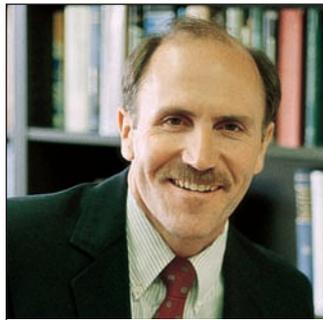


A MARKET LEADER FOR EIGHT EDITIONS,  
HILTON CONTINUES THE TRADITION  
OF MANAGERIAL ACCOUNTING INNOVATION  
AND EXCELLENCE.



## ABOUT THE AUTHOR



**Ronald W. Hilton** is a Professor of Accounting at Cornell University. With bachelor's and master's degrees in accounting from The Pennsylvania State University, he received his Ph.D. from The Ohio State University.

A Cornell faculty member since 1977, Professor Hilton also has taught accounting at Ohio State and the University of Florida, where he held the position of Walter J. Matherly Professor of Accounting. Prior to pursuing his doctoral studies, Hilton worked for Peat, Marwick, Mitchell and Company and served as an officer in the United States Air Force.

Professor Hilton is a member of the Institute of Management Accountants and has been active in the American Accounting Association. He has served as associate editor of *The Accounting Review* and as a member of its editorial board. Hilton also has served on the editorial board of the *Journal of Management Accounting Research*. He has been a member of the resident faculties of both the Doctoral Consortium and the New Faculty Consortium sponsored by the American Accounting Association.

With wide-ranging research interests, Hilton has published articles in many journals, including the *Journal of Accounting Research*, *The Accounting Review*, *Management Science*, *Decision Sciences*, the *Journal of Economic Behavior and Organization*, *Contemporary Accounting Research*, and the *Journal of Mathematical Psychology*. He also has published a monograph in the *AAA Studies in Accounting Research* series, and he is a co-author of *Cost Management: Strategies for Business Decisions*, *Budgeting: Profit Planning and Control*, and *Cost Accounting: Concepts and Managerial Applications*. Professor Hilton's current research interests focus on contemporary cost management systems and international issues in managerial accounting. In recent years, he has toured manufacturing facilities and consulted with practicing managerial accountants in North America, Europe, Asia, and Australia.



*Guided by former students, Professor Hilton tours one of the world's largest steel mills, which is located near Tokyo. In recent years, Professor Hilton has consulted with practicing managerial accountants throughout the world.*

## HOW DOES HILTON 9e MOVE BEYOND MANUFACTURING TO EXPOSE STUDENTS TO A RANGE OF BUSINESSES?

### **Managerial Accounting.**

The world of business is changing dramatically. As a result, the role of managerial accounting is much different than it was years ago. Today, managerial accountants serve as internal business consultants, working side-by-side in cross-functional teams with managers from all areas of the organization. For a thorough understanding of managerial accounting, students should not only be able to produce accounting information, but also understand how managers are likely to use and react to the information in a range of businesses.

The goal of *Managerial Accounting* is to acquaint students of business with the fundamental tools of management accounting and to promote their understanding of the dramatic ways in which the field is changing. The emphasis throughout the text is on using accounting information to help manage an organization.



## Relevant.

Focus Companies provide a powerful strategy for fostering learning, and Hilton's integration of Focus Companies throughout the text is unmatched by any other managerial accounting book. Each chapter introduces important managerial accounting topics within the context of a realistic company. Students see the immediate impact of managerial accounting decisions on companies and gain exposure to different types of organizations.

## Balanced.

Hilton's *Managerial Accounting* offers the most balanced coverage of manufacturing and service companies. Hilton recognizes that students will be working in a great variety of business environments and will benefit from exposure to diverse types of companies. A wide variety of examples from retail, service, manufacturing, and nonprofit organizations are included.

## Contemporary.

Hilton continues to be the leader in presenting the most contemporary coverage of managerial accounting topics. The traditional tools of managerial accounting such as product costing and budgeting have been updated with current approaches. Emerging topics such as environmental cost management and The Sarbanes-Oxley Act are covered.

