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Budgeting As A Tool Of Management Of Agricultural Enterprises.

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ABSTRACT

The timeliness of the article is due to an increase in the number of challenges of the domestic economy, which requires decisive and qualitative changes in the management tools used by the enterprises of agro-industrial complex aimed at timely identifying risks, increasing executive discipline, reducing non-core workload of the employees, eliminating excessive control over the activities of workers, which blocks the creative component of their activities, which is proportional to their efficient indicators. The subject of the research is a set of theoretical, methodical and methodological aspects of budgeting and the features of its organizational and functional processes in commercial organizations of the agro-industrial complex. As an object of the research, the relations arising in the agro-industrial complex of Russia were determined. In-depth studies were conducted on the examples of intra-company coordination of individual economic entities. The article reveals the author's view on budgeting and the approach to the introduction of budget forms in the activity of commercial organizations of the agro-industrial complex; conceptual vision of the method of rational resource planning of the enterprises of the agro-industrial complex and the mechanism for forming a system of motivation of the staff of a commercial unit in the process of budgeting; describes the author's opinion on the conceptual approach to the improvement of traditional technologies of the management system of integrated entities of the agro-industrial complex and methods of organizational and functional planning of business processes of the enterprises and integrated units of the agro-industrial complex.

Keywords: budgeting, resource planning, enterprise management system, management accounting, ERP-system.

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INTRODUCTION

Budgeting as a tool for managing enterprises of the agro-industrial complex, in the opinion of the author of the article, is an extensive technology of managing economic entities based on the development, monitoring of execution and analysis of deviations of budget indicators (both cost and in-kind) from actual ones by financial responsibility centers (or other generalizing structures of subject) created in order to successfully implement the chosen strategy of the company.

The author's understanding is based on the basis of the enfilade principle, namely the interconnection of methodological approaches of scientific knowledge (system, structural, functional, process) one after another when analyzing the existing systems and technologies for managing economic subjects [10].

MATERIALS AND METHODS

It seems that an effective management decision requires the achievement of a synergistic effect of such technologies as management accounting, budgeting, a balanced scorecard in a single information space, which becomes possible in the existing realities and capabilities of information systems.

Budgeting is a continuous process and is systemic. In this case, the cycle of enterprise management should be continuous and complete. Mandatory stages of the management cycle, according to the author, are 1. Reengineering of business processes; 2. Preparation of the budget model; 3. Approval of budgets; 4. Execution and control; 5. Analysis of deviations; 6. Analysis of critical success factors; 7. Adjustment of strategic goals. The small cycle is due to short and medium-term planning, large - long-term [10].

The set of budget forms depends on the size of the business, the number of departments and the need for the depth of analytical immersion of top managers of the market entity.

The optimal set of "operational (functional)" budgets for small and medium-sized forms of commercial organizations are: the budget for the procurement of raw materials and materials, the budget for direct labor costs, the budget for commercial expenses, the budget for sales, the budget for tax payments, the budget for management expenses; a "financial": cost budget, cash flow budget (CFB), income and expenditure budget (IEB), balance sheet budget (BSB) or forecast balance, investment budget, credit schedule.

The development of science is closely related to the information technology of accounting, analytical and technological processes, the integration of which is reflected in ERP systems. ERP systems (Enterprise Resource Planning, enterprise resource planning) - an organizational strategy for the integration of production and operations, human resource management, financial management and asset management, focused on continuous balancing and optimization of enterprise resources through a specialized integrated application software package that provides a common data model and processes for all areas of activity. ERP-system - a specific software package that implements the strategy of ERP.

Every day, top managers are faced with a shortage of operational information, namely, data: on stocks in the warehouses and goods shipped, on production volume and defects in it, on contracted products (quantity, amount, delivery dates, information on the progress of the order, fines as a result of deadlines, etc.), on pre-orders of the commercial service, on economic efficiency in the context of existing projects, etc. ; which sometimes leads to serious consequences and such difficulties in management as cash gaps and loss of liquidity.

Thus, in the course of the study it was revealed that the management system of commercial organizations in modern conditions should cover the entire process of accompanying the buyer (customer), that is, from the receipt of a preliminary order (coordination of terms, volumes, prices) to its completion (signing of acts overheads and shipments), resulting in a methodical approach to the planning of the production program in combination with a business development strategy, which allows for many component factors of the model track the sequential order movement ("step by step") across all business processes, and in case of non-fulfillment (for example, deadlines) it is easy to understand where the "failed" and who is responsible for it (Fig. 1) [9].

