



Western Technical College

10104110 Marketing Financials

Course Outcome Summary

Course Information

Description	This class is designed to expose the learner to basic accounting concepts, which will provide a framework for the general financial analysis all businesses conduct. The student will learn the basic accounting cycle along with the fundamental principles of depreciation, inventory, cash flow, accruals and deferrals. With this context in place, the student will then be able to construct and analyze common financial statements. Particular attention also will be placed on the pricing of a product. Concentration will be centered on break-even analysis and cost behavior.
Career Cluster	Marketing
Instructional Level	Associate Degree Courses
Total Credits	3
Total Hours	54

Textbooks

Accounting Game: Basic Accounting Fresh from the Lemonade Stand. 2nd Edition. Copyright 2008. Mullis, Darrell and Judith Orloff. Publisher: Sourcebooks, Inc. **ISBN-13**:978-1-4022-1186-7. Required.

Learner Supplies

Calculator. **Vendor**: Campus Shop. Required.

Program Outcomes

1. Develop strategies to anticipate and satisfy market needs.
2. Promote products, services, images, and/or ideas to achieve a desired outcome.

Course Competencies

1. **Explore the role of accounting in business.**

Assessment Strategies

- 1.1. Presentation

Criteria

You will know you are successful when

- 1.1. you identify profit, non-profit, manufacturing, merchandising, and service businesses.
- 1.2. you identify business forms (sole-proprietorship, partnership, limited liability corporation, and corporations).
- 1.3. you identify the business stakeholders.
- 1.4. you explain financing, investing, and operating activities of a business.

Learning Objectives

- 1.a. Define the types of businesses and forms of business.
- 1.b. Define business stakeholders and business activities (financing, investing and operating).
- 1.c. Describe the connection between accounting and marketing.

2. Construct basic financial statements.

Assessment Strategies

- 2.1. Written Objective Test

Criteria

You will know you are successful when

- 2.1. you categorize accounts as assets, liabilities, equity, revenue, or expense.
- 2.2. you create a balance sheet.
- 2.3. you create a retained earnings statement.
- 2.4. you create an income statement.
- 2.5. you create a statement of cash flows.
- 2.6. you demonstrate the interdependence of how the four statements work together.

Learning Objectives

- 2.a. Define assets, liabilities and stockholder's equity
- 2.b. Explain the accounting equation.
- 2.c. Classify accounts into assets, liabilities or capital as well as revenue or expense
- 2.d. Describe accounting concepts and rules
- 2.e. Construct Income Statement, Retained Earnings Statement, Balance Sheet, and Statement of Cash Flows
- 2.f. Discuss the relationship between the different financial statements

3. Interpret basic financial statements.

Assessment Strategies

- 3.1. Written Objective Test

Criteria

You will know you are successful when

- 3.1. you calculate short-term ratios, long-term ratios, and sales ratios.
- 3.2. you apply ratios to determine the solvency of a business.
- 3.3. you apply ratios to determine the profitability of a business.

Learning Objectives

- 3.a. Interpret financial statements for solvency
- 3.b. Interpret financial statements for profitability
- 3.c. Discuss financial ratios and their impact on sales and marketing decisions

4. Define accrual and cash basis accounting.

Assessment Strategies

- 4.1. Written Objective Test

Criteria

You will know you are successful when

- 4.1. you define accrual accounting.
- 4.2. you define cash basis accounting.

4.3. you determine when to use one vs the other.

Learning Objectives

- 4.a. Describe deferrals and accruals
- 4.b. Use prepaid or deferred expenses as related to marketing decisions
- 4.c. Describe unearned or deferred revenues as related to sales and accounts receivable

5. Outline manufacturing costs.

Assessment Strategies

- 5.1. Written Objective Test

Criteria

You will know you are successful when

- 5.1. you identify costs as: direct materials, direct labor, factory overhead, general administrative, sales/marketing.
- 5.2. you identify the types of inventories within different manufacturing businesses.
- 5.3. you identify the types of inventories within a merchandising business.
- 5.4. you identify job costing for service businesses.

Learning Objectives

- 5.a. Define and identify direct materials, direct labor and factory overhead costs
- 5.b. Define materials inventory, work-in-process inventory and finished goods inventory
- 5.c. Define job order cost accounting and examples of how it is used in professional services such as advertising agencies

6. Explore cost behavior.

Assessment Strategies

- 6.1. Written Objective Test

Criteria

You will know you are successful when

- 6.1. you identify variable, fixed, and mixed costs.
- 6.2. you identify how costs change based on production levels.
- 6.3. you calculate variable, fixed, and mixed costs for various products.

Learning Objectives

- 6.a. Define and classify costs as variable, fixed and mixed costs
- 6.b. Describe the different cost behaviors as related to activity level
- 6.c. Calculate variable, fixed, mixed and total costs

7. Explore cost-volume profit analysis.

Assessment Strategies

- 7.1. Written Objective Test

Criteria

You will know you are successful when

- 7.1. you calculate contribution margin, unit contribution margin, and contribution margin ratios of products.
- 7.2. you calculate break even points for products.
- 7.3. you calculate target profit.
- 7.4. you calculate break even points for company producing more than one product.

Learning Objectives

- 7.a. Compute contribution margin, contribution margin ratio and unit contribution margin of products
- 7.b. Compute break-even point in units and sales
- 7.c. Calculate target profit
- 7.d. Compute break-even for company selling more than one product
- 7.e. Calculate return on investment (ROI).

8. Explore master budget and budgeting process.

Assessment Strategies

- 8.1. Project
- 8.2. Written Objective Test

Criteria

You will know you are successful when

- 8.1. you identify the components of a budget (i.e .projected sales).
- 8.2. you create the different elements of a manufacturing business' budget.
- 8.3. you compare actual costs incurred and sales vs budgeted costs and sales.
- 8.4. you develop a budget specific to business function (sales budget, marketing budget, production budget, etc.)

Learning Objectives

- 8.a. Define objectives of budgeting
- 8.b. Construct various budgets and explore their interrelationships
- 8.c. Compare budget to actual and determine impact
- 8.d. Construct a (marketing) budget for a real company based on marketing variables and actual pricing.