

Organization Index

- A.T. Kearney Executive Search (<http://www.executivesearch.atkearney.com>) 791
- Abbott Laboratories (<http://www.abbott.com>) 797, 800, 854
- ABC TV (<http://abc.go.com>) 447
- ABN AMRO Bank (<http://www.abnamro.com>) 3, 12, 13, 17, 19, 28
- Advanced Inspection and Measurement (AIM) 282
- Advanced Micro Devices Inc. (<http://www.amd.com>) 931
- AFL-CIO (<http://www.aflcio.org>) 438, 931
- Agile Software 259
- Air India (<http://www.airindia.com>) 496, 536
- AirTouch Communications Inc. (<http://www.airtouch.com>) 776
- Aker Gulf Marine (AGM) (<http://www.akermaritime.no>) 173, 192
- Alcoa (<http://www.alcoa.com>) 666, 799
- Alexander Doll Co. (<http://www.onlinedolls.com/na/index.htm>) 711, 742
- Algemene Bank Nederland 5
- Allen-Bradley (<http://www.ab.com>) 309, 467, 726, 727, 739
- Alliant Techsystems Inc. (<http://www.atk.com>) 216
- Allstate (<http://www.allstate.com>) 553
- Amazon.com (<http://www.amazon.com>) 47, 601, 615, 632, 793
- American Customer Satisfaction Index (ACSI) 548
- American Express (<http://www.americanexpress.com>) 310, 447, 716
- American Federation of Teachers 439
- American Productivity and Quality Center (APQC) 152
- American Society for Quality (<http://www.asq.org>) 548
- AmeriSteel (<http://www.ameristeel.com>) 780
- Amsterdam-Rotterdam Bank 3
- Andersen Consulting (<http://www.andersenconsulting.com>) 33
- Anderson Cancer Center 708
- Aon Consulting (<http://www.aon.com>) 57
- Arthur Andersen (<http://www.arthurandersen.com>) 362, 502, 548, 668
- AT&T (<http://www.att.com>) 50, 52, 657, 661, 775, 776, 865
- AT&T Network Systems 661
- Avis (<http://www.avis.com>) 312
- Baan (<http://www.baan.com>) 774
- Bain & Co. (<http://www.bain.com>) 742
- Bank of America Corp. 410
- Bank One Corp. 410
- Barnes & Noble (<http://www.barnesandnoble.com>) 793
- Baxter International Inc. (<http://www.baxter.com>) 667, 957
- BC Rail 927
- Bear Stearns 453
- Bestfoods (<http://www.bestfoods.com>) 345
- Beverages Ltd. 447
- Birmingham Steel Corporation (<http://www.birsteel.com>) 50
- BJC Health System (<http://www.bjc.org>) 667
- Black & Co. 71
- Black & Decker (<http://www.blackanddecker.com>) 742
- Boeing Co. (<http://www.boeing.com>) 788
- Booz-Allen & Hamilton (<http://www.bah.com>) 776
- Borden Chemicals and Plastics 377
- Boston Scientific (<http://www.bsci.com>) 957
- Bridgestone/Firestone (<http://www.bridgestone-firestone.com>) 774
- British Telecommunications PLC (<http://www.bt.com>) 776
- Buckhead Beef Company (<http://www.buckheadbeef.com>) 348, 363, 362
- Bureau of Labor Statistics 438, 664
- Burger King 381
- Business Process Outsourcing (BPO) 521
- Butterwood Group 553
- Callaway Golf Company (<http://www.Callaway.com>) 33
- CarPoint (<http://www.carpoint.msn.com>) 763, 784
- Carrier Corporation (<http://www.carrier.com>) 131, 152
- Center for Work and Family 927
- Chahta Enterprise 12
- Chattanooga Institute (<http://www.csc2.org/index.htm>) 531
- Chiron (<http://www.chiron.com>) 791
- Chrysler (<http://www.chryslercorp.com>) 309, 340, 795, 957
- Cisco Systems, Inc. (<http://www.cisco.com>) 805
- Citizen Watch Company (<http://www.citizenwatch.com>) 667
- City of Grand Prairie 885
- Coca-Cola (<http://www.coca-cola.com>) 12, 14, 958
(<http://www.coke.com>) 417
- Collins Printed Circuits 339
- Columbia/HCA Healthcare Corporation 954
- Com-Corp Industries 75
- Commerce Bancorp (<http://www.commerceonline.com>) 381, 410
- Compaq (<http://www.compaq.com>) 176
- Computer Aided Manufacturing-International, Inc. (CAM-I) 64
- Consortium for Advanced Manufacturing International (CAM-I) 152
- Continental Airline (<http://www.continental.com>) 947
- Coopers and Lybrand (C&L) see PricewaterhouseCoopers
- Corel (<http://www.corel.com>) 67
- Covad (<http://www.covad.com>) 628
- Credit Card Sentinel (<http://www.ccsentinel.com>) 312
- Credit Suisse First Boston (<http://www.csfb.com>) 52
- Cross (<http://www.cross.com>) 510
- Cummins Engine (<http://www.cummins.com>) 739
- Cyclemakers Group of Washdyke 215
- DaimlerChrysler (<http://www.daimlerchrysler.com>) 82, 339
- Dell Computer Corporation (<http://www.dell.com>) 36, 67, 239, 913
- Delta Air Lines (<http://www.delta-air.com>) 67, 336, 791
- Dial Corp. (<http://www.dialcorp.com>) 657
- Digital Entertainment Network Inc. (<http://www.den.net>) 954