## Flexible.

*Managerial Accounting* is written in a modular format allowing topics to be covered in the order you want. For example, Chapter 8 covers absorption and variable costing. Many instructors like to cover this topic early in the course. So, Chapter 8 is written so that it can be assigned right after Chapter 3. A table showing the text's flexibility is in the Instructor's Resource Manual.

*"It is a well-written book with numerous well-selected cases, allowing students to see the contemporary business operations and practices in the real world."*

—Dennis Hwang,  
Bloomsburg University

*"The company story acts as a hook to get students interested in the chapter material."*

—Michele Matherly,  
University of North Carolina at Charlotte

*"I like the mix of company types."*

—Barbara Durham,  
University of Central Florida

*"Balanced, time-proven approach to managerial accounting."*

—Michael Flores,  
Wichita State University

*"Illustrates service companies not just manufacturing firms."*

—William Eichenauer,  
Northwest State Community College

*"Perhaps what sets Hilton apart from the competition is its recognition that the world consists of more than manufacturing firms and that managerial accounting plays a significant role in service and not-for-profit organizations."*

—Lanny Solomon,  
University of Missouri–Kansas City

*"The Hilton text is very current with managerial accounting topics (bar codes, RFID, mass customization, ABC outsourcing, decision making)."*

—Maggie Houston,  
Wright State University

## HOW DOES HILTON 9e HELP STUDENTS LEARN MANAGERIAL ACCOUNTING IN THE CONTEXT OF BUSINESS?

### FOCUS COMPANIES

Students need to see the relevance of managerial accounting information in order to actively engage in learning the material. Ron Hilton found that by using Focus Companies to illustrate concepts, students immediately saw the significance of the material and became excited about the content.

Whenever the Focus Company is presented in the chapter, its logo is shown so the student sees its application to the text topic.

*"I like the 'Focus on the Company' at the beginning of each chapter and this type of boxed info throughout each chapter".*

—Anna Cianci,  
Drexel University

### CONTRAST COMPANIES

A Contrast Company is also introduced in each chapter. In most cases these highlight an industry different from that of the Focus Company. This feature allows even greater emphasis on service-industry firms and other non-manufacturing environments. The complete list of Focus Companies and Contrast Companies is featured on the inside back cover.



FOCUS COMPANY >>>

THIS CHAPTER'S FOCUS COMPANY is **The Walt Disney Company**. This entertainment services company is a giant in the industry with theme parks, feature film studios, animation studios, television broadcasting, hotels and resorts, and retail stores. Using The Walt Disney Company as an illustration, we will introduce the field of managerial accounting. We will explore how managerial accountants work in partnership with managers to add value to the organization. The major themes of managerial accounting also are introduced, and we will return to them throughout the book.

Each chapter is built around a focus company, in which the chapter's key points are illustrated. This chapter's focus is on The Walt Disney Company. The focus companies in subsequent chapters are not real companies, but they are realistic scenarios built on actual company practices. Whenever the focus company is discussed in the chapter, the company logo appears in the margin.

2

## 1 The Changing Role of Managerial Accounting in a Dynamic Business Environment

IN CONTRAST >>>

In contrast to the entertainment services setting of **The Walt Disney Company**, we will turn our attention to **Gap, Inc.** This major clothing retailer has over 3,100 stores around the world, which sell **Gap, Banana Republic, Old Navy, Piperlime, and Athleta** apparel. We will explore Gap's value chain, which is the set of linked, value-creating activities, ranging from securing basic raw materials and energy to the ultimate delivery of products and services. As a retailer, Gap focuses on apparel design, marketing, and sales. All manufacturing of its clothing lines is contracted out to garment manufacturers throughout the world.

Each chapter also includes a contrast company. In most cases, the contrast company will present a key chapter topic in an industry that is different from that of the focus company. In this chapter, the focus company (Walt Disney) is an entertainment services company, whereas the contrast company (The Gap) is a fashion retailer.



