

THE ISSUES OF IMPROVING MANAGEMENT ACCOUNTING IN RA MANUFACTURING ORGANIZATIONS

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Abstract

The study of the issues of improving management accounting in RA manufacturing organizations and taking quick steps to solve them became urgent due to the need of developing and implementing effective measures for the renovation of post-war economy of Artsakh and overcoming the economic consequences of the coronavirus.

The article discusses the situation of management accounting in RA manufacturing organizations and the real causes of its slow implementation in details and as a result specific suggestions are made for further improvement and development of this process.

Key words: management accounting, company management, manufacturing organizations, cost price calculation, financial results, analysis, control, scheme of management accounting of an organization, accounting staff, accounting technique, issues of investing management accounting, necessary information.

Introduction

In the current conditions of the post-war recovery of the economy of Artsakh, it is especially important to identify the problems of recording the results of economic activities of manufacturing organizations ensuring accountability and implementing effective measures to solve them.

Solving these pressing and urgent issues requires evaluating the contribution of each production unit to the overall financial results in order to identify control targets and make effective managing decisions.

There is a need to develop a system for improving management accounting which requires deep solutions and non-standard approaches.

Conflict setting

The study of the issues of improving management accounting in RA manufacturing organizations and taking quick steps to solve them have recently become urgent due to the

need of developing and implementing effective measures for the renovation of post-war economy of Artsakh and overcoming the economic consequences of the coronavirus.

In the current situation the managers of the middle and large business and production companies of the Republic of Artsakh have started to take the necessary measures to clarify the directions of further improvement of the management process of the organizations with more interest and attention.

Currently, the need to invest management accounting is largely due to the areas of management of costs and financial results of organizations as a number of issues have arisen and continue to arise in these areas.

It should be noted that the development of measures for the improvement and management of the accounting system at the micro level and the process of their further implementation is complicated in the current situation due to the following reasons.

First, there is a reorientation of the accounting theory and the accumulated experience for solving new problems faced by the management of the organization in case of a dynamic change of profit.

Second, new and non-traditional systems are created for receiving information on expenditures which are invested and adapted for cost calculations, accounting for financial results, analysis, control and making management decisions.

The issues of the selection of accounting staff and the assessment of their qualifications are also important as they are responsible for the introduction and application of managerial accounting in production organizations. The staff must have not only general theoretical knowledge along with practical knowledge but also be able to perceive and realize the current trends in the field of accounting.

In addition, there are difficulties in setting up automated accounting systems, especially in the implementation of software development and presentation of information on revenues, expenditures and other indicators.

Their importance is further enhanced in the context of current developments and introduction of new accounting technologies in the current context of digitalization of the economy.

Let us mention those preconditions, which, in our opinion, are essential for formation and development of managing accountance in the republic:

- Accounting or financial accountance in AR is being restructured directed to the closure to international financial reporting standards and our national standards are already quite corresponding to them.
- International accounting systems distinguish between types of reporting such as financial, administrative and tax. Therefore, when choosing international accounting standards as a direction, one should accept the existence of all three types of accounting.
- The place which the systems of managing accountance and inner control should take is not determined yet in many production organizations.
- Financial accountance is in the stage of significant changes, consequently, accountance and managing accounting can not stay traditional which means that, for example, they relate to the issues of only accounting the expences, cost price accounting and others [1].
- Numerous local and foreign scientists and experts are dealing with the informational support of business entities and very often new trends, names and terms are created which start to be scientifically used. Management accounting has been existed quite long time to be demanded to change in order to correspond to modern demands of business

entities. The changing process creates preconditions in order the management accounting involve all the innovative ideas, concepts and methodologies and improve its structure.

- The basis for creating the system of management accounting is the business process of the organization. It is important that the main objectives and the strategy to reach them should be correctly calculated and to be taken into account during development of management accounting system.

The system of cost classification must be chosen correctly. In order to quickly and effectively regulate the issues of introducing management accounting in organizations, it is necessary to solve some important problems the key solution of which is the development of outlays, accounting charts, documentaty as well as the policy of general management of the organization.