- Digital Equipment Corp. 69
 Dismal Sciences (<http://www.dismal.com>) 947
 Disney see Walt Disney
 Drexel Heritage Furniture (<http://www.drexelheritage.com>) 510
 Drugstore.com 601
 Dun & Bradstreet Corp. (<http://www.dnb.com>) 657
- Eclipse 471
 Edison Electric Light Company 263
 Electronics Original Equipment Manufacturers (OEMs) 134
 Environmental Protection Agency 664
 Epicor 184
 Equal Opportunity Employment Commission (EEOC) 549
 Ernst & Young LLP (<http://www.ey.com>) 447, 716
 Excel Communications 305
 Executive Alliance 954
 Exxon (<http://www.exxon.com>) 67
- Federal Express (<http://www.fedex.com>) 142
 (<http://www.fedex.com/us/>) 310
 Fields & Associates 669
 Financial Accounting Standards Board (<http://www.fash.org>) 896
 First Union 410
 Foldcraft Co. (<http://www.foldcraft.com>) 781
 Ford Motor Co. (<http://www.fordvehicles.com>) 32, 71, 309, 339, 663, 727, 763, 784, 795, 957
 (<http://www.ford.com>) 903
 Ford's Automotive Components Group (<http://www.fordvehicles.com>) 727
 Forrester Research Inc. (<http://www.forrester.com>) 545
 Fraen Corp. 282
 Freeport-McMoRan Copper & Gold (<http://www.fcx.com>) 14
 Frito Lay (<http://www.fritolay.com>) 800
 Fujitsu (<http://www.fujitsu.com>) 553
- GE Fanuc (<http://www.gefanuc.com>) 147
 Gear.com 601
 Gefinor Group 711
 General Electric Company (<http://www.ge.com>) 261, 282
 General Mills (<http://www.genmills.com>) 545
 General Motors Corp. (<http://www.gm.com>) 27, 309, 317, 339, 533, 646, 761, 777, 784, 795, 956, 957
 Georgia Tech Research Institute (GTRI) 753
 Giddings & Lewis Inc. (<http://www.giddings.com>) 215
 Gillette Co. (<http://www.gillette.com>) 447, 668
 Great Plains (<http://www.greatplains.com>) 184
- H & R Block (<http://www.hrblock.com>) 467
 Hackett Benchmarking Solutions (<http://www.hackettbenchmarking.com>) 553
 Haggar (<http://www.haggar.com>) 67
 Hallmark (<http://www.hallmark.com>) 147
 Harley-Davidson 727
 Hewlett-Packard Co. (<http://www.hewlett-packard.com>) 53, 70, 303, 788, 798
 (<http://www.hp.com>) 510
 Hibernia Corporation (<http://www.hibernia.com>) 16
 Higashimaru Shoyu 780
 Home Depot (<http://www.homedepot.com>) 34, 381
 HomeGrocer.com 601
- HON INDUSTRIES Inc. (<http://www.honi.com>) 551, 577
 Honda Motor Co. (<http://www.honda.com>) 55
 Howmet's Whitehall (MI) 393
 Fortune Brands Inc. (<http://www.fortunebrands.com>) 175
 Hutchison Whampoa Ltd. (<http://www.hutchisonwhampoa.com>) 776
- IBM (<http://www.ibm.com>) 41, 67, 70, 303, 335, 452
 IDG Research (<http://www.idgresearch.com>) 562
 IDX Systems Corp. 70
 Incorporated Society of British Advertisers (<http://www.isba.org.uk>) 66
 Independent Association of Continental Pilots 947
 Indian Airlines (<http://www.indian-airlines.nic.in>) 496, 536
 Ingersoll-Rand Co. (<http://www.ingersoll-rand.com>) 52
 Instill Corp. (<http://www.instill.com>) 545
 Institute of Management Accountants (IMA) 647
 Intel Corp. (<http://www.intel.com>) 669
 Internal Revenue Service 825
 International Business Machines Corp. see IBM
 Inpat (<http://www.inland.com>) 214
 Isuzu Motors Ltd. (<http://www.isuzu.com>) 548
 ITT Corp. 657
- J.P. Morgan & Co. (<http://www.jpmorgan.com>) 657, 946
 Jet Airways (<http://www.jetairways.com/home1e.htm>) 536
 Johnson & Johnson (<http://www.jj.com>) 742, 798
 Johnson Controls Automotive Systems Group 724
 Jon. L. Meyer GmbH 657
- Kaizen Breakthrough Partnership, L.P. (KBP) 711
 Knorr 652
 Knoll Pharmaceuticals (<http://www.know.de>) 58
 KPMG Consulting (<http://www.kpmgconsulting.com>) 68
 KPMG Peat Marwick LLP 68
 Kraft Inc. (<http://www.kraft.com>) 716
- L. L. Bean (<http://www.llbean.com>) 310
 Labey Financial Systems (<http://www.lfscorp.com>) 184
 Levi-Strauss (<http://www.levi.com>) 67, 310
 Lockheed Martin (<http://www.lmco.com>) 15
 Lone Star Technologies 467
 Louisiana State University 62
 Lucent Technologies (<http://www.lucent.com>) 661, 668, 686
 Lumina Candles & Art (<http://www.borsheimarts.com/lumina.htm>) 239
 (<http://www.borsheimarts.com/lumina/about.htm>) 219
- Macola (<http://www.macola.com>) 184
 Mail Boxes, Etc. (<http://www.mbe.com>) 142
 Marriott (<http://www.marriott.com>) 507
 MasterCard (<http://www.mastercard.com>) 716
 Mattel (<http://www.mattel.com>) 510
 May Department Stores Co. 71
 McDonald's (<http://www.mcdonalds.com>) 481, 672
 MCI (<http://www.wcom.com>) 19
 Melville Corp. 657
 Merck & Co. (<http://www.merck.com>) 647
 Meridia Health System (<http://www.meridia.com>) 929, 949
 Meridian Club 22
 Meyer Weir 657
 Microsoft Corp. (<http://www.microsoft.com>) 67, 763