Many companies, in various industries, have developed a balanced scorecard to help management and employees achieve success on the company's key long-term goals. Among the many service-industry firms that have developed a balanced scorecard are [Bank of America](#), [Blue Cross/Blue Shield](#), [Citicorp](#), [JPMorganChase](#), [Fannie Mae](#), [Mayo Clinic](#), [National City Bank](#) (now part of PNC), [Nationwide Mutual Insurance](#), and [Wells Fargo Online Financial Services](#). Retailers, too, have made use of the balanced scorecard. Among them are [The Gap](#) and [IKEA](#).

Among the well-known manufacturers making use of the balanced-scorecard concept are [Apple Computer](#), [Caterpillar](#), [Caltex Petroleum](#), [Cisco Systems](#), [Chrysler](#), [Eli Lilly](#), [ExxonMobil](#), [General Motors](#), [Microsoft](#), [Motorola](#), and [Phillips Electronics](#). Finally, governmental units have benefited from a balanced scorecard, among them the [City of Brisbane](#), [Australia](#), [NASA](#), the [U.S. Department of Energy](#), and the [U.S. Department of Transportation](#).

We will come back to the balanced scorecard in Chapter 10.

*"The content provides a thorough discussion of applicable concepts and practical applications relevant to managerial accounting. It has excellent illustrations and examples throughout the chapters."*

—Mike Metzcar,  
Indiana Wesleyan University

### Professional Organizations

"You've got to know how to talk to people, express yourself. And that's oral and written. You also have to be able to understand a lot of different areas, not necessarily just accounting. You've got to understand the business itself." (14)

QUEST

To keep up with new developments in their field, managerial accountants often turn to one or more professional organizations. The largest of these is the [Institute of Management Accountants \(IMA\)](#). The IMA publishes two journals, entitled *Management Accounting Quarterly* and *Strategic Finance*, and it also has published many recent studies on managerial accounting topics. Other professional organizations in managerial accountants hold membership include the Financial Executives Institute

<sup>13</sup>James Vicini, "Top Court Hears Appeal by Enron's Skilling," *Reuters*, March 1, 2010; and Allan Sloan, "Enron to Rest," *Newsweek*, 147, no. 23 (June 5, 2006), pp. 25–30.

<sup>14</sup>Joann Lublin and Kara Scannell, "Critics See Some Good from Sarbanes-Oxley," *The Wall Street Journal*, 30, 2007, p. B1; and John Hadowanitz and Steven A. Solieri, "Guarding the Guardians," *Strategic Finance* (August 2005), pp. 47–53.

### Management Accounting Practice

US Airways, Continental, American, United, Delta, JetBlue, Frontier, and Air-Tran

#### AIRLINE INDUSTRY: COST STRUCTURE, COST DRIVERS, AND A SHIFTING BUSINESS MODEL

"American business has changed its flying habits. The bottom line: business travel is being 'Walmarted' by low-cost operators. Just as [Wal-Mart Stores](#) did in retailing, the discounters of the air—[Southwest Airlines](#) and others such as [JetBlue Airways](#)—are proving that even some of the most finicky corporate fliers can't resist a bargain.

"Low-cost carriers now account for nearly 20 percent of U.S. domestic air capacity. A second force behind the fundamental shift in airline economics is the Internet, which has given travelers, travel agents, and corporate travel managers powerful tools to find and take advantage of deeply discounted fares.

"The shift is dire news for the big airlines, the full-service retailers of flight. The carriers, which are bleeding red ink, have massive fixed costs that aren't easy to scale back. Most of them have built expensive hub-and-spoke route systems and signed costly labor contracts that they had hoped to finance by charging high-margin business fares. But now there is 'a low fare network in this country that did not exist previously.'"

*"Good use of real-world examples. I especially like the inclusion of Managerial Accounting Practices throughout."*

—Kathleen Sevigny,  
Boston College

### Focus on Ethics

#### DID BOEING EXPLOIT ACCOUNTING RULES TO CONCEAL COST OVERRUNS AND PRODUCTION SNAFUS?

Aircraft manufacturers use job-order costing to determine the cost of an airplane. As this chapter discusses, supply chain management and production controls are also important tools used by manufacturers to manage production costs. As *BusinessWeek* reports, however, things don't always go according to plan.

