

Course Outline: 1481 Accounting & Financial Management

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Course Description:

This course introduces human resource (HR) professionals to the fundamentals of financial and managerial accounting and their relevance to strategic HR decision-making. Students will learn to interpret financial statements, understand budgeting processes, and apply financial analysis tools to support workforce planning, compensation, and organizational performance. Key topics include the income statement, balance sheet, statement of cash flows, cost behaviours, budgeting techniques, and capital project evaluation. Special emphasis is placed on the financial impact of employee-related decisions, the cost of turnover, and emerging considerations such as AI in the workplace. By the end of the course, students will be able to integrate financial insights into HR practices and contribute more effectively to cross-functional business decisions.

Required Textbook:

Accounting for Non-Financial Managers: The Basics, John Parkinson & Charles Dramin, Captus Press, 5th edition, 2021. (ANFM)

Learning Resources

In addition to the textbook the course is supported by the following learning resources:

- 12 Units of multimedia online lectures, each consisting of an audio narration of a PowerPoint presentation.
- 12 sets of worked solutions to textbook problems that illustrate the topics covered in the Units.
- 12 self-help quizzes to assess learning of the materials in each unit.
- A monitored discussion board for students to interact with the instructor and their fellow students.
- Other suggested readings.

Course Assessments:

Discussion board forums – (2 @ 5%) – overall grade weight 10%

During this course, we will have two (2) graded discussion boards. Each will have a selected article, each with directive questions.

Students are expected to contribute one (1) substantive post (word count range 300-500) and one (1) response post (word count range 150-200) in each of the two (2) discussion forums. These posts should demonstrate thoughtful engagement and reflect knowledge and skills aligned with the course learning objectives.

Grade Breakdown for One Discussion Forum (5%)

Initial post (5%) Response post (Bonus%)

Instructor feedback will be provided on each discussion submission to support student learning and encourage meaningful engagement. Participation in the discussion board is a graded component of the course and will be assessed using a posted rubric.

Late Submission Policy – Discussion Board

To ensure fairness and active participation in this online course, the following policy applies to discussion board submissions:

Initial Posts

Initial discussion posts must be submitted by the specified deadline. Because peer engagement depends on timely contributions, **late initial posts will not be accepted** and will receive a grade of zero unless prior approval has been granted due to extenuating circumstances.

Response Posts

Response posts are due within five (5) days following the initial post deadline. To maintain meaningful peer interaction, early submissions (before group members have posted) are discouraged. **Response posts submitted past the deadline will not be accepted.**

Assignments – 40% of Final Grade

There will be two graded assignments in this course:

Individual assignment #1 (20%) – Covering Units 1–7

Individual assignment #2 (20%) – Covering Units 9–11

Individual assignments may consist of structured problem sets (e.g., journal entries, classifications, income statement preparation) and/or short case-based analysis questions requiring application of financial accounting principles in realistic scenarios.

Individual assignments are designed to assess your ability to apply key accounting concepts, interpret financial data, and demonstrate problem-solving skills aligned with course learning outcomes.

All individual assignments must reflect your own original work.

All assignments must be submitted through the course's online platform in PDF format. Specific instructions and rubrics will be provided with each assignment.

Due dates will be posted in-class.

Late Policy – Assignments

To ensure fairness and maintain the integrity of deadlines in this online course, the following late submission policy applies to all assignments:

Submissions up to one week late will incur a 5 percentage point penalty (whether they are one day late or seven days late). No Submissions will be accepted more than one week late. Include your name on the cover page of your assignment.

Final Examination: (1@ 50%)

To pass the course, students must achieve a minimum grade of 65% on the final examination, regardless of performance in other course components.

Passing Grade for the Course: 65%

Course Contents

Unit 1 The Synergies: Human Resource Management and Accounting/Finance

This module introduces the foundational connections between HR and the fields of accounting and finance. Learners explore the distinct yet interconnected roles of financial statement users and preparers, examine how financial reporting supports HR functions, and compare different forms of organizational ownership. The module also clarifies the roles of financial, managerial, and audit accounting, and distinguishes between accounting and finance—highlighting their relevance to effective HR decision-making.