- Minnesota Mining & Manufacturing Co. (<http://www.mmm.com>) 657
- Mitsubishi Krom 611
- Motomoto, Inc. (<http://www.mot.com>) 41, 62, 93, 305
- Mott's USA (<http://www.motts.com>) 716
- National Basketball Association (<http://www.nba.com>) 94
- National Cattlemen's Beef Association 362
- National Center for Employee Ownership 954
- National Football League 927
- National Quality Research Center (<http://www.bus.umich.edu/research/nqrc/index.html>) 548
- Nationwide Financial Services (<http://www.nationwidefinancial.com>) 555
- NCR 661
- NEC Corp. (<http://www.nec-global.com>) 305, 767
- Nestle (<http://www.nestle.com>) 545
- Newport News Shipbuilding and Dry Dock Company 900
- Nike Inc. (<http://www.nike.com>) 931
- Nissan Motor Co. (<http://www.nissan-usa.com>) 548, 740
(<http://www.nissanmotors.com>) 147, 344fn
- Nordstrom's Inc. (<http://www.2.nordstrom.com>) 67, 71, 881
- Novell Inc. (<http://www.novell.com>) 67
- Ochsner Medical Institutions (<http://www.ochsner.org/ofh.htm>) 668
- Orlando Magic (<http://www.nba.com/magic>) 94
- Owens Corning (<http://www.owenscorning.com>) 555
- Packard Bell NEC Inc. (<http://www.packardbell.com>) 305, 767
- Parker Brothers Monopoly (<http://www.monopoly.com>) 789
- Pearl Meyer & Partners Inc. 956, 956
- PeopleSoft (<http://www.peoplesoft.com/>) 774
- PepsiCo Inc. (<http://www.PepsiCo.com>) 12, 14
- Perrier (<http://www.perrier.com>) 345
- Pets.com 601
- Philips Electronics 3
- Pizza Hut (<http://www.pizzahut.com>) 467
- Polaroid Corporation (<http://www.polaroid.com>) 53, 303
- Preferred Hotels & Resorts Worldwide (<http://www.preferredhotels.com>) 306
- PricewaterhouseCoopers (<http://www.pricewaterhousecoopers.com>) 85, 142, 455
- PricewaterhouseCoopers-LLP (<http://www.pwcglobal.com>) 499, 521, 794, 920, 942
- Procter & Gamble (<http://www.pg.com>) 69, 147, 676
- Quaker Oats Co. (<http://www.quakeroats.com>) 791, 885
- R/S 774
- Renault SA (<http://www.renault.com>) 339
- Residential Products Division 70
- Richey International 308
- Rockwell Automation 359
- Rolux (<http://www.rolux.com>) 510
- Rolls-Royce (<http://www.Rolls-Royce.com>) 20
- Royal Dutch Shell (<http://www.shell.com>) 3, 67
- Sage (<http://www.us.sage.com>) 184
- Sahara Airlines (<http://www.saharaairline.com>) 536
- SAP (<http://www.SAP.com/>) 774
- SBT (<http://www.sbt.com>) 184
- Scan-Optics, Inc. (<http://www.scsinc.com>) 204
- Schreiber 345
- Seagate Technology (<http://www.seagate.com>) 176
- Sears (<http://www.sears.com>) 652, 860, 861
- Seiko (<http://seikousa.com>) 719
- Silicon Graphics Inc. (SGI) (<http://www.sgi.com>) 788
- SIRA Technologies 262
- Skandia (<http://www.Skandia.com>) 34
- Solelectron Corporation (<http://www.solelectron.com>) 305, 324
- Solomon (<http://www.solomon.com>) 184
- Sony Corp. (<http://www.sony.com>) 340
- Southwest Airlines (<http://www.flyswa.com>) 21, 35
(<http://www.southwest.com>) 67
- Springfield Remanufacturing 777
- Sprint (<http://www.sprint.com>) 553
- St. Jude Medical Inc. (<http://www.sjm.com>) 791
- Standard & Poors 500, 447
- Starbucks 262, 381, 514
- Stem Stewart & Co. 875
- Stonyfield Farm (<http://www.stonyfield.com>) 508
- Sun Microsystems Inc. (<http://www.sun.com>) 788
- Syntex Corporation 665
- TBM Consulting Group, Inc. (<http://www.tbmcg.com>) 711
- Tektronix Inc. 165
- Texaco (<http://www.texaco.com>) 555
- Texas Instruments (TI) (<http://www.ti.com>) 15
- The Brass City Plumbing Supply Company 445
- The Futures Group 599
- The Home-O-Nice Co. see The HON Company
- The HON Company (<http://www.honcompany.com>) 351, 577
- Thomson-Houston Company 265
- Thor Chemicals 377
- Torrington Supply Co.
(<http://www.torringtonsupply.com>) 445, 471
- Towers Perrin (<http://www.towers.com>) 932
- Toyota Motor Corp. (<http://www.toyota.com>) 148, 259, 354, 339, 666, 724, 730, 774, 784
- Triple 'A' Animal Hotel & Care Centre 312
- Tropicana (<http://www.tropicana.com>) 345
- U.S. Healthcare Inc. 72
- U.S. Postal Service (USPS) (<http://www.usps.com>) 142
- Unilever 3
- Unisys Corp. (<http://www.unisys.com>) 791
- United for a Fair Economy 959
- United Parcel Service (<http://www.ups.com>) 142
- United Technologies 131
- University of California 959
- Unocal Corp. (<http://www.Unocal.com>) 14
- Varta 93
- Veba AG (<http://www.veba.de>) 770
- Viag AG (<http://www.viag-interkom.de>) 770
- Visa (<http://www.visa.com>) 716
- Vodafone-AirTouch (<http://www.vodafone.co.uk>) 776

Copyrighted Material

- Wachovia (<http://www.wachovia.com>) 857, 860, 878
- Wal-Mart Stores, Inc. (<http://www.walmart.com>) 22, 67, 691, 716
- Walt Disney Co. (<http://www.disney.go.com>) 19, 308, 310, 447
- Washington Redskins (<http://www.nfl.com/redskins>) 94
- Werthan Packaging (<http://www.werthan.com>) 739
- Western Electric 661
- Western Union 9
- Windsor Court Hotel 308
- Wisconsin Film & Bag (WF&B) 77, 84, 86, 90, 91, 105
- WMC (Western Mining Company) Limited (<http://www.wmc.com.au>) 899, 904, 913, 918
- Young & Rubicam (<http://www.yr.com>) 628
- Zero Defects (<http://www.zerod.com/index.htm>) 500

Subject Index

- ABC *see* activity-based costing
- Abnormal loss, 263
- Abnormal shrinkage, 270
- Abnormal spoilage, 277
- Absorption cost, 89*f*, 825
- modifications to, 826
- Absorption costing, 443
- and variable costing, comparison of, 450
 - illustrations, 446
 - model, 444
- Accepted quality level (AQL), 261, 280
- Accounting rate of return, 635
- Accounts payable, 569
- Accounts receivable, 565
- Accretion, 277
- Accrual-based accounting systems, 80
- Activity, 132
- business-value-added, 133
 - value-added versus non-value-added, 132
- Activity analysis, 132
- Activity center, 142
- Activity driver, 143, 144
- Activity measures, 85
- Activity-based budgeting (ABB), 682
- Activity-based costing (ABC), 141, 911
- illustrated, 144
 - criticisms of, 150
- Activity-based management, 132, 726, 911
- and performance evaluation, 910
- Actual cost system, 95, 100, 175
- Ad hoc discount, 517
- Administrative department, 812
- AICPA *see* American Institute of Certified Public Accountants
- Algebraic method, 816
- allocation, 819
- Advanced Pricing Agreement Program, 832
- Algorithm, 527
- Allocation
- algebraic method, 819
 - approximated net realizable value at split-off, 353
 - artificial net realizable value at split-off, 353*f*
 - bases, 814
 - direct method, 817
 - monetary measure, 351
 - net realizable value at split-off, 355
 - of joint cost, 350
 - physical measure, 350
 - sales value at split-off, 352
 - step method, 818
 - two-step, 142
- Alternative overhead variance approaches, 396
- Alternative strategies, 26
- American Institute of Certified Public Accountants (AICPA), 362
- American Society for Quality Control, 304
- Annuity, 605
- present value of, 635
- Annuity due, 635
- Applied overhead, 97
- Appraisal cost, 94, 313
- Appropriateness, 405
- Appropriation, 673
- Approximated net realizable value at split-off allocation, 353
- Artificial net realizable value at split-off allocation, 353*f*
- Assessor, 44
- Asset
- investment activity, 617
 - range of the life of, 631
- Asset turnover, 871
- Assumption, reinvestment, 620
- Attainability, 405
- Attribute-based costing (ABC II), 146
- Authority, 19
- Automation, 730
- Backflush costing, 735, 736
- Balance sheet, 78, 573
- Balanced scoreboard, 915
- Balanced scorecard, 556, 863
- for measuring performance, 914
- Bar codes, 715
- Bases
- allocation, 814
 - establishment of comparison, 905
- Batch-level cost, 138
- Benchmarking, 309
- Benefits, 26, 814
- balance group and individual, 945
 - fringe, 943
 - from discretionary costs, measuring, 674
 - "Benefits-provided" ranking, 816
- Bill of materials, 383
- Bonus plans, 947
- Bottlenecks, 740
- Break-even
- contemporary approach, 475
 - formula approach, 454
 - graphic approach, 473
 - traditional approach, 474
- Break-even chart, 474
- Break-even point (BEP), 451
- Budget, 58, 552
- calendar, 579
 - capital, 564, 809
 - cash, 564
 - concluding comments, 575
 - control using, 679
 - direct labor, 562
 - financial, 556
 - flexible, 592
 - imposed, 576
 - master, 556
 - operating, 556
 - overhead, 565
 - participatory, 576
 - personnel, 562
 - production, 560
 - purchases, 561
 - sales, 559
 - selling and administrative, 564
- Budget Manual, 578
- Budget slack, 576
- Budget variance, 397
- Budgeted financial statements, 572
- Budgeting, 552
- activity-based, 682
 - for discretionary costs, 673
 - process, 552
 - program, 687, 688
 - zero-base, 687, 688, 689
- Build mission, 25
- Burden, 92*f*
- Business
- cash flow, improving, 571
 - environment, changes in, 149
 - global environment of, 9
- Business intelligence (BI) system, 23
- Business process reengineering (BPR), 764
- Business-value-added activity, 133
- By-product, 344
- accounting for, 357
 - in job order costing, 360
- Cafeteria plan, 944
- Capacity, 99
- alternative measures, 99
 - expected, 100

