

## ACC 550 Final Project Guidelines and Rubric

### Overview

The final project for this course is the creation of a quantitative analysis that includes an Excel spreadsheet, accompanied by a memo to management.

Accountants provide management with the logistics of the business that are crucial for daily operations and a company's overall success. In any business, it is of the utmost importance to be aware of all finances and internal processes. Cost accountants focus solely on the internal processes of a business and are tasked with eliminating any unnecessary costs in order to maximize profits.

In this assessment, you have been tasked with conducting a quantitative analysis that looks into the internal processes of a company. Based on your analysis, you will formulate recommendations to management that aim to improve internal processes and increase profits for the company.

The project is divided into **three milestones**, which will be submitted at various points throughout the course to scaffold learning and ensure quality final submissions. These milestones will be submitted in **Modules Three, Five, and Seven**. Your final submission will occur in **Module Nine**.

In this assignment, you will demonstrate your mastery of the following course outcomes:

- ACC-550-01: Apply cost-volume-profit (CVP) analysis based on cost classification for planning and control of internal accounting processes within an organization
- ACC-550-02: Assess cost and revenue allocation methods for providing relevant information to decision makers
- ACC-550-03: Select the optimal inventory management method for meeting the needs of an organization
- ACC-550-04: Evaluate cost accounting performance and planning tools for their impact on business operations

### Prompt

Conduct a quantitative analysis of a company's internal processes using the [Hampshire Company Case Study](#) document. Your analysis will consist of completing the [Hampshire Company Spreadsheet](#) and will be accompanied by a memo to management.

Specifically, the following **critical elements** must be addressed:

I. **Cost-Volume-Profit Analysis**

Cost-volume-profit (CVP) analysis is a useful tool for informing short-term economic planning within an organization. In this section, a CVP analysis will be conducted and used to inform business decisions and recommendations.

- A. Perform a CVP **analysis** based on cost classifications.
- B. Explain how a CVP analysis can assist management with short-term **economic planning**. Support your response with examples from your CVP analysis.

- C. Accurately compute the **break-even** quantity and break-even revenue.
- D. Determine whether the company is breaking even. What are the CVP analysis **implications** on planning?

II. **Inventory Management**

Inventory management serves to minimize the cost to maintain inventory and maximize returns. In this section, the company's financial data will be reviewed in order to determine the optimal inventory management system.

- A. Determine an optimal cost allocation method based on the **relevant costs**.
- B. Describe how this **method** should be used by decision makers to fulfill their responsibilities. Support your response with examples.
- C. What are the **pros and cons** of implementing the just-in-time (JIT) inventory system? Do the pros outweigh the cons for this company?
- D. Explain how the just-in-time (JIT) **inventory system** can benefit this organization. Defend your response.
- E. Identify the **inventory** management method you recommend, and explain why this method will benefit the company.

III. **Benchmarking**

In this section, benchmarking will be reviewed. Benchmarking can be implemented in various ways depending on a company's circumstances. Your company has decided to implement benchmarking and would like you to research and recommend the most effective approach.

- A. What is the **advantage** to benchmarking in terms of improving companies' performance? Support your response.
- B. Identify possible **approaches** to benchmarking. Describe each.
- C. Which **benchmarking method** should management adopt and why?

IV. **Alternative Costing Method**

There are various costing methods available for companies to implement. As a company grows, it may become beneficial to consider an alternate costing method.

- A. Identify an alternative costing method that could benefit this company, and describe the **main characteristics** of that method.
- B. What should a company look for when trying to determine whether they should **adopt** such a system?
- C. Should the company adopt this alternative costing **method**? Defend your response.

V. **Memo to Management**

Your memo to management should serve as a summary of your quantitative analysis, reviewing the key points and recommendations that you feel management should be aware of.

- A. Describe the overall **findings** of your analysis, including key elements that management should be aware of.
- B. Make a recommendation to management based on your cost accounting analysis that will enhance **business planning**.
- C. Recommend a performance tool to management based on your cost accounting analysis that will improve **business operations**.

You may use the following resources to help you prepare your memo to management: [Purdue OWL: Memos](#) contains information related to formatting a memo, and [Purdue OWL: Sample Memo](#) presents a sample of a memo that you can use as a guide when you format the memo for the final project.

If you would like a refresher course on using various features of Excel, sign in to [Atomic Learning](#) and type “Excel” in the search box. This will provide you with options to select the specific level of training that you need (intro, intermediate, or advanced) and the specific version of Excel that you have (e.g., 2011 or 2013). The trainings are broken down into small, meaningful chunks. Therefore, you should be able to find specific topics at each level that will meet your needs.