Textbook readings: AFNM Chapter 1

Learning Objectives:

1. **Describe** in the context of accounting, the perspectives of the user and the preparer distinctness yet interconnectedness.
2. **Examine** the various roles of financial statements and their relationship with human resource management.
3. **Compare** various forms of organizational ownership.
4. **Differentiate** between financial, managerial accounting, audit function and how it relates to human resource management.
5. **Clarify** the differences between the fields of accounting and finance, emphasizing their relevance to HR management.

Unit 2 Financial Essentials for HR Leaders: Decoding the Language of Business

This module aims to equip HRP with the foundational knowledge to comprehend and utilize financial reporting principles, apply the accounting equation, differentiate types of financial statements, and appreciate the qualities of accounting information. This module also aims to clarify various accounting standards, preparing HR leaders to integrate financial literacy into their strategic roles.

Textbook readings: ANFM Chapter 2, Appendix 2-1

Learning Objectives:

1. **Identify** the accounting regulatory compliance and reporting in accordance to CPA Canada.
2. **Describe** the different accounting standards in Canada.
3. **Describe** the steps of the accounting cycle, from initial transaction analysis to the final preparation of financial statements.
4. **Understand and apply** the duality concept in accounting to ensure accurate recording of financial transactions, maintaining the fundamental balance of the accounting equation."
5. **Prepare, classify, and record** financial transactions using debits and credits.
6. **Develop** the ability to identify and adjust for accruals and prepayments. Apply these concepts to prepare accurate financial statements in accordance with accrual accounting principles
7. **Recognize** the process of closing the books by executing year-end adjustments.

Unit 3 Demystifying the Income Statement

Enable HR professionals to analyze and interpret the income statement, applying this knowledge to assess and optimize the financial impact of HR decisions on organizational revenue and expense management

Reading: ANFM: Chapter 3

Learning Objectives

1. **Illustrate** the various components and format of a traditional income statement.
2. **Examine** revenue recognition in both ASPE/IFRS.
3. **Describe** how the timing of revenue may impact compensation and bonus payments.
4. **Prepare** a traditional formatted income statement.
5. **Explain** the basic concept of depreciation and the tax- related capital cost allowance (CCA).

Unit 4 From Assets to Liabilities: Unravelling the Balance Sheet

Guide HR professionals to critically evaluate and interpret the balance sheet, synthesizing its components to effectively manage the organization's assets, liabilities, and workforce-related financial obligations,

Textbook readings: ANFM: Chapters 4,5 Appendix 5.3

Learning Objectives

1. **Identify and classify** assets - current - non-current.
2. **Explain** the various inventory valuation methods.
3. **Identify and classify** liabilities - current - non-current. Examine long-term employee-related obligations such as pension plans, other long-term benefits, and deferred compensation.
4. **Explain** the various components of equity section including employee stock ownership plans (ESPP, ESOPs).

Discussion post#1 HBR article How Financial Accounting Screws Up HR – Source:
<https://hbr.org/2023/01/how-financial-accounting-screws-up-hr>

Unit 5 Cash Flow Clarity: Understanding the lifeblood of business for HRP

This unit equips HR professionals with the skills to interpret the Statement of Cash Flows (SCF) and apply its insights to strategic workforce planning. Learners will identify the key components of the SCF, analyze cash flow from operations to inform HR resource allocation, and evaluate investment activities that may signal future hiring or training needs. By understanding how cash flows reflect organizational priorities, HR leaders can align talent strategies with financial realities.

Textbook Readings: ANFM Chapter 6 Appendix 6.2

Learning Objectives

1. **Identify** the components of the Statement of Cash Flow (SCF) and understand how it is structured.
2. **Develop** the ability to analyze and interpret the SCF to make informed HR decisions.
3. **Analyze** the cash flow from operations to help HR allocation resources for recruitment, training and other HR initiatives.
4. **Evaluate** the company's investments in growth, such as new facilities, technology or equipment, to assess these impacts on future hiring and workforce needs.
5. **Analyze** long-term HR initiatives such as pension plans and employee stock ownership based on the company's financing strategy.