- normal, 100, 392
- practical, 100, 392
- theoretical, 99, 392
- Capital
 - cost of, 606
 - human, 21
 - intellectual, 20
 - monetary, 20
 - ranking multiple projects, 620
 - relationship, 21
 - return of, 606
 - return on, 606
 - structural, 21
 - working, 684
- Capital asset, 601
- Capital budget, 564
- Capital budgeting, 601
 - assumptions and limitations of methods, 615
 - use of cash flows in, 602
- Capital market performance, information for evaluating, 859
- Capital markets, role of, 915
- Capital project evaluation, compensating for risk in, 627
- Capital projects, ranking multiple, 620
- Capital rationing, 625
 - ranking projects under, 625
- Carrying costs, 717
- CAS 403: *Allocation of Home Office Expenses to Segment*, 812*ff*
- CAS 410: *Allocation of Business Unit General and Administrative Expenses to Final Costs Objectives*, 812*ff*
- CASB see Cost Accounting Standards Board
- Cash
 - disbursements, 569
 - management issues, 683
 - optimal level of, 684
 - receipts, 565
 - sources of, 684
- Cash budget, 564, 869
- Cash flow, 571, 602, 868
 - discounted methods, 607
 - improving small business, 571
 - present value of, 634
 - illustrated, 603
 - in capital budgeting, 602
 - discounting future, 606
 - effect of depreciation on after-tax, 612
 - range of, 630
 - statement of, 573, 869
- Centralization, 19
- Certified in Financial Management (CFM), 7
- Certified Management Accountant (CMA), 7
- CFM see Certified in Financial Management
- Clerical efficiency, 401
- CMA see Certified Management Accountant
- Code of Ethics, 8
- Committed costs, 671
- Communications network, 44
- Compensation
 - deferred, 944
 - differentials, 946
 - elements, tax implications of, 942
 - ethical considerations of, 944
 - global, 948
 - governmental, 942
 - managerial, 940
 - non-for-profit, 942
 - periods, 938
 - worker, 938
- Compensation committee, 930
- Compensation strategy, 930
- Competition, responses to, 22
- Competitive environment, 59, 938
 - and strategies, 52
- Compound interest, 634
- Compounding period, 634
- Computer-integrated manufacturing (CIM), 739
- Concept of relevance, 900
- Concurrent engineering, 148
- Confrontation strategy, 23, 51
- Constraint, 523, 740
 - environmental, 22
 - organizational, 20
- Consumer Price Index (CPI), 664
- Contingent pay, 939
- Continuous budgeting, 576
- Continuous improvement, 150, 151
- Continuous losses, 264
- Contribution margin, 453
- Contribution margin (CM) ratio, 455
- Control
 - using engineered costs, 677
 - using the budget, 679
- Control chart, 306
- Control process, basic steps in the process, 805
- Control system
 - elements of, 44
 - management information and, 42
- Controllable variance, 397
- Controlling, 402
- Conversion cost, 78, 734
 - as an element in standard costing, 408
- Conversion process, 79
- Coproducts, 344
- Core competency, 19, 26, 50
- Cost, 26, 77, 470
 - absorption, 89*ff*
 - appraisal, 94, 313
 - batch-level, 138
 - carrying, 717
 - committed fixed, 671
 - conversion, 78, 734
 - differential, 500, 814
 - direct, 87
 - discretionary, 673, 674, 677
 - distribution, 78
 - engineered, 677
 - expired, 77
 - failure, 94, 313
 - fixed, 85, 452, 508
 - historical, 98
 - incremental, 500
 - incremental separate, 353
 - indirect, 90
 - inventorable, 78
 - joint, 343, 350
 - levels of, 137
 - mixed, 86, 87, 452
 - opportunity, 501
 - ordering, 714
 - organizational-level, 139
 - overhead, 95
 - period, 78
 - prevention, 94, 313
 - product, 78, 89
 - product-level (process-level), 138
 - purchasing, 713
 - quality, 314
 - formulas for calculating total quality, 320
 - setup, 715
 - standard, 382
 - step, 86
 - sunk, 346, 502
 - unexpired, 77
 - unit, 83
 - unit-level, 136
 - variable, 84, 452
 - long-term, 146
 - short-term, 145
 - Cost accounting, 3, 5, 82
 - relationship of financial and management accounting to, 5
 - standards, 7
 - Cost Accounting Standards Board (CASB), 7
 - Cost accumulation, 443
 - Cost allocation, 95
 - problems in current, 149
 - service department, 812
 - Cost alternative
 - absorption cost, 825
 - modifications to variable and/or absorption cost, 826
 - variable cost, 825
 - Cost assignments, EUP calculations and, 224
 - Cost avoidance, 608
 - Cost behavior definitions, comparative total and unit, 85

