

## Bringing Real Life to the Classroom: Cost and Managerial Accounting

By Xiaochen Liu

I am Xiaochen Liu, a Business Administration Sophomore student. I am an international student from China and glad to share my experience about the accounting class.

I have been studying cost and managerial accounting for nearly one semester which has given me many memorable moments. One particular project has taught me several lessons. During this spring of 2022, I have not only gained a systematic and scientific understanding of managerial decision making but also learned practical skills to deal with related issues through our research project on investing in Xpeng's (Chinese Car Manufacturing Company) Cost Control and Cost Management activities.

Dr. Leepsa Madhabika did a wonderful job in lecturing this semester to teach about master budgets, variance analysis, benchmarking, and cost statement analysis. I learned about cost and management accounting through various case studies we had in the class and the research projects. Through the study of these chapters, I have a deeper understanding of accounting, corrected some misunderstandings that I had in the past, and changed my attitude towards accounting. I realized how cost accounting plays an important role in business management.

First, I was quite interested to know how accounting helps to provide useful information for decision-making, to improve corporate performance, and to regulate employee behavior. I realized the connection between accounting lectures and real-world facts when I was doing on-hand experience while examining the Xpeng's managerial decisions on various costs and short-term decisions like new product launch, pricing, and job costing analysis. I learned how to analyze financial performance of a company, their operating results, and the cash flow of the enterprise, and how everything is related including investors, suppliers, and creditors in decision making. Secondly, in this accounting class, there is less memorization and more real-world applications. We worked on various case issues of Starbucks, Toyota, and Apple Inc., which demonstrated how enterprises work to strengthen their revenue management, improve economic efficiency, and promote sustainable practices in products and processes, and competitiveness to a certain extent. The course curriculum is challenging with complex concepts of accounting yet fun to see how companies really work and do accounting stuff. I have improved my communication and research skills as research projects were incorporated in the course curriculum.

I want to say, we always break into big smiles when Dr. Madhabika shares hypothetical examples to clarify the concepts, creating a situation when we have to take some decisions from our personal life. I remember in the Activity Based Costing lecture, there was an example of Under Costing and Over Costing using how to share and pay for the restaurant bills between me and my friends Togzhan and Jinging on a Friday night.

The study of accounting requires special care and concentration, and there is no room for sloppiness and slackness. Learning accounting can open so many doors and opportunities. To be a future accountant, one should be down-to-earth and meticulous and should not neglect ethics in handling corporate problems. If I stick to it, then, in the long run,

I will reduce the number of mistakes and develop a rigorous good book-keeping and decision-making habits. Only in this way can I perform well in study and work, be appreciated by others, and be trusted to do important projects in the future.