Unit 6 Numbers Tell a Story: Mastering Financial Statement Analysis

This unit provides a foundational understanding of financial analysis and its importance in evaluating a company's performance and strategic direction. Learners explored how financial statement analysis supports assessments of liquidity, solvency, efficiency, and profitability—key indicators for organizational health. Through hands-on calculation and interpretation of financial ratios, as well as common-sized and trend analyses, participants gained practical tools to evaluate financial data, support strategic planning, and align HR decisions with business performance.

Textbook Reading: ANFM: Chapter 7

Learning Objectives:

1. **Define** financial analysis and explain its role in evaluating various aspects of a company.
2. **Highlight** the role of financial statement analysis in assessing liquidity, solvency, efficiency and profitability. Explain how financial analysis helps in setting goals and strategies.
3. **Calculate** and interpret key liquidity and solvency ratios.
4. **Calculate** and interpret key efficiency, profitability and market-related ratios to assess a company's operational performance, financial health and market valuation.
5. **Prepare** and interpret common-sized (horizontal and vertical) analysis. Conduct trend analysis to identify patterns and changes in financial performance over multi-periods.

Unit 7 Review of Financial Accounting

This review module revisits key financial statements—income statement, balance sheet, and cash flow statement—and explores how to interpret them through the lens of HR strategy. By applying techniques of financial statement analysis, HR leaders can better assess organizational health, align people strategies with business goals, and contribute more effectively to informed decision-making.

Textbook readings: ANFM Chapters 1-7

1. **Explore** the synergies of human resource management and financial accounting.
 2. **Review** the financial essentials for HR leaders: decoding the language of language of business/accounting.
 3. **Interpret** the components and purpose of the income statement to assess organizational performance.
 4. **Analyze** the balance sheet to understand an organization's financial position through its assets, liabilities, and equity.
 5. **Explain** the structure and significance of the statement of cash flows, with an emphasis on insights relevant to HR decision-making.
 6. **Apply** techniques of financial statement analysis to evaluate organizational health and support strategic HR initiatives.
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Unit 8 Navigating the Future: Artificial intelligence, Machine learning, and the New Frontier of Human resources

This informational unit offers an introductory overview of artificial intelligence and machine learning, highlighting their distinctions and relevance to the HR field. Learners explored the potential benefits and challenges of applying these technologies in HR analytics and operations. A real-world case study illustrated practical applications, while the unit also outlined key skills and strategies HR professionals may consider as they prepare for a rapidly evolving, tech-driven workplace. This unit is intended to inform, not for examination purposes.

Learning Objectives

1. **Overview of Technologies:** Discuss at an introductory level the basic concepts and differences between these technologies.
2. **Considerations in Usage:** Identify several benefits and challenges of implementing these technologies in HR, particularly in advancing HR analytics and applications.
3. **Case Study Application:** Understand and compare the implementations of these technologies using a real-life example.
4. **Actionable Preparation:** Preparing skills and strategies HR professionals need to adapt to a rapidly evolving, technology-driven work environment.

Suggested Readings:

Oracle [What HR Needs to Know About Generative AI](#) August 2024 Read time: 10 minutes

SHRM – [HR Adopts AI](#) April 2025 Read time: 10 minutes

MIT Management Sloan: ... [AI is more likely to complement, not replace, human workers](#) March 2025 Read time: 5 minutes

Suggested Podcast: MIT Management Sloan- Center for Information Systems Research [Resolving Workforce Skills Gaps with AI-Powered Insights](#) Run Time: 16 minutes

Unit 9 Blueprints of Budgeting

This unit provides a foundational overview of budgeting and its strategic importance in organizational planning. Learners explore common misconceptions about budgeting, gain familiarity with the master budget process—including the integration of HR data—and examine various budgeting and forecasting methodologies suited for uncertain environments. The unit also introduces the four types of data analytics, builds working knowledge of cash budgets, and reviews key financial concepts such as working capital, liquidity management, and the cash conversion cycle.

