), Hoboken, NJ: Wiley and Sons Inc.