It should be noted that managerial accounting presupposes the application of a set of principles, methods and accounting techniques that meet the professional needs of a managerial accountant.

The slow process of introduction of administrative accounting in the organizations of the Republic of Artsakh is conditioned by a number of problems from which we can distinguish:

- Some companies still have not perceived the advantages of carrying managerial accounting and connect its use with additional administrative expenses,
- The whole attention of manufacturers is directed to pricing based on cost price with total expenses instead of recongizing and practically applying the classification of costs into constant and non constant which has its direct impact on the financial result of the organization,
- The joint methodological base and instructions on introducing and implementing managerial accounting in separate sectors of economy are missing in Artsakh,
- The lack of corresponding staff in organizations mastering the methods of managerial accounting,
- Imperfection of consulting and information systems aimed at the introduction of modern technologies and effective means of production organization in the real sector, especially in medium and small companies,
- Lack of programs of management accounting which improves and gives new opportunities in organizations in the modern market.

The managerial accounting system is formed from numerous processes that can be changed depending on the management objectives and are subjected to certain requirements and principles of management accounting.

The management accounting of any organization can schematically be presented in Fig.1.

Each organization has its own set of goals and objectives for the implementation of which the management of the organization performs the following functions: decision-making, planning, operative management and control over the implementation of planned activities.

Besides the above-mentioned issues related to the introduction of management accounting, each company also faces many other issues such as staff training, conflicts within the staff and resistance to innovation, team building, confirming strong horizontal ties in it and so on.

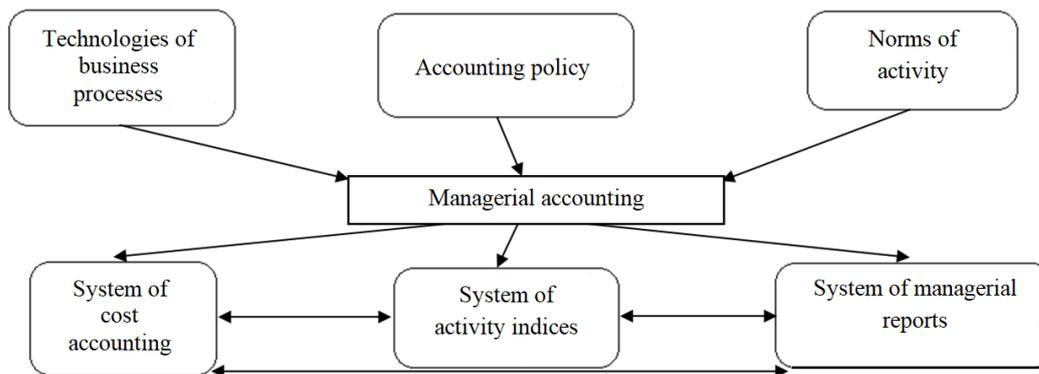


Fig. 1 The scheme of managerial accounting of an organization

In addition, we have underlined still ineffective constructive management of accounting in the organization.

It should be emphasized that any organization can apply the management accounting system based on its goals, policies and development perspectives.

The following conclusions can be made as a result of the assessment and analysis of the impact of management accounting on the activities of organizations:

- First of all, managerial accounting provides managers with all levels of management with the information needed for current planning, control and making operational management decisions;
- The very accounting becomes a means of connection between management levels and structural subdivisions further on;
- Managerial accounting is aimed at coordinating the development of the organization in the future as accounting is constantly carried out to evaluate and analyze the whole activity and results of the entire activity of the organization.

Managerial accounting provides operative information to the administrative apparatus on the activities of structural subdivisions and effective directions of business development. For example, one can determine the financial result, i.e. the profit or loss of this or that factory by analyzing the work of production units and, hence, we can find out the harmful sector and the reasons of its activity and then decide whether to stop its activity or to develop a program for eliminating the financial issues. Particularly it is necessary to develop effective measures to reduce the expenses and to develop motivation system for the staff of organization [2].