For employees whose care will result in the loss of real or hidden profits of a commercial organization, it is possible to apply such motivational techniques as: a bonus "for service and fidelity", additional payments in the form of a percentage of the profits of the enterprise; transfer of ownership of a share in a company with a strictly regulated way to achieve it. When an employee sees care of himself, and most importantly, he understands what is required of him to increase the level of wages and raise his status - all this will lead to an increase in the efficiency of both a particular employee and a commercial organization as a whole.

To a different number of workers should also develop unique working conditions, in particular, moral motivation. This approach implies the use of traditional methods: 1) a manager is an example for a subordinate, 2) each employee is an important and indispensable component of a large mechanism for creating a new product, 3) healthy competition between and within departments of a commercial organization.

The PFP system allows employees to look at the workflow from a new angle, which will contribute to the development of staff and the company, and will help to avoid "rebel" sentiments in difficult times for the company.

This system of motivation, combined with budgeting technology and the cycle of "business process re-engineering", will allow an economic entity to redirect the business direction of a commercial structure to changes in external factors that are difficult to predict, thereby improving the "maneuverability" of a commercial organization.

"Business Process Reengineering" is a fundamental rethinking and redesign of organizational processes to achieve dramatic, step-wise improvements in the company's core performance indicators, such as product cost, quality, service, and production growth rates.

In the face of uncertainty, it is extremely important to understand the real state of affairs in a commercial organization. Objective reflection of all accounting and analytical data is reflected in such reporting form as the balance sheet, which with the help of additional reports (cash flow, profit and loss, CFB, IEF, the dynamics of revenues and sales, as well as cash expenditure in the form of cash flow, etc.) allows the top manager to evaluate and understand all the intricacies of the "vital activity" of the analyzed business project.

Currently, in accounting and financial accounting, the principle of constructing these relationships has been found and is widely known, which consists of the double entry and correspondence of accounting accounts.

In view of the presented approach that budgeting technology is capable and should be based on the correspondence of the accounting accounts, budgets developed for the specifics of the commercial structure will automatically rely on the company's strategy, technological capabilities of production assets, human potential, etc. At the same time, it is important to emphasize that this kind of system needs additional checks, for example, the procurement budget cannot be formed without checking the stocks in the warehouses, and the stocks in the warehouses should belong to the order, which in turn should be at least promoted if otherwise provided by the contract, which must also be assigned to the production order (event). To improve the reliability of data at the time of the report, the system should notify about the existence of existing violations in the intra-company information array. Such procedures should be regulated during the implementation of the above recommendations in practice.

There are various approaches to the algorithm for constructing a budget for a balance sheet and management balance. Among the traditional in the course of their study, the author singled out two fundamental ones: 1) through a system of codes that are assigned by each emerging operation in the process of "vital activity" of the commercial structure of the AIC; 2) through budget lines and the budget system, the final form of which should be the management balance.

As an innovative look at the management system, the author suggests applying the agglomeration approach in relation to such management system tools (MST) as: management accounting, budgeting, balanced scorecard; namely, combining them in a single information space - an ERP system with a clear access

control on the basis of the CRM model, which will make it possible to establish new causal relationships between designated management technologies, without violating their basic principles and essence.

Thus, it becomes possible to increase the effectiveness of existing management systems as a result of obtaining better and more timely information, as well as saving resources, in particular, reducing labor intensity will lead to staff optimization, which in turn will lead to a decrease in the payroll (or increase in wages). Employee fees), software licensing costs and equipment jobs.

The important point is the differentiation of access to the volume and completeness of data in the intra-company information array (ICIA) for economic security, while maintaining the basic assumption of the CRM model (English Customer Relationship Management - customer relationship management) stages of the order.

The author of the article believes that the commercial service manager may be responsible for the order of the buyer, in connection with which he will be granted special rights to access the information and analytical database in the specified ERP system, whereby there is an opportunity to “accompany the client” at all stages of the execution of contractual commitments. The agreed forms of the necessary documents for the shipment of marketable products are possible to be added to the ERP system, as a result, at the stage of completion of the order there will be no additional labor and errors.

The concept of interconnection of budgeting technology and accounting system of accounts, as well as the principle of generating reports of in-depth analytics, is reflected in Figure 2.