- Cost center, 806
- Cost changes
 - due to cost behavior, 664
 - due to inflation/deflation, 664
 - due to quantity purchased, 666
 - due to supply/supplier cost adjustments, 665
- Cost classifications on the financial statements, 78
- Cost consciousness, 663
- Cost containment, 666
- Cost-control systems, 661
- Cost driver, 45, 87, 929
- Cost driver analysis, 136
- Cost flow assumption, 175
- Cost flows and cost assignment, 221
- Cost leadership, 25
- Cost management system (CMS), 42, 45, 58
 - conceptual design principles, 64
 - implementation, 61
 - defining, 45
 - designing, 48
 - elements of, 55
 - obtaining information from, 321
- Cost object, 90, 220
- Cost of capital, 606
- Cost of control, 94
- Cost of failure to control, 94
- Cost-of-goods-manufactured, 102
 - schedule, 572
- Cost of goods sold, 102
- Cost of production report, 229
- Cost of quality (COQ), 911
 - measuring, 317
- Cost presentation, 443
- Cost production, 714
- Cost reactions to changes in activity, 83
- Cost reduction, 668
- Cost structure, 52, 467
- Cost systems, normal, 96
- Cost tables, 719
- Cost total, 83
- Cost understanding, 603
- Cost-based transfer prices, 824
- Costing
 - absorption, 445, 446, 450
 - backflush, 735, 736
 - direct, 444
 - full, 445
 - kaizen, 721
 - life-cycle, 722, 723
 - product, 176
 - relevant, 429
 - target, 718, 719
 - variable, 445, 444, 446, 450
 - systems, 174
- Cost-plus contract, 181
- Cost-volume-profit analysis (CVP), 451, 455
 - definition and uses of, 451
 - in a multiproduct environment, 463
 - underlying assumptions of, 469
- Costs, relevant for specific decisions, 504
- Costs, understanding and managing production activities and, 717
- Curvilinear, 84
- CVP analysis see cost-volume-profit analysis
- Cycle (lead) time, 134
- Data mining, 775
- Debt Collection Improvement Act of 1996, 664
- Decentralization, 19, 797
 - advantages of, 799
 - disadvantages of, 800
- Decision making, 404
- Decision variable, 523
- Defective unit, 263, 274
- Defects
 - generally anticipated on all jobs, 276
 - in job order costing, 275
 - specifically identified with a particular job, 276
- Deferred compensation, 944
- Deflation, cost changes due to, 664
- Degree of control over performance output, 936
- Degree of operating leverage, 467, 468
- Deming prize, 314
- Dependent variable, 107
- Depreciation on after-tax cash flows, effect of, 612
- Design for manufacturability, 739
- Detector, 44
- Differences in perspectives, 901
- Differential cost, 500, 814
- Differentiation strategy, 22
- Direct cost, 89
- Direct costing, 444
- Direct labor, 78, 90
 - budget, 562
 - decline in, 408
- Direct material, 78, 90
- Direct method, 815
 - allocation, 817
- Discount rate, 606
 - range of, 630
- Discounted cash flow methods, 607
- Discounting, 606
 - future cash flows, 606
- Discrete loss, 264
- Discretionary cost, 673
 - budgeting, 673
 - controlling, 677
 - measuring benefits from, 674
- Distribution cost, 78
- Divisional profits, 868
- Downsizing, 766, 767
- Drivers
 - activity, 143
 - cost, 87
- Du Pont model, 871
- Dual pricing arrangement, 828
- E-commerce, 9, 716
- Economic integration, 10
- Economic order quantity (EOQ), 744
- Economic production run (EPR), 744
- Economic value added (EVA), 875
 - limitations of, 876
- Economically reworked, 263
- Effective, 858
- Effectiveness, 802
- Effector, 44
- Efficiency, 802
- Efficient, 858
- Electronic data interchange (EDI), 715
- Employee Stock Ownership Plan (ESOP), 849
- Employee time sheet, 179, 181
- Employees
 - consideration of age, 935
 - involvement, 311
 - motivating, 780
- Empowerment, 19
- End-of-pipe strategies, 782
- Engineered costs, 677
- Enterprise resource planning (ERP), 62
- Environment
 - changes in business, 149
 - competitive, 52
- Environmental constraint, 22
- Environmental management systems, 782
- Environmental Protection Agency (EPA), 664
- Equivalent units of production (EUP), 222, 228, 230, 231
 - calculations and cost assignments, 224
- Ethical considerations of compensation, 944
- Ethical standards, 14
- Ethics for management accountant professionals, 8
- Expatriate, 948
- Expected capacity, 100
- Expected standards, 405
- Expenses, 78
- Expired cost, 77
- Failure costs, 94, 313
- FASB see Financial Accounting Standards Board
- Feasible region, 526
- Feasible solution, 523
- Feedback, 866, 937
- FIFO cost flow assumption, 175
- FIFO method, 222, 223, 229
 - alternative calculations, 241

- FIFO process costing, 235
- Financial accounting, 4
 - relationship to cost accounting, 5
- Financial Accounting Standards Board (FASB), 4, 7, 446
- Financial budget, 556
- Financial incentive, 930
- Financial performance measure, traditional short-term, 886
- Financial statements
 - budgeted, 572
 - cost classifications on, 78
- Financing decision, 603
- Fisher rate, 624
- Fixed cost, 85, 452, 508
 - committed, 671
- Fixed overhead, 395
- Fixed overhead spending variance, 395
- Flexible budget, 392
- Flexible manufacturing systems and computer-integrated manufacturing, 739
- Flowchart, 133
- Focused factory arrangements, 732
- Foreign Corrupt Practices Act (FCPA), 14
- Formula approach to breakeven, 454
- Fringe benefits, 943
- Full costing, 443
- Functional classifications, 444
- Future value, 634

- Games people play, 778
- Gap analysis, 61
- General Agreement on Tariffs and Trade (GATT), 10
- Generally Accepted Accounting Principles (GAAP), 95, 151, 859
- Global compensation, 948
- Global competition, 766
- Global economy, 9
- Global environment of business, 9
- Globalization, 10
 - ethical considerations, 14
 - legal considerations, 13
 - risk considerations, 10
- Goal, 19
- Goal congruence, 800
- Golden parachute, 946
- Governance, organizational, 945
- Governmental compensation, 942
- Grade, 307

- Harvest mission, 25
- High-low method, 88
- Historical cost, 98
- Hold mission, 25
- Human capital, 21
- Hurdle rate, 611
- Hybrid costing system, 238

- Ideal standards, 406
- Idle time, 134

- IMA see Institute of Management Accountants
- Implementation Challenges, 781
- Imposed budget, 576
- Incentives, 935
 - nonfinancial, 940
 - relative to organizational level, 937
 - short-term and long-term, 57
- Income statement, 78, 572
 - approach, 460
- Incremental analysis, 461
 - for short-run changes, 461
- Incremental cost, 500
- Incremental revenue, 500
- Incremental separate cost, 353
- Independent project, 619
- Independent variable, 168
- Indirect cost, 90
- Inflation, cost changes due to, 664
- Information
 - elements, 58
 - for evaluating capital market performance, 859
 - for evaluating organizational learning and change, 860
 - for evaluating product/subunit performance, 862
 - technology, 715
- Input/output relationships, 80, 81
- Input-output coefficients, 524
- Inspection time, 134
- Institute of Management Accountants (IMA), 5/6, 7, 41, 903
- Integer programming, 525
- Intellectual capital, 20
- Internal rate of return, 609, 620
- Internal Revenue Code, 839
- Internal Revenue Service (IRS), 43, 446, 832
- International Accounting Standards Committee, 913
- International quality standards, 326
- Internet business model, 731
- Internet, 9
- Intranet, 184
- Inventoriable cost, 78
- Inventory, 80, 229, 231
 - buying or producing and carrying, 713
 - carrying costs of, 717
- Investment center, 810
- Investment decision, 603, 615
- Investments, 618
 - activity worthy of, 615
 - available and suitable assets for activity, 617
 - return on, 869
- ISO 14000, 327
- ISO 9000, 326

