



# Accounting (ACCT) 454




## Management Control Systems and Decision Analysis (Revision 9)

**Status:** Temporarily closed, effective December 18, 2025 

**Delivery mode:** Individualized study online . Delivered via Brightspace.

**Credits:** 3

**Area of study:** Applied Studies (Business and Administrative Studies)

**Prerequisites:** ACCT 351 , ACCT 352 , ACCT 355  and either MATH 215 or MGSC 301. MGSC 312 is recommended but not required.

**Precluded:** None

**Challenge:** ACCT 454 is not available for challenge.

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**Faculty:** [Faculty of Business](#) 

## Overview

ACCT454: Management control Systems and Decision Analysis teaches students about management control systems, which are used to align employee decisions and behaviours with organizational objectives and strategies. Establishing effective management controls is complex because it involves assessing the needs of an organization and the effects and costs of different combinations of possible approaches. The other key aspect of the course is decision analysis, which is necessary for managers to make strategic financial and performance management decisions for today's dynamic organizations.

## Outline

The course comprises 16 lessons, divided among six units.

### Unit 1: The Control Function of Management

- Lesson 1: Management and Control

## **Unit 2: Management Control Alternatives and Their Effects**

- Lesson 2: Results Controls
- Lesson 3: Action, Personnel, and Cultural Controls
- Lesson 4: Control System Tightness
- Lesson 5: Control System Costs
- Lesson 6: Designing and Evaluating Management Control Systems

## **Unit 3: Financial Results Controls Systems**

- Lesson 7: Financial Responsibility Centres
- Lesson 8: Planning and Budgeting
- Lesson 9: Incentive Systems

## **Unit 4: Performance Measurement Issues and Their Effects**

- Lesson 10: Financial Performance Measures and Their Effects
- Lesson 11: Remedies to the Myopia Problem
- Lesson 12: Using Financial Results Controls in the Presence of Uncontrollable Factors

## **Unit 5: Corporate Governance, Important Control-Related Roles, and Ethics**

- Lesson 13: Corporate Governance and Boards of Directors
- Lesson 14: Controllers and Auditors
- Lesson 15: Management Control-Related Ethical Issues

## Unit 6: Management Control When Financial Results Are Not the Primary Consideration

- Lesson 16: Management Control in Not-for-profit Organizations

### Learning outcomes

After completing this course, students should be able to:

- outline the core elements of the critical function of management control.
- articulate the alternative approaches to designing effective management controls and discuss the costs, effects, and trade-offs of different approaches.
- discuss the major elements of financial results control systems: financial responsibility centres, planning and budgeting systems, and incentive plans and contracts.
- identify issues with performance measurement and their effects, considering both controllable and uncontrollable factors.
- articulate the roles and structures that provide oversight in corporate governance, and consider ethical issues that relate to management control.
- apply financial and non-financial results-based management controls to the primary interests of not-for-profit organizations.

### Evaluation

To **receive credit** [↗](#) for ACCT 454, you must obtain a grade of **D (50 percent)** [📄](#) or better on the Final Examination and an overall course grade of at least a D (50 percent).

Activity	Weight
Assignment 1: Case Study	15%
Assignment 2: Case Study	15%
Assignment 3: Case Study	15%
Lesson quizzes (16 @ 1.25% each)	20%
Final Exam	35%
<b>Total</b>	<b>100%</b>

The **final examination** for this course must be requested in advance and written under the supervision of an AU-approved exam invigilator. Invigilators include either ProctorU or an approved in-person invigilation centre that can accommodate online exams. Students are responsible for payment of any invigilation fees. Information on exam request deadlines, invigilators, and other exam-related questions, can be found at the [Exams and grades](#) section of the Calendar.

**Note:** Students planning to transfer this course to a Professional Accounting designation are advised that they will be required to achieve a grade higher than the minimum passing grade. See [CPA Requirements](#) for details.

# Materials

## Digital course materials






Links to the following course materials will be made available in the course:

Merchant, K. A., & Van der Stede, W. A. (2017). *Management control systems: Performance measurement, evaluation and incentives* (4<sup>th</sup> ed.). Pearson Education. ISBN-10: 1292110554; ISBN-13: 9781292110554.

## Other Resources

All other learning resources will be available online.

## Important links

- › [Academic advising](#) 
- › [Program planning](#) 
- › [Request assistance](#) 
- › [Support services at AU](#) 
- › [CPA Requirements](#) 

Athabasca University reserves the right to amend course outlines occasionally and without notice. Courses offered by other delivery modes may vary from their individualized study counterparts.

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*Updated April 1, 2026*

View **previous revision** 

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