

Video Transcript

Course Goals and Relevance

Topics

- Financial Accounting course goals
- Relevance of goals to your career

Transcript

This video presents our three goals for the course and explains their relevance to you.

The first goal is to help you acquire a broad conceptual framework for understanding and preparing financial, managerial, and tax reports by gaining a deeper understanding of the Pathways Vision Model.

While we will be focusing on financial accounting, we've already seen the model also applies to managerial accounting. But this framework, which applies to all accounting courses, will serve as a solid foundation for your career.

Our second goal is to help you understand how information about economic activities is measured, recorded, aggregated, reported in financial statements, and affects ratios and other performance metrics you'll work with.

With regards to the Vision Model, this goal is a bottoms-up preparers' perspective, centering on how information about economic activities is transformed into inputs for users' decisions, with the usefulness of this information affected, for better or worse, by accounting judgments. Meeting this goal will help you understand how activities you're involved with on the job affect the ways you, your managers, and your company are evaluated.

The third course goal is to help you become reasonably proficient at using financial statements to make more informed decisions.

Specifically, to help you interpret financial statements and assess their usefulness for your decisions. And, help you use financial statements and related information to qualitatively assess expected future performance.

With regards to the Vision Model, this goal is a top down users' perspective, centering on how users need to understand as much as possible about the accounting decisions and economic activities behind reported information to assess how usefulness it is for their decisions.



Achieving this goal will help you begin to develop a framework for making more informed decisions, including deciding whether to: invest in a company, go work for it, or buy its products.

To summarize, the Pathways Vision Model is going to help us achieve three course goals:

- First, acquire a unified framework
- Second, connect economic activity to performance metrics
- Third, become reasonably proficient at using financials

By now you should have a pretty good understanding of how these goals relate to your career. But there is another way to think about this. If you pursue a career in business, you will be in the model and there is a good chance you will spend significant time in at least two of its elements.

First, regardless of your position, you will be part of a company's economic activity. This means you'll need to understand how activities you are involved with affect performance metrics and their consequences for you; your superiors; and your company. You will also likely have to prepare information that affects these metrics. If so, you're going to be an insider-preparer.

Second, at other times, you will likely be an outsider-user of information in the good decisions element. In particular, others in the company will give you information that affects your decisions. In these situations, you'll need to assess the usefulness of the information you receive for your decisions.

Thus, regardless of your career path, this course will help you become a better preparer and user of financial information.

Hope you're eager to tackle these goals. And, hope you've enjoyed this video. See you in the next one.