- JIT see Just-in-time

- Job, 176
- Job order cost sheet, 179, 180, 188
- Job order costing, 220
 - and technology, 183
 - by-products or scrap in, 360
 - defects/spoilage in, 275
 - generally anticipated on all jobs, 276
 - specifically identified with a particular job, 276
 - details and documents, 177
 - illustration, 184
 - to assist managers, 190
 - using standard costs, 187
- Job order costing system, 174, 176
- Joint cost, 343
 - allocation of, 350
 - in service and not-for-profit organizations, 362
- Joint process, 343, 345
 - illustration of output, 346
 - management decisions regarding, 348
 - model of, 347
 - outputs of, 344
- Joint product, 344
- Judgmental method, 628
- Just-in-time (JIT), 406, 723
 - accounting implications of, 733
 - environment, logistics of, 731
 - in nonmanufacturing situations, 738
 - variances under, 733
- Just-in-time manufacturing, 135
 - changes needed to implement, 724
 - logistical support during production, 732
 - logistical support in the preproduction stage, 733
 - overriding support systems, 731
 - plant layout, 729
- Just-in-time manufacturing system, 723
 - postproduction logistical support, 732
 - product design, 727
 - product processing, 728
 - purchasing considerations, 725
 - vendor certification, 726
- Just-in-time training, 732

- Kaizen costing, 724
- Kanban, 723

- Labor efficiency variance, 415
- Labor mix variance, 415
- Labor rate variance, 392
- Labor standards, 384
- Labor variances, 392
- Labor yield variance, 415
- Lead time, 134, 715
- Least squares regression analysis, 107
- Legal considerations for globalization, 13
- Life-cycle, 46
 - and target costing, 718

- Life-cycle costing, 722, 725
- Limited liability companies (LLCs), 48
- Limited liability partnerships (LLPs), 48
- Linear, 84
- Linear programming (LP), 522, 523
 - basics of, 523
 - formulating a problem, 525
 - solving a problem, 526
- Logistics of JIT environment, 731
- Logistics, third-party, 733
- Long-term variable costs, 145, 146
- Losses!, 78
 - abnormal, 263
 - continuous, 264, 265
 - discrete, 264, 265
 - normal, 263
 - occurs throughout production process, 267
 - of units, 262
- Lost units
 - accounting for, 265
 - controlling quality to minimize, 279
 - illustrations of, 266
 - types of, 263
- Main products, 344
- Make-or-buy decision, 504
- Malcolm Baldrige National Quality Award, 303, 313, 314
- Management accountant professionals, 8
- Management accounting, 4
 - and cost accounting standards, 7
 - relationship to cost accounting, 5
- Management Accounting Guidelines (MAGs), 7
 - No. 31: *Developing Comprehensive Performance Indicators*, 919ff
 - No. 39: *Developing Comprehensive Competitor Intelligence*, 23ff
- Management control system (MCS), 43
- Management decisions regarding joint processes, 348
- Management information and control systems, 42
- Management information system (MIS), 43
- Management ownership, 935
- Managerial compensation, 940
- Manufacturer, 79
- Manufacturers versus service companies, 80
- Manufacturers/service companies, retailers versus, 80
- Manufacturing cells, 729
- Manufacturing cycle efficiency (MCE), 135
- Manufacturing resource planning (MRP and MRP II programs), 774
- Margin of safety (MS), 465
- Market-based transfer prices, 827
- Mass customization, 147
- Master budget, 556
 - illustrated, 559
- Material mix variance, 413
- Material price variance, 389
- Material quantity variance, 391
- Material requisition form, 178
- Material requisitions, 178
- Material standards, 383
- Material variance model, point of purchase, 391
- Material variances, 389
- Material yield variance, 414
- Materials, bill of, 383
- Mathematical programming, 523
- Measures, use of multiple, 907
- Merit pay, 939
- Method of neglect, 265
- Mission
 - build, 25
 - harvest, 25
 - hold, 25
 - segment, 25
- Mission statement, 16, 900
- Mix, 413
 - and yield variances, 412
- Mixed cost, 86, 452
 - separating, 87
- Monetary capital, 20
- Monetary measure allocation, 351
- Money, time value of, 634
- Moral free space, 15
- Motivation, 401
- Motivational elements, 56
- Multidepartment setting, process costing in, 233
- Multinational settings
 - performance evaluation in, 912
 - transfer prices in, 832
- Multiple capital projects, ranking, 620
- Multiple projects
 - equal lives, constant cash flows, unequal investments, 620
 - equal lives, equal investments, unequal cash flows, 623
 - unequal lives, constant but unequal cash flows, unequal investment, 622
- Multiple regression, 108
- Multiprocess handling, 730
- Multiproduct environment, CVP analysis in, 463
- Mutually exclusive project, 619
- Mutually inclusive project, 619
- Negotiated transfer price, 827
- Net cost of normal spoilage, 276
- Net present value (NPV), 607, 620
- Net realizable value approach, 357
- Net realizable value at split-off allocation, 353
- Noncontrollable variance, 395
- Nonfinancial incentives, 940
- Nonfinancial performance measures, 903
 - throughput as, 908
- Nonmanufacturing situations, JIT in, 738
- Nonnegativity constraint, 523
- Non-value-added, 305
- Non-value-added activities, 135, 911
 - value-added versus, 132
- Normal capacity, 100, 392
- Normal cost system, 96, 103, 175
- Normal loss, 263, 267
- Normal shrinkage, 270
- Normal spoilage, 268, 269
 - net cost of, 276
- North American Free Trade Agreement (NAFTA), 10, 833
- Not-for-profit and governmental compensation, 942
- Not-for-profit organizations, 914
 - joint cost in, 362
- Objective, 19
- Objective function, 523
- Office of Federal Procurement Policy, 7
- Offset approach, 357
- On-the-job training, 669
- Open buying on the Internet (OBI), 732
- Open purchase ordering, 716
- Open-book management, 777
- Operating budget, 556
- Operating leverage, 467
 - degree of, 467, 468
- Operations flow document, 385
- Opportunity cost, 501
- Optimal solution, 523
- Order point, 745
- Ordering costs, 714
- Ordinary annuity, 635
- Organization form, 48
 - structure, and culture, 48
- Organizational constraints, 20
- Organizational culture, 21, 48
- Organizational goals, correlation with, 933
- Organizational governance, 945
- Organizational learning and change, information for evaluating, 860
- Organizational mission, 50
- Organizational strategy, 16
 - influences on, 18
- Organizational structure, 18, 19
- Organizational-level cost, 139
- Organizations, role of accounting in, 24
- Other income approach, 358
- Outlier, 88
- Output measure, 675
- Outputs of a joint process, 344
- Outsourcing decision, 504
- Overall success, promoting, 939

