

# Index

## A

### allocated costs

5.10: Evaluate and Determine Whether to Keep or Discontinue a Segment or Product

### Asset turnover

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### automation

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### Average fixed cost (AFC)

5.4: Identify and Apply Basic Cost Behavior Patterns

### Average variable cost (AVC)

5.4: Identify and Apply Basic Cost Behavior Patterns

### avoidable cost

5.9: Identify Relevant Information for Decision-Making

## B

### balanced scorecard

5.15: Describe the Balanced Scorecard and Explain How It Is Used

### balanced scorecard (BSC)

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### board of directors

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### bottleneck

5.11: Evaluate and Determine How to Make Decisions When Resources Are Constrained

### budget analyst

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

## C

### capital assets

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### Certified Financial Analyst (CFA)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Certified Fraud Examiner (CFE)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Certified Government Auditing Professional (CGAP)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Certified Internal Auditor (CIA)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Certified Management Accountant (CMA)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Certified Public Accountant (CPA)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Chief Executive Officer (CEO)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### chief financial officer (CFO)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### collaboration

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Commercial awareness

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### constraint

5.11: Evaluate and Determine How to Make Decisions When Resources Are Constrained

### Continuous improvement

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### contribution margin

5.6: Explain Contribution Margin and Calculate Contribution Margin per Unit, Contribution Margin Ratio, and Total Contribution Margin

### contribution margin ratio

5.6: Explain Contribution Margin and Calculate Contribution Margin per Unit, Contribution Margin Ratio, and Total Contribution Margin

### controllable factors

5.12: Explain the Importance of Performance Measurement

### controller

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Conversion costs

5.4: Identify and Apply Basic Cost Behavior Patterns

### Corporate social responsibility (CSR)

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### cost accountants

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### cost center

5.12: Explain the Importance of Performance Measurement

### cost driver

5.4: Identify and Apply Basic Cost Behavior Patterns

## D

### differential analysis

5.9: Identify Relevant Information for Decision-Making

### differential cost

5.9: Identify Relevant Information for Decision-Making

### differential revenue

5.9: Identify Relevant Information for Decision-Making

### Direct labor

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

### Direct materials

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

## E

### Economic value added

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### effective communication skills

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Enrolled Agent (EA)

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

## F

### financial analyst

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### First Movers

6.11: Making Competitive Moves

### fixed assets

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### fixed cost

5.4: Identify and Apply Basic Cost Behavior Patterns

## G

### globalization

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### goal congruence

5.12: Explain the Importance of Performance Measurement

### Government agencies

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

## I

### indirect labor

5.4: Identify and Apply Basic Cost Behavior Patterns

### Indirect material

5.4: Identify and Apply Basic Cost Behavior Patterns

### intangible goods

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### intangible products

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

### internal auditor

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

### Invested capital

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### investment center

5.12: Explain the Importance of Performance Measurement

### irrelevant cost

5.9: Identify Relevant Information for Decision-Making

### irrelevant revenue

5.9: Identify Relevant Information for Decision-Making

## K

### Kaizen

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

## L

### Lean Six Sigma (LSS)

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

## M

### manufacturing organization

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

## Manufacturing overhead

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

## margin of safety

5.8: Calculate and Interpret a Company's Margin of Safety and Operating Leverage

## merchandising firm

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

## metric

5.12: Explain the Importance of Performance Measurement

## minimum required rate of return

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

## Mixed costs

5.4: Identify and Apply Basic Cost Behavior Patterns

## multiplier effect

5.8: Calculate and Interpret a Company's Margin of Safety and Operating Leverage

## O

### Operating assets

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### operating income

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### Operating leverage

5.8: Calculate and Interpret a Company's Margin of Safety and Operating Leverage

### opportunity costs

5.9: Identify Relevant Information for Decision-Making

## Outsourcing

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

## P

### performance measurement system

5.12: Explain the Importance of Performance Measurement

### performance measures

5.12: Explain the Importance of Performance Measurement

### period costs

5.4: Identify and Apply Basic Cost Behavior Patterns

## PESTEL

6.4: A Firm's External Macro Environment - PESTEL

## Prime costs

5.4: Identify and Apply Basic Cost Behavior Patterns

## product costs

5.4: Identify and Apply Basic Cost Behavior Patterns

## Productive assets

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

## profit center

5.12: Explain the Importance of Performance Measurement

## Q

### qualitative factor

5.9: Identify Relevant Information for Decision-Making

### qualitative factors

5.15: Describe the Balanced Scorecard and Explain How It Is Used

### quantitative factor

5.9: Identify Relevant Information for Decision-Making

### quantitative factors

5.15: Describe the Balanced Scorecard and Explain How It Is Used

## R

### relevant cost

5.9: Identify Relevant Information for Decision-Making

### relevant range

5.6: Explain Contribution Margin and Calculate Contribution Margin per Unit, Contribution Margin Ratio, and Total Contribution Margin

### relevant revenue

5.9: Identify Relevant Information for Decision-Making

### residual income

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### responsibility accounting

5.12: Explain the Importance of Performance Measurement

### return on investment

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### revenue center

5.12: Explain the Importance of Performance Measurement

## S

### Sales margin

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added

### scatter graph

5.5: Estimate a Variable and Fixed Cost Equation and Predict Future Costs

### segment

5.10: Evaluate and Determine Whether to Keep or Discontinue a Segment or Product

### service organization

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

### stakeholders

5.15: Describe the Balanced Scorecard and Explain How It Is Used

## stockholders

5.15: Describe the Balanced Scorecard and Explain How It Is Used

## strategic plan

5.12: Explain the Importance of Performance Measurement

## sunk cost

5.9: Identify Relevant Information for Decision-Making

## T

### tangible

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### tangible products

5.3: Distinguish between Merchandising, Manufacturing, and Service Organizations

### total contribution margin

5.6: Explain Contribution Margin and Calculate Contribution Margin per Unit, Contribution Margin Ratio, and Total Contribution Margin

### total cost

5.4: Identify and Apply Basic Cost Behavior Patterns

### total fixed costs

5.4: Identify and Apply Basic Cost Behavior Patterns

### Total quality management (TQM)

5.2: Describe Trends in Today's Business Environment and Analyze Their Impact on Accounting

### total variable costs

5.4: Identify and Apply Basic Cost Behavior Patterns

## treasurer

5.1: Explain the Primary Roles and Skills Required of Managerial Accountants

## U

### unavoidable cost

5.9: Identify Relevant Information for Decision-Making

### uncontrollable factors

5.12: Explain the Importance of Performance Measurement

### unit contribution margin

5.11: Evaluate and Determine How to Make Decisions When Resources Are Constrained

### unit contribution margin per production

### restraint

5.11: Evaluate and Determine How to Make Decisions When Resources Are Constrained

## V

### Variable costs

5.4: Identify and Apply Basic Cost Behavior Patterns

## W

### weighted average cost of capital

5.14: Evaluate an Operating Segment or a Project Using Return on Investment, Residual Income, and Economic Value Added