For three years, Boeing's top management had been seeking a merger with [McDonnell-Douglas Corporation](#), whose board of directors was reluctant to approve the deal. Finally, the deal went through, and the world's largest aerospace company was born—"the first manufacturer ever with the ability to build everything that flies, from helicopters and fighter jets to space stations."

Unfortunately, "a disaster was quietly unfolding inside Boeing's sprawling factories—one that would

In May of 2002, *BusinessWeek* reported the results of its three-month investigation, which "reconstructed this hidden chapter in the company's history—and analyzed its current implications." The *BusinessWeek* article alleges that "new details supplied by several inside witnesses indicate that Boeing did more than simply fail to tell investors about its production disaster. It also engaged in a wide variety of aggressive accounting techniques that papered over the mess. Critics say the company should have taken charges for the assembly-line disaster in the first half of 1997, even if it meant jeopardizing the McDonnell merger. They also claim that Boeing took advantage of the unusual flexibility provided by program accounting—a system that allows the huge upfront expense of building a plane to be spread out over several years—to cover up cost overruns and to book savings from efficiency initiatives that never panned out. 'Boeing managed its earnings to the point where it got caught,' says Debra A. Smith, a partner at Constraints Manage-

## Real-World Examples

The Hilton text provides a variety of thought-provoking, real-world examples to focus students on managerial accounting as an essential part of the management process. Featured organizations include FedEx, Ford, Bank of America, Amazon.com, the Gap, and many others. These companies are highlighted in blue in the text.

## In Their Own Words

Quotes from both practicing managers and managerial accountants are included in the margins throughout the text. These actual quotes show how the field of management accounting is changing, emphasize how the concepts are actually used, and demonstrate that management accountants are key players in most companies' management teams.

## Management Accounting Practice

The managerial accounting practices of well-known, real-world organizations are highlighted in these boxes. They stimulate student interest and provide a springboard for classroom discussion.

## Focus on Ethics

This feature is included in most chapters. Focus on Ethics poses an ethical dilemma, then asks tough questions that underscore the importance of ethical management. Some of these are based on real-world incidents while others are fictional but based on well-established anecdotal evidence.

## HOW CAN MY STUDENTS USE HILTON 9e TO MASTER THE CONCEPTS OF MANAGERIAL ACCOUNTING?

**End-of-Chapter Assignment Material** Each chapter includes an extensive selection of assignment material, including Review Questions, Exercises, Problems, and Cases. Our problem and case material conforms to AECC and AACSB recommendations and facilitates class discussions and projects.

**Review Problems** present both a problem and a complete solution, allowing students to review the entire problem-solving process.

**Key Terms** are bolded in the text and repeated at the end of the chapter with page references. The book also includes a complete Glossary of Key Terms.

**Review Questions, Exercises, Problems, and Cases** are comprehensive in covering the points in the chapter. They exhibit a wide range of difficulty, and the Instructor's Manual provides guidance for the instructor on the difficulty level and time required for each problem. Numerous adapted CMA and CPA problems are included.

*"Homework assignments are varied in terms of types (writing, calculations, analysis, research, ethics, internet research) and degree of difficulty."*

—Leslie Fletcher,  
Georgia Southern University

### Review Problems on Cost Classifications

#### Problem 1

Several costs incurred by Myrtle Beach Golf Equipment, Inc. are indicated below. Indicate which of the following classifications best describe the cost. The same classification may apply to the same cost item. For example, a cost may be both a variable and a fixed product cost.

