
Management Accounting for Senior Leaders: Costing, Margins and Board Reporting Course

25 January – 5 February 2027
Tokyo





Management Accounting for Senior Leaders: Costing, Margins and Board Reporting Course

Ref: 41_11872 **Date:** 25 January – 5 February 2027 **Location:** Tokyo **Fees:** 12420 GBP

Programme Summary

Management accounting for senior leaders is a two-week training course for executives at strategic level, culminating in a board-ready cost and margin decision pack for their own organisation. Many leadership teams approve prices, product ranges and sourcing choices on averaged overheads and reported profit, which can hide where value is created or lost. The approach rebuilds cost insight from cost behaviour upwards, applies it to live decisions and then turns the analysis into a clear narrative for boards and non-finance colleagues. Mars Training Centre UK delivers this programme in management accounting for senior leaders.

The Business Case

Decisions on pricing, product mix, outsourcing and closure are only as sound as the cost information behind them. When overheads are spread arbitrarily, profitable lines subsidise weak ones and leaders defend activities that destroy value. Executives who read contribution, capacity and variance data correctly can redirect resources earlier, set prices with confidence and hold managers accountable for results within their control.

- Gross and Contribution Margin: Improve when pricing, discounting and product mix reflect true incremental cost.
- Overhead Cost per Unit of Output: Falls when activity analysis exposes non-value-adding work and idle capacity.
- Decision Cycle Time at Board Level: Shortens when cost findings arrive as concise, comparable options.

Principles and Evidence Base

- Global Management Accounting Principles GMAP: Frame the role of management accounting in influence, relevance, value and trust throughout Sessions 1 and 9.
- Activity-Based Costing and Activity-Based Management: Trace overheads to products, customers and channels in Sessions 3 and 4.
- Cost-Volume-Profit Analysis: Models break-even, operating leverage and margin of safety in Session 5.
- Balanced Scorecard: Links responsibility centre results to non-financial drivers in Session 8.



Intended Participants

- Executives who approve pricing, product range and capacity decisions.
- Leaders accountable for the profit of a business unit, region or product portfolio.
- Finance directors and controllers who design costing systems and management reports.
- Senior managers who evaluate make-or-buy, outsourcing and closure proposals.
- Leaders who present cost and profitability findings to boards and investment committees.

The programme serves manufacturing, energy and utilities, healthcare, logistics and government entities.

Learning Outcomes

1. Participants will be able to diagnose cost behaviour and select a costing method suited to each decision.
2. Participants will be able to construct activity-based product, customer and channel profitability analyses.
3. Participants will be able to evaluate pricing, make-or-buy, product mix and closure options using relevant cost.
4. Participants will be able to interpret variances and assign accountability through responsibility centres and transfer prices.
5. Participants will be able to prioritise cost and margin improvement actions using target and life-cycle costing.
6. Participants will be able to justify a recommendation to a board through a concise cost and margin narrative.

Programme Structure

Day 1: Management Accounting for Strategic Decisions

What information do senior leaders need from management accounting?

- Global Management Accounting Principles in Practice
- Financial Versus Management Reporting Purposes
- Decision-Useful Cost Information Criteria
- Cost Objects, Drivers and Classification
- Management Information Gap Assessment

Day 2: Cost Behaviour and Costing Systems

How do costs respond to volume and how should they be measured?

- Fixed, Variable and Semi-Variable Cost Patterns
- High-Low and Regression Cost Estimation
- Absorption Costing and Overhead Recovery Rates
- Marginal Costing and Profit Reconciliation
- Choosing a Costing Method by Decision Type



Day 3: Activity-Based Costing Design

How are overheads traced to the activities that cause them?

- Activity Dictionary and Resource Mapping
- Cost Driver Selection and Validation
- Time-Driven Activity-Based Costing
- Capacity Cost and Unused Capacity Reporting
- Comparing Traditional and Activity-Based Product Costs

Day 4: Product, Customer and Channel Profitability

Which products, customers and channels earn or consume value?

