

**Course:****BAE2341 – Business Performance Management (BPM)**

Volume: 2 semester hours per week, 2 credits

Language: English

Level: Advanced

Date: **WI/IM/GPM/WI Int. and ISP-Students only – 14 November, 28 November, 05 December (9:00 to 16:00 o'clock) and 09 January 2021 (9:00 to 13:30 o'clock)**

Class room: see current lecture plan

Alfaview link: Optional, in case of online lectures due to Covid-19

<https://alfaview.com/join/alfaview-technik/e7b18809-9e40-48b3-9a68-4680a4f9617a/dec82e7f-e169-418c-83e2-180a26592cb0>

**Instructor:**

- Maximilian Stempel ([dozent-stempel@gmx.de](mailto:dozent-stempel@gmx.de))

**Overview (catalogue description):**

The dominant topic of this course is how to take strategic as well as operative process management decisions by means of cost information.

**Prerequisites:**

You should have a good understanding of traditional cost accounting systems, especially cost type accounting, cost centre accounting and unit costing. This is provided by the course BAE 1012 'Business Management 1/2'.

**Learning Objectives:**

Preparation of management decisions by means of instruments of process cost accounting and performance management: Attending the lecture the student will know how to use modern process instruments of Activity Based Costing for taking decisions like 'Optimizing the product range with process based calculations', 'cost savings in defined processes', 'Steps in process optimization teams', 'How implement process based Performance Measurement' and 'Analysis of process costs'.

At the end of the course students ...

- ... know criticism concerning traditional cost accounting systems and requirements of new modern process management accounting systems,
- ... can distinguish between crucial and non-crucial process costs of a company depending on concrete processes,
- ... can describe the structure and the usage of process based contribution accounting statements,
- ... can take management decisions by means of cost driver based and cost driver neutral processes,
- ... can explain advantageous, specific terms and the course of process costing, activity-based-costing respectively,
- ... know how Performance Measurement can be implemented into companies for management control,

- ... know how process based cost calculations can help to achieve a better cause and effect principle in enterprises.
- ... can explain the necessary steps in a process optimization team (POT)

### Contribution to achieving the study objectives:

Study objectives:	Contribution:
Students demonstrate key knowledge in Business Administration.	Students will deepen their basic knowledge of cost accounting systems. Based on lecture "Business Management 1/2" students will learn how to use methods of process cost accounting tools, like process based calculation and Activity Based Costing, process based contribution accounting for taking management decisions. By preparing case studies students demonstrate an understanding of the application of these instruments.
Students are able to apply analytical and critical thinking skills to complex problems.	By means of methods of Business Performance Management students will be able to assess the impact of management decisions on profitability and processes of a company. They will be able to give recommendations for an optimal management decision in deepening the knowledge by using applications, forms, etc.

### Course Topics:

1. Introduction
  - a. The impact of processes on management's decisions
  - b. What is Performance Measurement and Management
2. Activity Based Costing
  - a. Process costs
  - b. Sub- and main processes
  - c. Cost driver based and cost driver independent costs
3. Process oriented calculation
  - a. Necessity of a process cost accounting
  - b. Typical short- and medium-termed management decisions by process based contribution margin accounting
4. Process Optimization
  - a. Which steps must be considered in process optimization teams (POTs)?
  - b. Which optimization instruments can be used best?
5. Process oriented Performance Measurement
  - a. BPM instruments
  - b. Implementation of BPM instruments in enterprises

### Writing the final exam:

After the end of the semester, you will write a 60 minutes exam on 'Business Performance Management' in English combined with 'Innovation Processes'. During the lectures, you will

be prepared for the exam. Summaries and key learnings will be given that provide you with the framework of what to prepare for the exam. Also the style of the exam will be explained.

**Please be aware that the type of exam can change due to the Covid-19 pandemic. In case of a partial or total online semester the type of exam might change. I will inform you as early as possible about this. Please check your emails and the moodle course on a regular basis in order to stay updated.**

Corresponding to “§ 24 (2) SPO” there is the following grading for evaluating your exam:

1 = <i>sehr gut</i> =	represents exceptional work.
2 = <i>gut</i> =	represents good work, far above average
3 = <i>befriedigend</i> =	represents average work
4 = <i>ausreichend</i> =	represents below average work with considerable shortcomings
5 = <i>nicht ausreichend</i> =	represents work which won't be accepted due to serious shortcomings

For a differentiated evaluation of the examination, individual grades will be increased or decreased by steps of 0.3; the grades 0.7, 4.3 and 5.3 are excluded.

#### Course Material:

- **Gaitanides, M. (2012)**, *Prozessorganisation. Entwicklung, Ansätze und Programme des Managements von Geschäftsprozessen*, 3. Aufl., München: Vahlen.
- **Mayer R. (1998)**, *Prozeßkostenrechnung – State of the Art; Prozeßkostenmanagement*, 2. Aufl., Stuttgart 1998
- **Becker, J., Kugeler, M., Rosemann, M. (2012)**: *Prozessmanagement – Ein Leitfadens zur prozessorientierten Organisationsgestaltung*, 7. Aufl., Berlin: Springer Gabler
- *Handouts and lecture-specific documents*: handouts and slides can be downloaded from the “E-Learning” platform of the university.

#### My teaching philosophy:

I care about your learning, helping you is important to me. If you are having a problem or questions with some aspect of the course, do not hesitate to contact me. I will respond quickly and if it is necessary we will make an appointment. If you have problems with your progress in the course or with a teammate or your group please see me as early as possible. The longer you wait the fewer options I will have to help you. I really want you to graduate, but you must earn it!

#### Policy on academic honesty:

Students are encouraged to discuss the course, including issues raised by the assignments. However, the solutions to assignments should be individual original work unless otherwise specified. If an assignment makes you realize you don't understand the material, ask a fellow student a question designed to improve your understanding, not one designed to get the assignment done. To do otherwise is to cheat yourself out of understanding, as well as to be intolerably dishonourable.

### Teaching and learning approach:

- Please use the literature which is suggested to reflect the content of this course in a critical way!
- Then repeat the treated chapters and the case studies of the lecture regularly, ideally minimum once per week!
- Use written examinations of further semesters which are given to you for preparing the new one and to get familiar with the character, the volume and the level of difficulty of the forthcoming examinations.
- Please read regularly newspapers and especially economic-relevant information to get aware of topical items which are relevant for the lecture. By doing this, you will improve your capabilities to transfer theoretical knowledge to practice.

### 1. Tentative Schedule (changes may be necessary):

	Date	Subject / Item
(1)	14.11.2020 (9:00 - 16:00)	Organizational aspects, presenting the topics, stating the objectives of the lecture Introduction in Business Performance Management 1
(2)		Introduction in Business Performance Management 2
(3)		Activity Base Costing 1
(4)		Activity Base Costing 2
(5)		Activity Base Costing 3
(6)	28.11.2020 (9:00 – 16:00)	Activity Base Costing 4
(7)		Process oriented Calculation 1
(8)		Process oriented Calculation 2
(9)		Process oriented Calculation 3
(10)	05.12.2020 (9:00 – 16:00)	Process Optimization 1
(11)		Process Optimization 2
(12)		Process oriented Performance Measurement 1
(13)		Process oriented Performance Measurement 2
(14)	09.01.2021 (9:00 – 13:30)	Preparation for the examination, Questions