#### Cost Classifications

- Variable
- Fixed
- Period

### Key Terms

For each term's definition refer to the indicated page, or turn to the glossary at the end of the text.

activity base, 89	departmental overhead centers, 104	plantwide overhead rate, 104	service departments, 104
actual costing, 102	departmental overhead rate, 104	predetermined overhead rate, 90	source document, 88
actual manufacturing overhead, 96	job-cost record, 86	process-costing system, 86	supply chain, 88
applied manufacturing overhead, 95	job-order costing, 85	product-costing system, 82	throughput time, 103
bill of materials, 88	material requisition form, 87	proration, 98	time record, 89
cost distribution (sometimes called cost allocation), 104	normal costing, 100	schedule of cost of goods manufactured, 99	two-stage cost allocation, 104
cost of goods manufactured, 99	overapplied overhead, 97	schedule of cost of goods sold, 99	underapplied overhead, 97
cycle time, 103	overhead application (or absorption), 89	service department cost allocation, 104	volume-based cost driver, 89

### Review Questions

- List and explain four purposes of product costing.
- Explain the difference between job-order and process costing.
- How is the concept of product costing applied in service industry firms?
- What are the purposes of the following documents: (a) material requisition form, (b) labor time record, and (c) job-cost record.
- Why is manufacturing overhead applied to products when product costs are used in making pricing decisions?
- Explain the benefits of using a predetermined overhead rate instead of an actual overhead rate.
- Describe one advantage and one disadvantage of prorating overapplied or underapplied overhead.
- Describe an important cost-benefit issue involving overhead application.
- Define each of the following terms, and explain relationship among them: (a) overhead cost distribution, (b) service department cost allocation, and (c) overhead application.
- Describe how job-order costing concepts are used in professional service firms, such as law practices and consulting firms.
- What is meant by the term *cost driver*? What is *volume-based cost driver*?
- Describe the flow of costs through a product-costing system. What special accounts are involved, and are they used?
- Give an example of how a hospital, such as the **Clinic**, might use job-order costing concepts.
- Why are some manufacturing firms switching from direct-labor hours to machine hours or throughput time for overhead application?

## EXCEL SPREADSHEETS

Spreadsheet applications are essential to contemporary accounting practice. Students must recognize the power of spreadsheets and know how accounting data are presented in them. Excel applications are discussed where appropriate in the text.

Direct-labor cost incurred .....	269,000
Selling and administrative expenses .....	150,000
Indirect labor cost incurred .....	90,000
Property taxes on factory .....	125,000
Depreciation on factory building .....	25,000
Income tax expense .....	45,000
Indirect material used .....	60,000
Depreciation on factory equipment .....	40,000
Insurance on factory and equipment .....	70,000
Utilities for factory .....	-0-
Work-in-process inventory, 12/31/x1 .....	40,000
Work-in-process inventory, 12/31/x2 .....	35,000
Finished-goods inventory, 12/31/x1 .....	40,000
Finished-goods inventory, 12/31/x2 .....	577,500
Applied manufacturing overhead .....	

**Required:**

1. Prepare Huron's schedule of cost of goods manufactured for 20x2.
2. Prepare the company's schedule of cost of goods sold for 20x2. The company closes overapplied or underapplied overhead into Cost of Goods Sold.
3. Prepare the company's income statement for 20x2.
4. **Build a spreadsheet:** Construct an Excel spreadsheet to solve all of the preceding requirements. Show how the solution will change if the following data change: sales revenue was \$2,115,000, applied manufacturing overhead was \$580,000, and utilities amounted to \$78,000.

Refer to the schedule of cost of goods manufactured prepared for Huron Corporation in the preceding problem.

Several exercises and problems in each chapter include an optional requirement for students to **Build a Spreadsheet** to develop the solution.

*"Use of spreadsheets [is a strength]."*  
—Ralph Greenberg,  
Temple University

Many problems can be solved using the Excel spreadsheet templates found on the text's website. An Excel logo appears in the margin next to these problems for easy identification.

**Problems** All applicable Problems are available with McGraw-Hill's *Connect Accounting*™.

**Problem 3-42**  
Schedule of Cost of Goods Manufactured and Sold; Income Statement (LO 6)

The following data refer to Twisto Pretzel Company for the year 20x1.