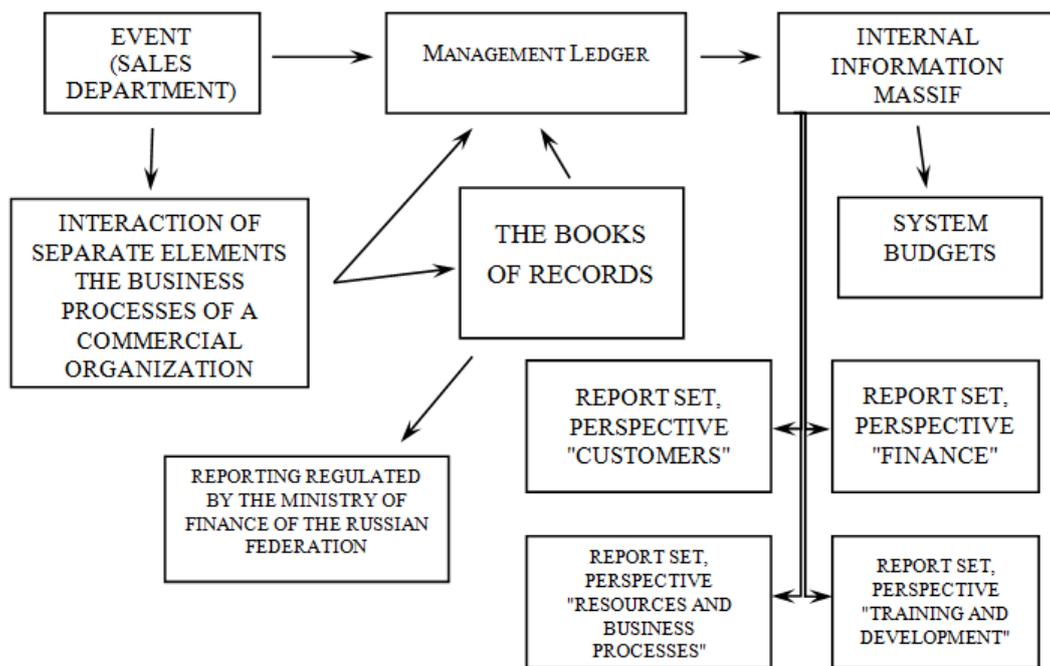


Figure 2: Algorithm for building reports depth analysis

By “in-depth analytics,” the author of the article means the disclosure of detailed information about the business entity as a whole. The management of the company in real time needs an objective view of the margin and profitability of projects (in particular, the products produced); the structure of existing and potential orders; registry of payments and receipts; the structure of the state (including in terms of: fixed and variable costs, dismissed and admitted to the state, etc. for the qualification categories of employees); cost structure for innovation in production and staff training; etc. [8].

RESULTS AND DISCUSSION

Conducted research in search of a complex solution allowed the author of the article to form an algorithm of sequential actions necessary in the process of implementing a modern management system adapted to the specifics of the industry (Table 1) [11].

Table 1: Algorithm for the introduction of technology budgeting in commercial structures of the agro-industrial complex

Event	Recommendations
Systematization and generalization of theoretical positions	The system of budgets of an economic entity in view of the characteristics of existing branches of the agro-industrial complex has differences. The use of forms and classification developed by the author is proposed as a basic structure.
Selection of calculation methods and management accounting systems	The author discloses the content of the main management accounting systems, among which the most interesting is the “direct costing” system.
Search and development of a modern accounting and analysis system	ERP-systems allow achieving a synergistic effect of modern developments in the information and technological sphere.
The approbation of accounting and analytical system	For successful implementation, it is necessary to build relationships and motivate employees of the market entity. The solution in this area is the PFP (Pay for Performance) system.
Effectiveness evaluation of the activities carried out	A plan-factual analysis of budget indicators will facilitate the rapid adoption of quality decisions, increasing the efficiency of managing a commercial organization.

Budgeting, in the opinion of the author, is a technology that allows you to understand what is happening with business at all levels and in all areas of a commercial organization, at any time and at any stage of the financial and economic life of a market entity.

Rationally constructed interrelations of budgeting technology and accounting system will eliminate potential data distortion and increase the efficiency of information support.

