

New Opportunities for the Development of Education at the Technical University of Liberec

Specific objective A2: Development in the field of distance learning, online learning and blended learning

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Virtual Mobility: New Challenges for Management Accounting

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Students presentations on given topics



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The background of the slide is a dark, muted blue-grey color. It features a faint, semi-transparent image of a hand holding a black pen, positioned as if about to write on a white surface. In the background, a calculator and a notebook are also visible, suggesting a business or accounting context.

MANAGEMENT

ACCOUNTING

**and its relationship with
business development**

By Anita Maculewicz, Christopher Marques-Alves, Maja Nosarzewska, Javier Isorna, Nasrin Shultana Shimu, Vít Havlík, Carlo Saletti

INTRODUCTION: Strategic Role of Management Accounting

Key Distinction

Unlike traditional financial accounting, management accounting plays a strategic role in shaping the future of a company.

Active Compass

Management accounting serves as an active compass for the company, enhancing operational efficiency and empowering leaders to overcome market challenges and capitalize on new opportunities

Primary Focus

Analysis of costs, revenues, and efficiency to provide critical information to executives, supporting informed decision-making

Strategic Partners

Acts as an essential strategic partner, enabling organizations not only to navigate the competitive business environment but also to grow and develop through informed insights

Symbiotic Relationship

Underlies the symbiotic relationship between management accounting and business development, guiding organizations towards process optimization, identifying opportunities, and fostering sustainable growth

Strategic Planning

Definition

- Dynamic and systematic process
- Guides organizations toward future success

Comparison with Operational Planning

- Focus on high-level tasks
- Defines vision, mission, and long-term objectives

Key Elements

- Informed decision-making
- Resource allocation, priority setting
- Adaptation to changing business environment

Strategic Planning Process

- Begins with SWOT analysis
- Analyzes internal and external factors
- Considers market trends, competition, and risks

Strategy Development

- Capitalizing on strengths
- Addressing weaknesses
- Seizing opportunities
- Mitigating threats

Resulting Strategic Plan

- Provides clear direction
- Serves as a roadmap
- Aligns activities with overall objectives

Implementation

- Action plans, timelines, performance indicators
- Continuous process, not a one-time event

Purpose of Strategic Planning

- Management tool for shaping the future
- Fosters vision and guides decision-making
- Overcomes challenges for long-term success