1. Total manufacturing costs: \$175,100	Work-in-process inventory, 12/31/x0 .....
3. Net income: \$7,100	Selling and administrative salaries .....
	Insurance on factory and equipment .....
	Work-in-process inventory, 12/31/x1 .....
	Finished-goods inventory, 12/31/x0 .....
	Cash balance, 12/31/x1 .....
	Indirect material used .....
	Depreciation on factory equipment .....
	Raw-material inventory, 12/31/x0 .....
	Property taxes on factory .....
	Finished-goods inventory, 12/31/x1 .....
	Purchases of raw material in 20x1 .....
	Utilities for factory .....
	Utilities for sales and administrative offices .....
	Other selling and administrative expenses .....

**Ex**

*"Good description of managerial accounting tools. Easy to read and understand. Strength is in the end-of-chapter problems—good variety and lots of them."*  
—Priscilla Wisner,  
Thunderbird, the Garvin School of International Management

Icons identify key business areas in the Problems and Cases in each chapter:



**Ethical Issues**



**Group Work**



**Internet Research**



**International Issues**



**Business Communication**



**Excel Template**

## WHAT'S NEW IN THE NINTH EDITION?

### **New Chapter Summaries**

All of the chapter summaries have been completely rewritten, and they are now structured on the learning objectives for each chapter. In the new chapter summaries, each of the chapter's learning objectives is repeated and its content appropriately summarized.

### **Pedagogy**

Many chapters include revisions of pedagogy, condensing and streamlining of explanations and addition of more current examples and references from the popular business press (e.g., *The Wall Street Journal* and *Bloomberg Business Week*).

### **End-of-Chapter Assignment Material**

The end-of-chapter assignment material has been very heavily revised. Virtually all of the quantitative exercises, problems, and cases contain data different from that in the eighth edition.

### **Build a Spreadsheet**

This popular feature has been completely revised for the ninth edition. Several exercises and problems in each chapter include an optional requirement to build an Excel spreadsheet to solve the problem.

### **Service Industry Examples**

As the service industry occupies an ever-greater role in the economy, even greater emphasis has been placed on providing examples throughout the text of real-world service-industry firms using managerial accounting information.

### **Contrast Companies**

Contrast companies appear in every chapter and continue to provide major service-industry examples.

### **Management Accounting Practice**

Several of these real-world examples have been revised and updated to make them more current, and several new examples have been added.

### **Supplementary Chapters**

Supplementary chapters on special topics are more accessible than ever. These supplements, located on the Online Learning Center at [www.mhhe.com/hilton9e](http://www.mhhe.com/hilton9e), include:

- FIFO Method of Process Costing
- Process Costing in Sequential Production Departments: Weighted-Average Method
- Statement of Cash Flows
- Analyzing Financial Statements

The Solutions Manual for each supplement can be found on the password-protected Instructor's side of the Online Learning Center.

Your feedback is crucial in improving each new edition of *Managerial Accounting*. In response to your suggestions, you will find revised coverage of key topical areas, new pedagogy for the most challenging topics, and new assignment material in the ninth edition, as well as

## CHAPTER-BY-CHAPTER CHANGES

The following list ranges from significant additions of new material to less major revisions and updates.

**Chapter 1:** A revised section on the major themes in managerial accounting adds significant discussion of the management of capacity and capacity costs. This new material includes a discussion of theoretical and practical capacity, and it provides an illustration of the cost of resources supplied, the cost of resources used, and the cost of resources unused (i.e., the cost of unused capacity). Also new in Chapter 1 is a revised discussion of the ethical climate of business and the role of the managerial accountant.

**Chapter 2:** This chapter includes a revised discussion of the use of cost information in the financial statements of Southwest Airlines, Walmart, and Caterpillar. Also revised is the discussion of mass customization operations.

**Chapter 3:** The calculation of the predetermined overhead rate is revised to discuss the role of practical capacity. Also revised are many end-of-chapter assignment items to account for the role of practical capacity.

**Chapter 5:** The discussion of value-added costs is revised to distinguish between customer value-added and business value-added costs. Also added is a discussion of practical capacity.

**Chapter 6:** A revised discussion of whether direct labor is a variable or a fixed cost appears in this chapter. Also revised is the discussion of ethical issues surrounding the direct-labor cost classification.

