



*Economics and Accounting in the Lean Management*

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### Course Summary

This is a 1 year Master Program “Lean - Management” course, 3 ECTS (credits) and 4 hours per week.

Course Prerequisites: Financial Accounting, Management Accounting, Lean - Management.

Course Layout: the course will consist of lectures and workshops, also case studies, home work writing and presentations on projects will be included in the course.

### New to This Course and Added Value for Students

This innovative course focuses on a role of Economics and Accounting in Lean - management. Most companies introducing Lean thinking realize that their finance and control systems are very wasteful and ineffective. They want to have practical methods to control the business, without the hugely wasteful, time-consuming, and misleading costing and measurement systems. At once companies begin their Lean transformation and have mapped their value streams, implemented cells, and started getting their production to flow; they want to know how to sustain these efforts.

Questions arise such as

- What sorts of performance measures can be used in place of the current measures those seem to work against the Lean improvements?
- Are there costing approaches that are Lean themselves?
- How do we understand the financial benefits of our Lean efforts?

The goal of the course is to give students an understanding that Lean Accounting is a new method of managing a business that is built on Lean principles and Lean methods. Lean Accounting is a great deal more than just Lean thinking applied to the accounting systems. It is the management framework of a Lean organization.

Some key guidelines are consistent themes throughout the course: Maturity Path of the implementation Lean - accounting in the organizations, new set of efficiency measurements in the Lean – management and Value stream costing.

This course is supported by last editions of books, which hasn't translated into Russian yet.

Recommended books for basic reading spread in Europeans and American Universities. Therefore, this course is useful for English-speaking students from different countries.

Final assessment of this course fits Learning Management System (LMS).

<b>Topics Covered</b>	<b>Hours</b>
<b>Topic 1. Why Is Lean Accounting Important?</b>	8
<b>Topic 2. Maturity Path to Lean Accounting</b>	4
<b>Topic 3. Cell Performance Measurements</b>	8
<b>Topic 4. Financial Benefits of Lean Manufacturing</b>	8
<b>Topic 5. Lean Financial Accounting</b>	8
<b>Topic 6. Managing by Value Stream</b>	8
<b>Topic 7. Calculating Product Costs—Features and Characteristics</b>	8
<b>Topic 8. Eliminating More Wasteful Transactions</b>	8
<b>Total</b>	60

## **Basic Reading**

Brian Maskel, Bruce Baggaley, Larry Grasso. Practical Lean Accounting A Proven System for Measuring and Managing the Lean Enterprise, 2/E, CRC Press Taylor & Francis Group. © 2011 by Brian Maskell and Bruce Baggaley

## **Supplementary Reading**

1. Financial & Managerial Accounting: International Edition, 3/E Charles T. Horngren, Walter T. Harrison Jr., M. Suzanne Oliver. © 2011 by Prentice-Hall, Inc.
2. Маскелл Б., Баггали Б. Практика бережливого учета: управленческий, финансовый учет и система отчетности на бережливых предприятиях. / Пер. с англ. — М.: Институт комплексных стратегических исследований, 2010. – 384 с.
3. Соломон Д.М. Учет по системе Лин. Как согласовать работу финансовой службы и производства / Джерольд М. Соломон; Пер. с англ. - М.: «Вершина», 2007. - 256 с.

## **Internet links**

<http://www.bettermanagement.com>  
[www.apics.org](http://www.apics.org)  
[www.manufacturing.net](http://www.manufacturing.net)  
<http://www.leanaccountingsummit.com>

## **Supplementary Materials and Equipment**

**PowerPoints presentation and LCD projector** are useful Supplementary Materials and Equipment in class. This equipment allows instructors to offer a more interactive presentation that uses colorful graphics, outlines of chapter material, additional examples, video and graphical explanations of difficult topics. Some slides also have hidden spreadsheets that will allow instructors to do what-if analyses for the situation being discussed in the slide. Students may print out all of the slides along with additional space for taking notes.