- Overapplied overhead, 98
- Overhead, 78, 92, 179, 182
 - accumulation and allocation of, 95
 - applied, 97
 - applying to production, 97
 - fixed, 395
 - overapplied, 98
 - underapplied, 98
 - variable, 394
- Overhead allocations, traditional versus ABC, 146
- Overhead application rates, plantwide versus departmental, 107
- Overhead budget, 563
- Overhead costs, lack of commonality in, 149
- Overhead efficiency variance, 397
- Overhead rate, predetermined, 95, 96
- Overhead spending variance, 397
- Overhead standards, 385
- Overhead variances, 392
 - alternative approaches, 396
 - interrelationships of, 398
- Pareto analysis, 318, 746
- Pareto principle, 148
- Participatory budget, 576
- Payback period, 604
- Pay-for-performance plans, 932
- Performance
 - and pay links, 780
 - appropriate tools for, 805
 - developing comprehensive indicators, 919
 - evaluation, 404, 910
 - in multinational settings, 912
 - links, 938
 - plans and feedback, 937
 - pyramid, 908
 - reports, 60
 - using a balanced scorecard for measuring, 914
- Performance management system, 917
- Performance measurement, 90, 901, 911
 - areas and cost drivers, 920
 - designing a system of, 862
 - factories and timetables, 906
- Performance measures, 921-922
 - awareness of and participation in, 863
 - considerations in setting, 936
 - multiple, 865
 - nonfinancial, 903
 - organizational role of, 858
 - selecting, 862
 - traditional short-term financial, 866
 - throughput as a nonfinancial, 908
- Performance output, degree of control over, 936
- Period cost, 78
- Periodic compensation, 938
- Periodic inventory system, 100
- Perks, 940
- Perpetual inventory system, 100
- Personnel budget, 562
- Per-unit basis, 85
- Phantom profit, 449
- Physical measurement allocation, 350
- Piece rate pay, 939
- Planning, 16, 401
 - process, 24
- Plant layout for JIT manufacturing, 720
- Pollution prevention, 785
- Postinvestment audit, 631
- Postproduction logistical support, 752
- Practical capacity, 100, 392
- Practical standards, 405
- Predetermined overhead rate, 95, 96
- Predictor, 87
- Preference decision, 618
- Preproduction stage, logistical support in, 733
- Present value of a single cash flow, 634
- Present value of an annuity, 635
- Present values, 606
- Prevention cost, 94, 313
- Price variance, 388
 - based on purchases versus on usage, 308
- Primary products, 344
- Process benchmarking, 309
- Process complexity, 146
- Process costing, 220
 - in a multidepartment setting, 233
 - steps in, 226
 - with standard costs, 225
- Process costing system, 174
- Process improvements, 785
- Process map, 135
- Process productivity, 910
- Process quality yield, 910
- Processing (service) time, 134
- Process-level cost, 138
- Procurement cards (p-cards), 716
- Product complexity, 146, 147
- Product contribution margin, 445
- Product cost, 78
 - accumulation of, 100, 105
 - components of, 89
 - determination, 132
- Product costing, 176
 - methods of, 174
- Product design for JIT manufacturing, 727
- Product improvement, 311
- Product life cycle, 25, 58, 717
- Product line decisions, 518
- Product processing for JIT manufacturing, 728
- Product quality, characteristics of, 307
- Product variety, 146, 147
- Product/service costs, 46
- Product/service profitability, 46
- Product/subunit performance, information for, 862
- Production
 - activities and costs, understanding and managing, 717
 - applying overhead to, 97
 - budget, 560
 - completion of, 183
 - cost, 713
 - cycle, 177
 - equivalent unit of, 222
 - logistical support during, 752
 - stages of, 82
 - view of quality, 305
- Production process
 - normal loss only, 267
 - normal spoilage only, 268, 269
- Product-level (process-level) cost, 138
- Profit
 - divisional, 868
 - fixed amount of, 450
 - variable amount of, 458
- Profit center, 809
- Profit margin, 871
- Profit sharing, 57
- Profitability, 24
- Profitability index (PI), 608, 620
- Profit-oriented service businesses, 82
- Profit-volume (PV) graph, 476, 477
- Program budgeting, 687, 688
- Programming
 - integer, 525
 - linear, 522, 525
 - mathematical, 523
- Project difference, 623
- Pseudo microprofit center, 811, 812
- Pull systems, 714
- Purchases
 - advances in authorizing and empowering, 716
 - budget, 561
- Purchasing, 715
 - considerations for JIT manufacturing, 726
 - techniques, 714
- Purchasing cost, 713
- Push system, 714
- Quality, 93, 304
 - and costs, 470
 - as an organizational culture, 322
 - characteristics of product, 307
 - characteristics of service, 307
 - consumers view of, 206
 - controlling to minimize lost units, 279
 - measuring the cost of, 317
 - production view of, 305
- Quality audit, 326

- Quality continuum, 324
- Quality control (QC), 305
- Quality costs, types of, 314
- Quality goal, 313
- Quality standards, international, 326
- Quality system, 311
- Quantity of production, 220

- Raider, 946
- Ratio
 - contribution margin (CM), 455
 - variable cost (VC), 455
- Real microprofit center, 811, 812
- Realized value approach, 358
- Red-line system, 747
- Regression line, 168
- Reinvestment assumption, 620
- Relationship capital, 21
- Relevance
 - association with decision, 500
 - bearing on the future, 501
 - concept of, 500
 - importance to decision maker, 501
- Relevant costing, 499
- Relevant costs for specific decisions, 504
- Relevant range, 84, 451
- Reporting elements, 60
- Residual income (RI), 874
 - limitations of, 876
- Responsibility, 19
- Responsibility accounting system, 60, 801
- Responsibility center, 806
- Responsibility report, 802
- Restructuring, 766
- Results benchmarking, 309
- Retailers versus manufacturers/service companies, 80
- Return of capital, 606
- Return on capital, 606
- Return on investment (ROI), 869
 - limitations of, 876
- Revenue, 452
 - incremental, 500
- Revenue and limited cost center, 808
- Revenue center, 808
- Risk, 627
 - considerations for globalization, 10
- Risk-adjusted discount rate method, 628
- Robinson-Pattman Act, 463fn, 517