**Chapter 8:** Added in this chapter is a discussion of practical capacity and its role in absorption costing.

**Chapter 10:** A revised discussion of labor standards in the service industry is added.

**Chapter 12:** Added to this chapter is an example of environmental costs based on the recent catastrophic Gulf oil spill.

**Chapter 13:** A revised discussion of “pay for performance” is included in this chapter.

**Chapter 14:** A revised discussion of the steps in the decision-making process begins this chapter.

**Appendix I:** This appendix, which covers the Sarbanes-Oxley Act, has been updated. Included is coverage of the Supreme Court case regarding the legitimacy of the Sarbanes-Oxley Act.

# HOW CAN TECHNOLOGY HELP



## MCGRAW-HILL CONNECT ACCOUNTING

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*McGraw-Hill's Connect™ Accounting* offers a number of powerful tools and features to make managing assignments easier, so faculty can spend more time teaching. With *McGraw-Hill's Connect™ Accounting*, students can engage with their coursework anytime and anywhere, making the learning process more accessible and efficient. *McGraw-Hill's Connect™ Accounting* offers you the features described below.

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**Smart grading** When it comes to studying, time is precious. *McGraw-Hill's Connect™ Accounting* helps students learn more efficiently by providing feedback and practice material when they need it, where they need it. When it comes to teaching, your time also is precious. The grading function enables you to:

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- Access and review each response; manually change grades, or leave comments for students to review.
- Reinforce classroom concepts with practice tests and instant quizzes.

**Instructor Library** The *McGraw-Hill's Connect™ Accounting* Instructor Library is your repository for additional resources to improve student engagement in and out of class. You can select and use any asset that enhances your lecture. The *McGraw-Hill's Connect™ Accounting* Instructor Library includes:

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- Solutions Manual
- Test Bank
- Excel Spreadsheet Solutions
- Managerial Accounting Videos
- Text Exhibits
- Supplementary Chapter Solutions

**Student Library** The *McGraw-Hill's Connect™ Accounting* Student Study Library is the place for students to access additional resources for a one-stop-shop. The Student Library includes:

- eBook (if using *McGraw-Hill's Connect™ Plus Accounting*)
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- PowerPoint® Presentations
- Narrated PowerPoint® Presentations
- Supplementary Chapters
- Check Figures
- Managerial Accounting Videos
- Excel Templates

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- Access an instant view of student or class performance relative to learning objectives.
- Collect data and generate reports required by many accreditation organizations, such as AACSB and AICPA.

**Tegrity lecture capture** Increase the attention paid to lecture discussion by decreasing the attention paid to

# IMPROVE STUDENT SUCCESS?

**MANAGERIAL ACCOUNTING**  
CREATING VALUE IN A DYNAMIC BUSINESS ENVIRONMENT  
RONALD W. HILTON

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**Managerial Accounting: Creating Value in a Dynamic Business Environment, 9/e**  
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The emphasis of **Managerial Accounting, 9th edition** is on teaching students to use accounting information to best manage an organization. In a practice Hilton pioneered in the first edition, each chapter is written around a realistic business or focus company that guides the reader through the topics of that chapter. Known for balanced examples of Service, Retail, Nonprofit and Manufacturing companies, Hilton offers a clear, engaging writing style that has been praised by instructors and students alike. As in previous editions, there is significant coverage of contemporary topics such as activity-based costing, target costing, the value chain, customer profitability analysis, and throughput costing while also including traditional topics such as job-order costing, budgeting and performance evaluation.

To obtain an instructor login for this Online Learning Center, ask your local sales representative. If you're an instructor thinking about adopting this textbook, [request a free copy](#) for review.

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As students study and learn from *Managerial Accounting*, they can visit the Student Edition of the OLC to work with a multitude of helpful tools:

- Interactive Chapter Quizzes
- PowerPoint® Presentations
- Narrated PowerPoint® Presentations
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- Check Figures
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## SUPPLEMENTS FOR INSTRUCTORS

### INSTRUCTOR'S MANUAL

This comprehensive manual includes step-by-step, explicit instructions on how the text can be used to implement alternative teaching methods. It also provides guidance for instructors who use the traditional lecture method. The guide includes lesson plans and demonstration problems with student work papers, as well as solutions.