In the modern market economy, unlike other types of accounting, managerial accounting is the most comprehensive and fundamental in management activities, i.e. it is the main strategy and tactics without which no modern company can operate effectively [3].

Hence, we suggest introducing managerial accounting in those productions of Artsakh where still no managerial accounting is applied in this way:

- 1) To establish a working group with the participation of the specialists of organization and external consultants who will be engaged in the implementation of managerial accounting;
- 2) To implement proper separation of responsibility and cost centers within the organization;
- 3) To develop a regulation on management accounting in the organization and take measures for its implementation;
- 4) To carry accounting policy for managerial accounting objectives;

- 5) To develop certain forms of reports of managerial accounting which will meet the informational needs of governing body of the organization;
- 6) To implement measures for teaching the staff;
- 7) To introduce a unified information and computer system within the organization as a result of which all business processes will be documented, a unified information system will be created inside the organization where each employee will be able to receive the necessary information in time;
- 8) To introduce modern and improving management accounting programs available in current market which provide new opportunities in production organizations allowing to easily and quickly compile managerial reports such as product release newsletters on movements of material value and material costs etc.

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ԿԱՌԱՎԱՐՉԱԿԱՆ ՀԱՇՎԱՌՄԱՆ ԲԱՐԵԼԱՎՄԱՆ ՀԻՄՆԱԽՆԴԻՐՆԵՐԸ ԱՎ ԱՐՏԱԴՐԱԿԱՆ ԿԱԶՄԱԿԵՐՊՈՒԹՅՈՒՆՆԵՐՈՒՄ

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Արցախի տնտեսության հետպատերազմյան վերականգնման և կորոնավիրուսի տնտեսական հետևանքների հաղթահարման արդյունավետ միջոցների մշակման ու ներդրման անհրաժեշտությամբ պայմանավորված հրատապություն է ձեռք բերել հանրապետության արտադրական կազմակերպություններում կառավարչական

հաշվառման բարելավման հիմնախնդիրների ուսումնասիրության և դրանց լուծման համար անհետաձգելի քայլերի իրականացման կազմակերպումը:

Հոդվածում հանգամանորեն քննարկվում են ԱՀ արտադրական կազմակերպություններում կառավարչական հաշվառման դրվածքը, վեր են հանվում դրա դանդաղ ներդրման պատճարներն և արվում են կոնկրետ առաջարկություններ այդ գործընթացի հետագա բարելավման ու կատարելագործման համար:

Բանալի բառեր. Կառավարչական հաշվառում, կազմակերպության կառավարում, արտադրական կազմակերպություններ, ինքնարժեքի կալկուլյացիա, ֆինանսական արդյունքներ, վերլուծություն, վերահսկողություն, կազմակերպության կառավարչական հաշվառման սխեմա, հաշվառման ոլորտի կադրեր, հաշվապահական տեխնիկա, կառավարչական հաշվառման ներդրման խնդիրներ, անհրաժեշտ տեղեկատվություն:

ПРОБЛЕМЫ СОВЕРШЕНСТВОВАНИЯ УПРАВЛЕНЧЕСКОГО УЧЕТА В ПРОИЗВОДСТВЕННЫХ ОРГАНИЗАЦИЯХ РЕСПУБЛИКИ АРЦАХ

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В связи с необходимостью разработки и реализации эффективных мер по послевоенному восстановлению экономики Арцаха и экономических последствий преодоления экономических последствий коронавируса актуальным стало изучение проблем совершенствования бухгалтерского учета в производственных организациях республики, и принять срочные меры для их решения.

В статье подробно рассматривается положение управленческого учета в производственных организациях Республики Арцах, раскрываются причины медленного его внедрения, вносятся конкретные предложения по дальнейшему совершенствованию и совершенствованию этого процесса.

Ключевые слова: Управленческий учет, управление организацией, производственные предприятия, расчет затрат, финансовые результаты, анализ, контроль, схема управленческого учета организации, учет персонала, бухгалтерское оборудование, проблемы внедрения управленческого учета, необходимая информация.

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