- Safety stock, 745
- Sales budget, 559
- Sales mix, 510
- Sales mix decisions, 510
 - advertising budget changes, 514
 - compensation changes, 513
 - sales price changes and relative profitability of products, 511
- Sales value at split-off allocation, 352
- Scarce resources, 508
- Scrap, 344
 - accounting for, 357
 - in job order costing, 360
- Screening decision, 618
- Securities and Exchange Commission (SEC), 4, 45, 446
- Segment margin, 519, 868fn
- Segment mission, 25
- Selling and administrative budget, 564
- Sensitivity analysis, 629
- Sensor, 44
- Service company, 79
 - manufacturers versus, 80
 - retailers versus, 80
- Service department, 812
 - transfer prices for, 830
- Service department cost allocation, 812, 814
 - illustration, 816
- Service improvement, 311
- Service organizations, joint costs in, 362
- Service quality, characteristics of, 307
- Service time, 134
- Service transfer prices, 830
 - advantages of, 830
 - disadvantages of, 831
- Setup costs, 715
- Sharking, 935
- Short-run changes, incremental analysis for, 461
- Short-term and long-term variable costs, 145
- Short-term financial performance measures, traditional, 866
- Shrinkage, 262
- Simple interest, 634
- Simple regression, 108
- Simplex method, 527
- Simultaneous (concurrent) engineering, 148
- Six-sigma method, 751
- Slack variable, 527
- Small business cash flow, improving, 571
- Society of Management Accountants of Canada, 7, 919
- Special order decision, 510
- Split-off point, 345
- Spoilage
 - abnormal, 277
 - determined at final inspection point in production process, 268
 - determined during production process, 269
 - generally anticipated on all jobs, 276
 - in job order costing, 275
 - specifically identified with a particular job, 276
- Spoiled unit, 263
- Stages of production, 82
- Standard cost card, 386
- Standard cost system, 175, 188, 401
 - development of, 382
 - journal entries, 398
- Standard costing, conversion cost as an element in, 408
- Standard costs, 382
 - job order costing using, 187
 - process costing with, 225
- Standard quantity allowed, 389
- Standards, 405
 - adjusting, 407
 - changes in usage, 406
 - expected, 405
 - ideal, 406
 - labor, 384
 - material, 383
 - overhead, 385
 - practical, 405
- Statement of cash flows, 573, 869
- Statement of FASB No. 14: *Financial Reporting for Segments of a Business Enterprise*, 812fn
- Statement of Position (SOP) 98-2: *Accounting for Costs of Activities of Not-for-Profit Organizations and State and Local Governmental Entities That Include Fund Raising*, 262fn
- Statements on Management Accounting (SMAs), 7
 - No. 1C: *Standards of Ethical Conduct for Management Accountants*, 8
 - No. 2: *Management Accounting Terminology*, 5fn, 92fn, 601, 672
 - No. 2G: *Accounting for Indirect Production Costs*, 96fn
 - No. 4B: *Allocation of Service and Administrative Costs*, 95fn, 813, 815
 - No. 4C: *Definition and Measurement of Direct Labor Cost*, 90fn
 - No. 4J: *Measuring Entity Performance*, 903fn
- Statements, vision and mission, 899
- Statistical process control (SPC), 280, 306
- Step cost, 86
- Step method, 815
 - allocations, 818
- Stock appreciation right, 939
- Stock option, 939
- Stockout, 717
- Strategic alliance, 775
- Strategic cost management (SCM), 321
- Strategic missions, generic, 25
- Strategic resource management (SRM), 26

- Strategy, 17, 21, 52
 alternative, 26
 confrontation, 23, 51
 differentiation, 22
 influences on organizational, 18
 organizational, 16
 Structural capital, 21
 Suboptimization, 800
 Substitute goods, 722
 Subunit, 49
 mission, 933
 Sunk cost, 546, 502
 Supply chain, 27
 management, 731
 Support systems, overriding, 751
 Surplus variable, 527
- Tables, cost, 719
 Takeover, 946
 Target costing, 718, 719
 Tax benefit, 612
 Tax deferral, 945
 Tax exemption, 945
 Tax implications of compensation elements, 942
 Tax Reform Act of 1986, 613
 Tax shield, 612
 Technology, job order costing and, 385
 Theoretical capacity, 99, 992
 use of, 406
 Theory of constraints (TOC), 740
 Third-party logistics, 735
 Throughput, 735, 908
 as a nonfinancial performance measure, 908
 Time horizon, appropriate, 933
 Time line, 603
 Time value of money, 654
 Time-to-market, 55
 Total contribution margin, 446
 Total cost, 83
 Total cost to account for, 226, 228, 231
 Total overhead variance, 396
 Total quality cost, formulas for calculating, 520
 Total quality management (TQM), 151, 310, 406, 470
 Total units accounted for, 227
 Total units to account for, 221, 227
 Total variance, 387
 Trade agreements, 10
 Traditional short-term financial performance measures, 866
 Transfer price, 823
 advantages of service, 830
 cost-based, 824
 disadvantages of service, 851
 for service departments, 830
 in multinational settings, 832
 market-based, 827
 setting service, 830
 Transfer pricing system, 828
 Transfer time, 134
 Two-bin system, 746
 Two-step allocation, 142
- Underapplied overhead, 98
 Unexpired cost, 77
 Unit-level costs, 136
 Units started and completed, 228
 Units
 accounting for lost, 265
 controlling quality to minimize lost, 279
 cost, 85
 defective, 265, 274
 illustrations of lost, 266
 loss of, 262
 spoiled, 263
 types of lost, 263
 Units-of-production method, 85
 Usage, 745
 variance, 388
- Valuation methods, 175
 Value, 507
 Value chain, 27
 important sets of relationship in, 712
 Value chart, 134
 Value engineering, 720
 Value-added, 395
 versus non-value-added activities, 132
 Values statement, 900
 Variable and absorption costing, comparison of, 450
 Variable cost, 84, 825
 modifications to, 826
 Variable cost (VC) ratio, 455
 Variable costing, 445, 444
 illustrations, 446
 model, 445
 Variable costs, 452
 long-term, 146
 short-term and long-term, 145
 Variable overhead, 394
 Variable overhead efficiency variance, 395
 Variable overhead spending variance, 394
 Variables
 dependent, 107
 independent, 108
 slack, 527
 surplus, 527
 Variance analysis, 402
 Variance computations, 387
 material and labor, 389
 Variances, 188
 budget, 397
 controllable, 397
 fixed overhead spending, 395
 interrelationships of overhead, 358
 labor efficiency, 415
 labor mix, 415
 labor rate, 392, 415
 labor yield, 415
 material mix, 413
 material price, 389, 413
 material quantity, 391
 material yield, 413, 414
 mix and yield, 412
 noncontrollable, 395
 overhead, 388, 392
 overhead efficiency, 397
 overhead spending, 397
 price, 408
 total, 387
 total overhead, 396
 under concession approach, 409
 under JIT, 733
 usage, 388
 variable overhead efficiency, 395
 variable overhead spending, 394
 volume, 395
- Vendor certification for JIT manufacturing, 726
 Vendor-managed inventory (VMI), 716
 Vertex, 526
 Vision statement, 899
 Volume variance, 395
- Waste, 344
 Weighted average method, 175, 225, 227
 alternative calculations, 241
 and FIFO process costing methods, 222
 Work in process inventory, 95, 100, 102, 176, 179, 220
 Worker compensation, 938
 Worker pay and performance links, 938
 Workforce diversity, 769
 Working capital, 684
 Workplace, changing, 764
 diverse, 774
 World wide web, 9
- Yield, 414
 Yield variances, 412
- Zero-base budgeting, 688, 689