Textbook Readings: AFNM Chapter 8-9

Learning Objectives

1. **Understanding the Why of Budgeting:** Explore the misconceptions of budgeting.
2. **Preparation of Various Budgets:** Become familiar with the master budget process and understand how human resource data is part of this process.
3. **Explain** the four types of data analytics.
4. **Illustrate the various budgeting and forecasting methodologies:** Explore the various methodologies to aid in planning under uncertainty.
5. **Demonstrate** a working knowledge of a cash budget.
6. **Examine** the concepts of working capital, liquidity management and the cash conversion cycle.

Unit 10 Behind the Budget

This unit examines the strategic role of budgeting as a tool for organizational control. Learners explore the link between responsibility and control and analyze how variance analysis and flexible budgeting enhance performance evaluation. The unit also introduces the design of balanced scorecards and the development of key performance indicators (KPIs), with a focus on their application in human resource management.

Textbook Reading: Chapter 10

Learning Objectives

1. **Interpret** the role of budgeting to control the organization.
2. **Illustrate** the relationship between responsibility and control.

3. **Analyze** the information that variance analysis can provide. Illustrate how flexible budgeting could aid in analysis.
 4. **Design** balanced scorecards for various applications in human resource management.
 5. **Developing and designing** key performance indicators (KPIs) in human resource management.
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Unit 11 Deciphering Dollars: Cost Analysis Techniques for HR

This unit introduces HR professionals to key cost analysis concepts essential for supporting strategic financial decisions. Learners will explore different types of cost behaviours (fixed, variable, and mixed) and apply breakeven and cost-volume-profit (CVP) analysis to assess the financial impact of HR initiatives. The unit also examines the relationship between cost structures and operating leverage, highlights the importance of contribution margin in decision-making, and introduces basic overhead allocation principles relevant to workforce planning and budgeting.

Textbook Reading: Chapters 11,12

Learning Objectives

1. **Cost Behaviours:** Differentiate between fixed, variable and mixed cost behaviours.
2. **Breakeven analysis and Cost, volume, profit (CVP):** Demonstrate the construct of breakeven analysis and cost-volume-profit (CVP) analysis.
3. **Cost structures and operating leverage:** Examine the interplay between cost structures and their impacts on organizational operating leverage.
4. **Role of Contribution Margin:** Evaluate a firm's contribution margin.
5. **Overhead Allocation:** Describe the purpose of overhead allocation and explain how it relates to cost analysis in HR or operational decisions.

After Unit 11 - Discussion Board Post#2: Reading HBR: HR's New Role

<https://hbr.org/2024/05/hrs-new-role>

Unit 12 Financial Decision Making

This unit introduces HR professionals to key financial concepts that support informed organizational investment and planning decisions. Learners will distinguish between types of costs (differential, sunk, and committed) and examine how capacity constraints influence capital decisions. The unit also explores various sources of capital, the role and risks of financial leverage, and essential capital budgeting tools—such as net present value (NPV), payback period, and profitability index—to evaluate and prioritize investment projects.

Textbook Readings: Chapters 13-15

Learning Objectives:

1. **Costs: Identify and differentiate** between differential, sunk, and committed costs, and **explain** their implications in decision making.
2. **Role of Capacity: Analyze** the impact of organizational capacity constraints on short-term and long-term capital investment decisions.
3. **Sources of Capital: Examine** various sources of capital (e.g., debt, equity, retained earnings) and **evaluate** their suitability for funding different types of capital projects.
4. **Financial Leverage: Explore** the concept of financial leverage and **assess** its potential benefits and risks in capital structure decisions.
5. **Capital Project Analysis: Apply** capital budgeting techniques such as net present value (NPV) and discuss supplementary tools like payback period and profitability index to support investment decision making.