Through the information entered by the manager, requests are automatically sent to all the services of the enterprise, which makes it possible to start the budgeting technology: a production plan for the production of the company's products for the upcoming period is formed in the production unit; in the purchasing department, a natural and value plan for the acquisition of materials and components is being developed. On the basis of the data obtained, requests are made to the monthly budget committee. It is important to note that when forming a plan for the manufacture of manufactured products of an enterprise, its production capacity is taken into account.

The budget of the balance sheet and the forecast balance contain the final information of the financial and economic activities of a commercial organization, and therefore reflects the actual data of all budget forms. This information is represented by the facts of the financial and economic life of a commercial organization and its counterparties; therefore, each transaction has a corresponding correspondence. In view of the presented approach to the fact that the technology of budget management is capable and should be based on the correspondence of the accounts, budgets developed for the specifics of the commercial structure will automatically rely on the company's strategy, technological capabilities of production assets, human potential, etc.

It should be noted that the algorithm for constructing a budget for the balance sheet and management balance is based on the management accounting system of a commercial organization through accounting accounts and cash flow items of the budget system.

The budget committee in such a system becomes more productive since it is possible to adjust the applications (dates, amounts, volumes) while preserving the history of changes and promptly conducting data on all forms.

It is more convenient for the head of the purchasing department to negotiate and find the best ways to cooperate with suppliers when he has operational information about the resources of the enterprise he is interested in. Checks may be included in the program for stock balances to eliminate the possibility of erroneous purchases of duplicate items or those already in stock.

Thus, the planning and accounting process in a modernized IT product, according to the author's proposals, can be fully automated, so the head of the warehouse logistics department only needs to periodically take an inventory to eliminate potential ERP system errors.

Based on the materials and techniques presented in this article, a model can be developed that allows the organizational design of the functioning of business processes of enterprises.

CONCLUSION

Budgeting personifies all the processes of financial and economic activities of a commercial organization and regulates the actions of its existing services and departments. Relationships in budgeting technology are similar to the work of a living organism system, and all information about a business entity is able to accumulate on accounts and subaccounts of the accounting system. In this context, management accounting is an informational support, namely, it reflects data on the facts of the company's economic life. The budgeting technology, in the opinion of the author of the article, is identified with the term "budget management", which includes: planning, performance control and accounting (using accounting), analysis of the implementation of approved budget indicators and the resulting deviations. Such an approach to the management of enterprises of the agro-industrial complex and the business processes existing in them allows us to rely on the possibilities of production, human capital and, in general, the resources of an economic entity, which can significantly affect the results of planning and forecasting. The implementation of the above approach in practical activities is possible only if the unity of the information space and coherence in the budgeting technology is observed, which in turn becomes possible as a result of the synergies of the existing systems (management accounting, budgeting, balanced scorecard) and modern automation tools (the deepest analytical immersion without additional labor costs of the organization's personnel (burdening the accounting department)).

Based on the scientific achievements of domestic and foreign economists, as well as experience gained in practice, the author used the basics of the previously stated principle of causal relationships, which consists of double-entry and correspondence of accounting accounts, when building business models of the studied commercial structures of the agro-industrial complex. Thus, when planning and developing the accounting component of budget indicators, a methodology can be developed to adapt the well-known and previously disclosed tools of the company's management system into a single integrated system, which allows:

- plan and predict the company's activities (in the short, medium and long-term; with the possibility of outputting a pessimistic and optimistic model),
- promptly reflect the facts of the economic life of the market entity (for which management accounting is aimed) and form traditional forms of financial accounting reporting (for which budgeting is directed),
- to generate additional analytical reports on the activities of a commercial organization, which became possible with immersion in the entire depth and breadth of the company's business processes and additional information from the internal corporate data file.

The efficiency of data reflection in the generated analytical reports of the described complex system is justified by the fact that the buyer's application (the generated order for the types of products produced (services rendered)) is determined (specified) once, but is carried out by an IT product (ERP system adapted to the specifics of commercial organizations agro-industrial complex) in several iterations.

The approach outlined in this article to the combination of modern business management tools through synergistic effect contributes to the efficiency of commercial organizations of the agro-industrial complex.

The practical significance of the author's proposals contained in the article is that they allow to adopt the traditional tools of a commercial organization management system to the economic environment and contribute to the effective use of budgeting technology as a tool for managing enterprises of the agro-industrial complex. In addition, the method of rational resource planning of a commercial organization covers the entire process of customer support and allows you to track the status of a production order at all stages of its execution "from the moment of receiving a preliminary order to its completion."

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