## Milestones

### Milestone One: Draft of Cost-Volume-Profit Analysis

In **Module Three**, you will submit a draft of the cost-volume-profit analysis (Section I of the final project), including all critical elements as listed above. Refer to the Hampshire Company Case Study document, as this will provide you with details on how to complete this milestone. All calculations for your quantitative analysis should be completed in the Hampshire Company Spreadsheet. You will provide a rough draft of your one- to two-page qualitative analysis in a Word document. The Word document must be in APA format. Once you have completed your analysis, submit your Word and Excel documents. **This milestone will be graded with the Milestone One Rubric.**

### Milestone Two: Draft of Inventory Management and Benchmarking

In **Module Five**, you will submit a draft of the inventory management and benchmarking sections of the final project (Sections II and III, respectively), including all critical elements as listed above. Refer to the Hampshire Company Case Study document, as this will provide you with details on how to complete this milestone. All calculations for your quantitative analysis should be completed in the Hampshire Company Spreadsheet. You will provide a rough draft of your three- to four-page qualitative analysis in a Word document. The Word document must be in APA format. Once you have completed your analysis, submit your Word and Excel documents. **This milestone will be graded with the Milestone Two Rubric.**

### Milestone Three: Draft of Alternative Costing Method

In **Module Seven**, you will submit a draft of the alternative costing method section of the final project (Section IV), including all critical elements as listed above. Refer to the Hampshire Company Case Study document, as this will provide you with details on how to complete this milestone. All calculations for your quantitative analysis should be completed in the Hampshire Company Spreadsheet. You will provide a rough draft of your two- to three-page qualitative analysis in a Word document. The Word document must be in APA format. Once you have completed your analysis, submit your Word and Excel documents. **This milestone will be graded with the Milestone Three Rubric.**

### Final Project Submission: Quantitative Analysis and Memo to Management

In **Module Nine**, you will submit your quantitative analysis and memo to management. It should be a complete, polished artifact containing **all** of the critical elements of the final product. It should reflect the incorporation of feedback gained throughout the course. **This submission will be graded using the Final Project Rubric.**

## Deliverables

Milestone	Deliverable	Module Due	Grading
One	Draft of Cost-Volume-Profit Analysis	Three	Graded separately; Milestone One Rubric
Two	Draft of Inventory Management and Benchmarking	Five	Graded separately; Milestone Two Rubric
Three	Draft of Alternative Costing Method	Seven	Graded separately; Milestone Three Rubric
	Final Project Submission: Quantitative Analysis and Memo to Management	Nine	Graded separately; Final Project Rubric

## Final Project Rubric

**Guidelines for Submission:** The financial portions of your quantitative analysis should be submitted using the Hampshire Company Spreadsheet. The written portions of your qualitative analysis should be submitted as a six- to nine-page Microsoft Word document. Your memo to management should be submitted as a two- to three-page Microsoft Word document. Both Word documents should use double spacing, one-inch margins, and 12-point Times New Roman font. Sources should be cited according to APA style.

Critical Elements	Exemplary	Proficient	Needs Improvement	Not Evident	Value
<b>Cost-Volume-Profit Analysis: Analysis</b>		Performs a cost-volume-profit analysis based on cost classifications (100%)	Performs a cost-volume-profit analysis, but it is not based on cost classifications (70%)	Does not perform a cost-volume-profit analysis (0%)	5.4
<b>Cost-Volume-Profit Analysis: Economic Planning</b>	Meets "Proficient" criteria and demonstrates a nuanced understanding of the relationship between CVP and short-term planning (100%)	Explains how a CVP analysis can assist management with short-term economic planning and supports response with examples (90%)	Explains how a CVP analysis can assist management with short-term economic planning but does not support response with examples, or explanation is cursory or inaccurate (70%)	Does not explain how a CVP analysis can assist management with short-term economic planning (0%)	5.4
<b>Cost-Volume-Profit Analysis: Break-Even</b>		Accurately computes the break-even quantity and break-even revenue (100%)	Computes the break-even quantity and break-even revenue, but there are issues with accuracy (70%)	Does not compute the break-even quantity and break-even revenue (0%)	5.4