### SOLUTIONS MANUAL

Prepared by the author, the manual contains complete solutions to all the text's end-of-chapter review questions, exercises, problems, and cases.

### POWERPOINT PRESENTATIONS

These can serve as interactive class discussions.

### TEST BANK

This test bank in Word™ format contains multiple-choice questions, essay questions, and short problems. Each test item is coded for level of difficulty learning objective AACSB, AICPA and Bloom's.

### COMPUTERIZED TEST BANK

This test bank utilizes McGraw-Hill's EZ Test software to quickly create customized exams. This user-friendly program allows instructors to sort questions by format, edit existing questions, or add new ones. It also can scramble questions for multiple versions of the same test. The test bank is available via the Instructor OLC and at the Instructor Library and [Eztestonline.com](http://Eztestonline.com).

### MANAGERIAL ACCOUNTING VIDEO LIBRARY

These short videos, developed by Dallas County Community College, help facilitate classroom discussion.

### ASSURANCE OF LEARNING READY

Many educational institutions today are focused on the notion of *assurance of learning*, an important element of some accreditation standards. *Managerial Accounting 9e* is designed specifically to support your assurance of learning initiatives with a simple, yet powerful, solution. Each test bank question for *Managerial Accounting* maps to specific chapter learning objectives listed in the text, as well as other outcomes such as AACSB. You can use our test bank software, EZ Test, or McGraw-Hill's

*Connect™ Accounting* to easily query for learning objectives and outcomes that directly relate to those of your course. You can then use the reporting features of EZ Test or *McGraw-Hill's Connect™ Accounting* to aggregate student results making the collection and presentation of assurance of learning data simple and easy.

## AACSB STATEMENT

The McGraw-Hill Companies is a proud corporate member of AACSB International. Understanding the importance and value of AACSB accreditation, *Managerial Accounting 9e* recognizes the curricula guidelines detailed in the AACSB standards

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The statements contained in *Managerial Accounting 9e* are provided only as a guide for the users of this textbook. The AACSB leaves content coverage and assessment within the purview of individual schools, the mission of the school, and the faculty. *Managerial Accounting 9e* and the teaching package make no claim of any specific AACSB qualification or evaluation, we have within *Managerial Accounting 9e* labeled selected questions according to the six general knowledge and skills areas.

## SUPPLEMENTS FOR STUDENTS



### MCGRAW-HILL'S CONNECT™ PLUS ACCOUNTING

This integrates all of the text's multimedia resources. Students can obtain state-of-the-art study aids, including an online version of the text.

*"The book is very thorough, well-written, and still remains student-friendly. The supplements are outstanding."*

— Ben Baker,  
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### MCGRAW-HILL'S CONNECT™ ACCOUNTING

This web-based software duplicates problem structures directly from the end-of-chapter material in the textbook. It uses algorithms to provide a limitless supply of self-graded practice for students. It shows students where they made errors. All applicable Exercises and Problems in Series A are available with *McGraw-Hill's Connect™ Accounting*.

## EXCEL TEMPLATES

These templates allow students to develop spreadsheet skills to solve selected assignments identified by an icon in the end-of-chapter material.

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## NARRATED POWERPOINT PRESENTATIONS (Available on the Online Learning Center)

These PowerPoint slides cover key chapter topics in an audio-narrated presentation to help students learn.

*"There is an excellent set of pertinent videos online which are related to the chapters. The videos bring the student into the workplace."*

— Mike Metzcar,  
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## STUDY GUIDE

ISBN-10: 007317564

ISBN-13: 9780077317560

This proactive guide incorporates many of the accounting skills essential to student success. Each chapter contains a review and explanation of the chapter's learning objectives, as well as multiple-choice problems and short exercises.

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— Roy Regal,  
University of Montana at Missoula

## ONLINE LEARNING CENTER (OLC)

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See page xvii for details.

*"It provides good support in the way of solution manual, test bank and PowerPoints."*

— Maggie Houston,  
Wright State University

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