

## Cost management



### Short description

In this module the participants get a closer insight to cost accounting. After having completed this module, you will understand the difference between accounting and cost accounting. You will get to know the overhead costing sheet and learn to differ between direct costs, overhead costs and extraordinary costs. There, participants learn about different possibilities of cost application with and without using cost units. Cost object accounting will be treated, with which you can calculate direct costs and market price of a product

Differences between full cost accounting and direct costing will be shown, Using direct costing accounting participants learn contribution margin accounting and how to calculate lower price limits as well as the Break-Even-Point. They will get introduced to how to decide on receipt of additional order, Make-or-Buy and the composition of the perfect selection. Finally, the participants gain a short overview over new order costing, due to the possible insufficiency of „traditional” order costing.

### Contents

- Foundation of cost management
- Cost centre accounting and cost accounting
- Price Calculation and cost-unit accounting
- Full cost accounting
- Marginal costs and breakeven analysis (direct costing)
- How to use direct costing
- Make-or-Buy decisions
- Composition of the perfect selection
- Break-Even-Point
- Multilevel direct costing and fixed cost management
- New order costing

### Methodological Framework

The System of cost management will be taught with examples and basic issues. Supportingly participants will receive a script. In the beginning we will use simple examples, which turn more complex in the end. The goal of this module is to give participants a basic understanding and system of cost management. Further, they should be able to evolve new strategies of solving basic issues. A highly practical component will be given through realistic examples. The workbook and questions of knowledge in the units are suited for private study concerning revisions.

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