<b>Cost-Volume-Profit Analysis: Implications</b>	Meets “Proficient” criteria and uses industry-specific language to establish expertise (100%)	Determines whether the company is breaking even and identifies cost-volume-profit analysis implications for planning (90%)	Determines whether the company is breaking even but does not identify cost-volume-profit analysis implications on planning, or determination or identification contain issues with accuracy (70%)	Does not determine whether the company is breaking even (0%)	5.4
<b>Inventory Management: Relevant Costs</b>	Meets “Proficient” criteria and demonstrates a nuanced understanding of the relationship between optimal cost allocation and relevant costs (100%)	Determines an optimal cost allocation method based on the relevant costs (90%)	Determines an optimal cost allocation method, but determination is not based on the relevant costs (70%)	Does not determine an optimal cost allocation method (0%)	5.4
<b>Inventory Management: Method</b>	Meets “Proficient” criteria, and description is exceptionally clear and contextualized (100%)	Recommends how the method should be used by decision makers to fulfill their responsibilities and supports response with examples (90%)	Recommends how the method should be used by decision makers to fulfill their responsibilities but does not support response with examples (70%)	Does not recommend how the method should be used by decision makers (0%)	5.4
<b>Inventory Management: Pros and Cons</b>	Meets “Proficient” criteria, and description is well supported with examples (100%)	Identifies the pros and cons of implementing JIT and describes whether the pros outweigh the cons for this company (90%)	Identifies the pros and cons of implementing JIT but does not describe whether the pros outweigh the cons for this company (70%)	Does not identify the pros and cons of implementing JIT (0%)	5.4
<b>Inventory Management: Inventory System</b>	Meets “Proficient” criteria, and explanation is exceptionally clear and contextualized (100%)	Explains how the JIT inventory system can benefit the organization and defends response (90%)	Explains how the JIT inventory system can benefit the organization but does not defend response (70%)	Does not explain how the JIT inventory system can benefit the organization (0%)	5.4
<b>Inventory Management: Inventory</b>	Meets “Proficient” criteria and uses specific examples to support description (100%)	Identifies the inventory management method recommended and explains why this method will benefit the company (90%)	Identifies the inventory management method recommended but does not explain why this method will benefit the company (70%)	Does not identify the inventory management method that is recommended (0%)	5.4
<b>Benchmarking: Advantage</b>	Meets “Proficient” criteria, and support includes specific examples (100%)	Identifies an advantage of benchmarking and supports response (90%)	Identifies an advantage of benchmarking but does not support response (70%)	Does not identify an advantage of benchmarking (0%)	5.4
<b>Benchmarking: Approaches</b>	Meets “Proficient” criteria and shows a keen insight into the variety of benchmarking approaches (100%)	Identifies different approaches to benchmarking and describes each (90%)	Identifies different approaches to benchmarking but does not describe each (70%)	Does not identify different approaches to benchmarking (0%)	5.4

<b>Benchmarking: Benchmarking Method</b>	Meets “Proficient” criteria, and determination is well supported and plausible (100%)	Determines which benchmarking method management should adopt and justifies response (90%)	Determines which benchmarking method management should adopt but does not justify response (70%)	Does not determine which benchmarking method management should adopt (0%)	5.4
<b>Alternative Costing Method: Main Characteristics</b>	Meets “Proficient” criteria and displays a keen insight into the variety of alternative costing systems (100%)	Identifies alternative costing systems and describes the main characteristics of each (90%)	Identifies alternative costing systems but does not describe the main characteristics of each, or identification or description contain inaccuracies (70%)	Does not identify alternative costing systems (0%)	5.4
<b>Alternative Costing Method: Adopt</b>	Meets “Proficient” criteria and demonstrates a nuanced understanding of the relationship of the needs of a company and an alternative costing system (100%)	Determines what the company should look for when deciding to adopt an alternative costing system and supports response with examples (90%)	Determines what the company should look for when deciding to adopt an alternative costing system but does not support response with examples (70%)	Does not determine what the company should look for when deciding to adopt an alternative costing system (0%)	5.4
<b>Alternative Costing Method: Method</b>	Meets “Proficient” criteria, and determination is well supported and plausible (100%)	Determines whether the company should adopt the alternative costing method and defends response (90%)	Determines whether the company should adopt the alternative costing method but does not defend response (70%)	Does not determine whether the company should adopt the alternative costing method (0%)	5.4
<b>Memo to Management: Findings</b>	Meets “Proficient” criteria, and description is exceptionally clear and contextualized (100%)	Describes the overall findings of analysis and identifies key elements that management should be aware of (90%)	Describes the overall findings of analysis but does not identify key elements that management should be aware of (70%)	Does not describe the overall findings of analysis (0%)	5.4
<b>Memo to Management: Business Planning</b>	Meets “Proficient” criteria, and recommendation is well supported and plausible (100%)	Makes recommendation to enhance business planning based on cost accounting analysis (90%)	Makes recommendation to enhance business planning, but recommendation is not based on cost accounting analysis (70%)	Does not make recommendation to enhance planning (0%)	5.4
<b>Memo to Management: Business Operations</b>	Meets “Proficient” criteria, and recommendation uses industry-specific language to establish expertise (100%)	Recommends a performance tool to improve business operations based on cost accounting analysis (90%)	Recommends a performance tool to improve business operations, but recommendation is not based on cost accounting analysis (70%)	Does not recommend a performance tool to improve business operations (0%)	5.4
<b>Articulation of Response</b>	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy to read format (100%)	Submission has no major errors related to citations, grammar, spelling, syntax, or organization (90%)	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas (70%)	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas (0%)	2.8
<b>Earned Total</b>					<b>100%</b>