- Customer Profitability Analysis and Cost-to-Serve
- Channel and Segment Margin Statements
- Profitability Whale Curve Interpretation
- Activity-Based Management Improvement Actions
- Product Range Rationalisation Criteria

Day 5: Cost-Volume-Profit and Margin Analysis

How sensitive is profit to volume, price and cost structure?

- Contribution Margin and Break-Even Analysis
- Operating Leverage and Margin of Safety
- Multi-Product Sales Mix Break-Even
- Sensitivity and Scenario Testing of Margins
- Price-Volume-Mix Bridge Analysis

Day 6: Relevant Costing for Short-Term Decisions

Which costs and revenues change because of the decision?

- Relevant, Sunk and Opportunity Cost Identification
- Make-or-Buy and Outsourcing Evaluation
- Special Order and Spare Capacity Pricing
- Product Mix Under a Limiting Factor
- Segment Closure and Shutdown Decisions

Day 7: Pricing and Strategic Cost Management

How should cost insight inform pricing and long-term cost targets?



- Cost-Plus, Value-Based and Market Pricing Methods
- Target Costing and Cost Gap Closure
- Life-Cycle Costing for New Products and Assets
- Value Chain and Cost Structure Analysis
- Qualitative Factors in Pricing Decisions

Day 8: Variance and Responsibility Accounting

Who is accountable for which results and how are deviations explained?

- Standard Costing and Flexible Budget Variances
- Material, Labour and Overhead Variance Interpretation
- Cost, Profit and Investment Centre Design
- Balanced Scorecard Links to Responsibility Centres
- Controllability and Behavioural Effects of Targets

Day 9: Transfer Pricing and Board Reporting

How are internal prices set and cost findings communicated to boards?

- Transfer Pricing Methods and Divisional Behaviour
- Return on Investment and Residual Income Measures
- Board Paper Structure for Cost Decisions
- Visualising Margin and Variance Data in Dashboards
- Financial Storytelling for Non-Finance Audiences

Day 10: Applying Management Accounting for Senior Leaders

How are the tools combined into a recommendation a board can approve?

- Applying Activity-Based Profitability to a Participant Business
- Testing Options With Relevant Cost and Break-Even Analysis
- Setting Responsibility Centre Measures for the Chosen Option
- Rehearsing the Board Presentation With Peer Challenge
- Cost and Margin Decision Pack Presentation

Methodology

The programme relies on data workshops, in which participants rebuild cost and margin figures from realistic spreadsheet case files drawn from manufacturing, healthcare and logistics. Each analysis is followed by peer review and a short presentation, so participants practise both the calculation and the explanation of what it means for the decision at hand.

- Suggested activity: Recasting a hospital service line's costs using time-driven activity-based costing.
- Suggested activity: Advising a logistics firm on outsourcing its fleet maintenance using relevant cost.



- Suggested activity: Presenting a product range rationalisation to a simulated board in ten minutes.

Capstone Output

Each participant completes a cost and margin decision pack for a live issue in their organisation. It contains a cost behaviour profile, an activity-based profitability view, a relevant cost evaluation of options, break-even sensitivity, proposed responsibility measures and a two-page board paper, ready to table at the next leadership or investment committee meeting.

Frequently Asked Questions

Is management accounting for senior leaders suitable for executives without a finance background?

Yes. It suits business unit heads as well as finance directors and controllers. It assumes experience of budgets and management reports, but no professional accounting qualification. Calculations are built step by step before they are applied to decisions.

Which models does management accounting for senior leaders rest on?

It rests on the Global Management Accounting Principles, activity-based costing and management, cost-volume-profit analysis and the balanced scorecard, applied to decisions on pricing, product mix, sourcing and accountability.

How is the management accounting decision pack used at work?

You table it as a board or investment committee paper for a real pricing, product or sourcing decision, and reuse its templates for future cost reviews and monthly margin reporting.

How does management accounting for senior leaders differ from a budgeting and forecasting programme?

It concentrates on cost measurement, profitability and decision analysis, while budgeting programmes focus on building annual plans, forecasts and the budget approval cycle.