Budgeting and forecasting

Resource
allocation

Long-term
planning



Performance
evolution

Planning and
strategy

Performance Measurement



Cost management

=contolling the actual or forecasted costs

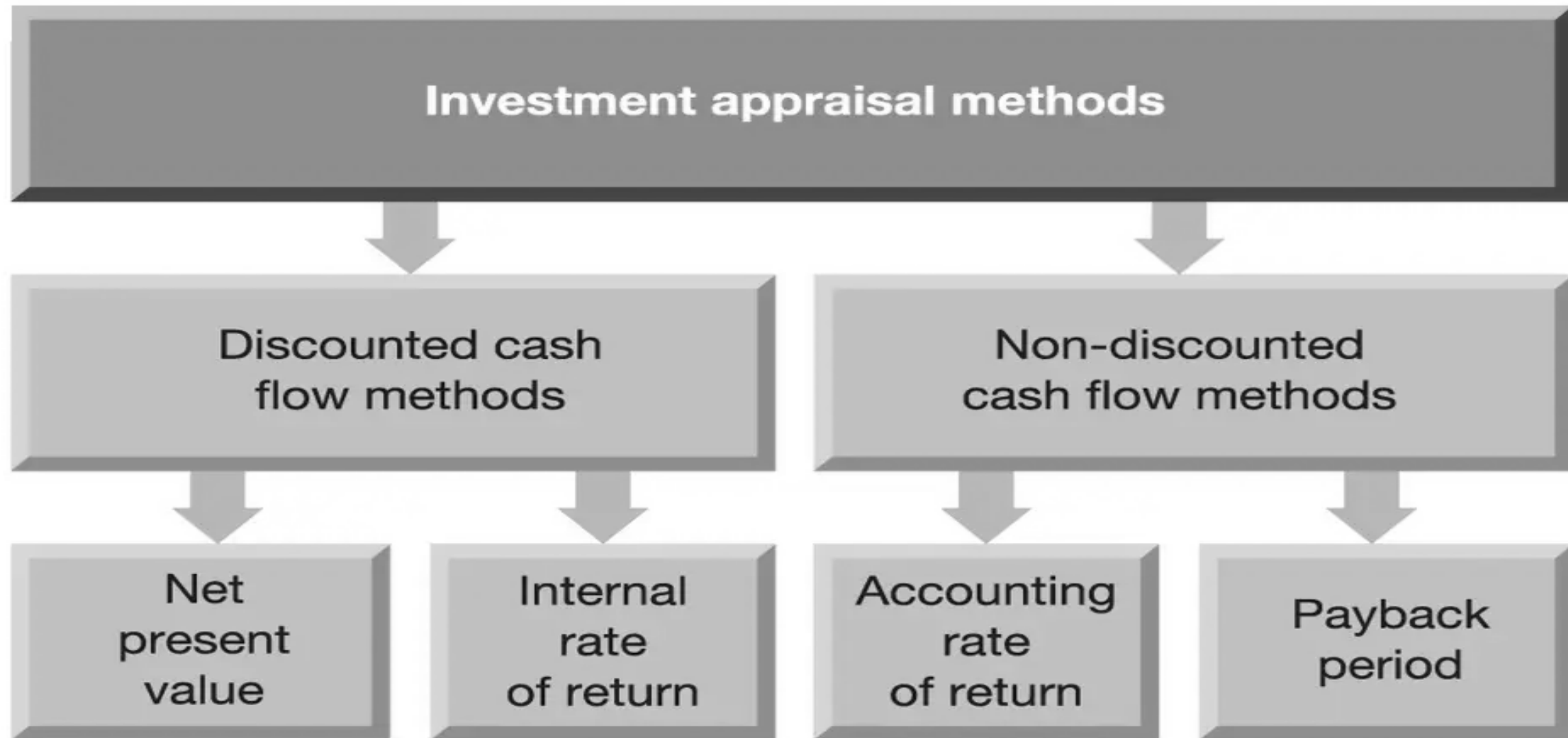
01 Estimating

02 Budgeting

03 Controlling

04 Special
applications

Investment Appraisal



Risk Management

RISK IDENTIFICATION, ASSESMENT AND MITIGATION

Management accountants identifying potential financial risks and their impacts on organizations objectives. They discover strategies to manage and mitigate risks to enable-well informed decision making.

COST-BENEFIT, RISK-RETURN AND SCENARIO ANALYSIS

Management accountants use various metrics and analytics to gain insights, conducting cost-benefit analyses to prioritize high-return actions. In assessing risk-return dynamics, they ensure decisions align with the business's risk appetite, contributing to strategic and value-maximizing choices.

The Role of Management Accountants in Decision Support

Data Analysis and Reporting

Financial Reports

Management accountants collect, analyze, and interpret financial data to create reports that are essential for decision-making.

Budgetary Comparisons

They provide budgetary comparisons, cost analyses, and performance reports, giving a clear picture of the financial health of the organization.

Financial Health

These reports enable effective decision-making by providing insights into the financial health of the organization.

Budgeting and Forecasting

1

Financial Targets

Management accountants work with departments to set financial targets and create budgets.

2

Future Trends

They assist in forecasting future financial trends, enabling informed decisions about resource allocation and strategic planning.

3

Informed Decisions

Budgeting and forecasting provide valuable insights for making informed decisions regarding the organization's finances.

The Role of Management Accountants in Decision Support

Cost Management

1 Identify and Analyze Costs

Management accountants help identify and analyze costs associated with products, services, or projects.

2 Pricing Decisions

Cost information is crucial for pricing decisions, cost control, and overall financial planning.

3 Financial Planning

Effective cost management is vital for successful financial planning and decision-making.

Performance Measurement

Key Performance Indicators

Management accountants develop KPIs to evaluate the performance of different aspects of the business.

Strategic Objectives

KPIs help assess if the organization is meeting its strategic objectives and identify areas for improvement.

Risk Management

Management accountants assess financial risks and provide insights to mitigate these risks in decision-making.

Strategic Planning

Management accountants contribute to strategic planning by providing financial data and insights.

Summary

The integration of management accounting practices into the business development process is essential for informed decision-making, efficient resource allocation, and overall organizational success. It serves as a dynamic and adaptive tool, empowering managers to navigate challenges and capitalize on opportunities for sustained growth.. Key points highlighting this relationship are Strategic planning, performance measurement, cost management, investment appraisal, risk management and decision support.