

The Cost Of Forming A Management Account In Business Entities

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Abstract

In this article, the importance and necessity of quick decision-making in management to ensure the economic stability of economic entities, including analyzes of approaches aimed at revealing the content and essence of management accounting, specific measures aimed at finding solutions to existing problems in the field and preventing them, scientific proposal and We have developed recommendations.

As a result of the low efficiency of financial and economic growth in any economic entities, the level of importance of trust in management and financial reports of attracted foreign investors decreases. These negative conditions cause the implementation of future strategic development plans to be at great risk.

If we look at the economy of stable and developed countries, it can be observed that economic stability is ensured due to quick strategic and tactical decision-making in order to make economic entities competitive. It should be noted that it is very difficult for business entities engaged in any production activity to achieve efficiency in development if they do not systematically consider the possibilities of reducing the cost of their products along with the proper organization of their management account. Based on the above, it is urgent to develop systematic proposals aimed at solving the existing problems in order to ensure the achievement of the goals, the essence and importance of the management account, tasks, organization of the management account.

KEYWORDS: Management accounting, calculation, investment, cost, output, strategic decisions, cost, management decisions, investment projects, spending.

INTRODUCTION. Today, in our country, great attention is paid to ensuring the financial stability of business entities. It is necessary to recognize that strategic and speedy decision-making in management is based on rapid exchange of information as the main factor for achieving efficiency in the activities of economic entities. Today, the effective organization of the management account is of great importance for business entities to achieve their strategic goals. In order to give a correct assessment of the nature of management accounting, it is an urgent issue to thoroughly analyze the issue of classification of expenses and form an objective opinion on its place in management accounting. In the course of our research, we set as one of our main goals the study of existing problems in the effective organization of management accounting and the development of systematic solutions and approaches to them.

The study of "cost classification" can be included among the above existing problems. There are problems with the use of economic terms in "accounting" and all relationships related to accounting. Some terms include "cost", "expenditure" and "cost". A.Kh.Pardaev, Z.A.Pardaeva, A.A.Karimov, A.A.Avlokhulov, among the scientists of our country, have focused on the use of these terms from the economic point of view in their research. However, since the approaches of our scientists have not been studied in depth from a theoretical point of view, there are different relationships. That is why it is important for us to apply "cost classification" and research is urgent.

Decrees and Decisions are being adopted by the government of our country in order to systematically solve some existing problems in the field. In particular, the Resolution of the President of the Republic of Uzbekistan dated February 24, 2021 No. PQ-4611 "On additional measures for the transition to international standards of financial reporting", the President of the Republic of Uzbekistan dated February 7, 2017 "On the Strategy of Actions for the

further development of the Republic of Uzbekistan in 2017-2021 "Decree No. PF-4947 and the Development Strategy for the Development of the Republic of Uzbekistan for 2022-2026 were adopted as a logical continuation of these works. [1,2]. Also, the Resolution of the President of the Republic of Uzbekistan dated February 24, 2021 No. PQ-4611 "On additional measures for the transition to international standards of financial reporting" defined measures to further improve the reforms being carried out in our country. For the development of production activity, it is important that business entities organize effective management accounting and set up cost accounting correctly.

LITERATURE ANALYSIS AND METHODOLOGY. It is significant that many foreign and our country's research scientists have conducted many studies in the development of management accounting. As a result of the conducted research, the essence, purpose and tasks of management accounting are clarified and enriched based on existing approaches. The main purpose of research is to further develop management accounting in the future, to develop solutions, suggestions and recommendations to existing problems. The most popularized approaches aimed at revealing the essence of management accounting are presented in the works of foreign research scientists M.A.Vakhrushina, N.P.Kondrakov, M.A.Ivanova and others. "Goals of management accounting": - Providing managers with information to make quick management decisions; - Controlling, planning and forecasting the economic efficiency of the enterprise and its centers of responsibility; - Creating a database for pricing; - Researcher M.A.Vakhrushina expressed her views on choosing more effective ways of enterprise development. [3] In this approach of the author: management accounting is intended for the purposes of management of the economic entity; orientation of information supply to the management of enterprise divisions; stated that it includes only a focus on the preparation of quick decisions. Researchers, N.P.Kondrakov and M.A.Ivanova, cite eight tasks in their vision [4]. These tasks include: taking into account the amount and movement of material, financial and labor resources and providing information on them to managers; calculation of certain indicators, etc.

It should be recognized that scientists of our country have also conducted scientific researches in various aspects. One of these aspects is the classification of expenses. Our scientists tried to clarify the essence of some economic terms that we use. Among our scientists, the scientific researches of A.H.Pardaev, Z.A.Pardaeva, M.B.Kalonov, A.A.Karimov, A.Z.Avlokhulov and U.U.Kostaev should be recognized.

In the textbook dedicated to "Management accounting" co-authored by A.H.Pardaev and Z.A.Pardaeva, one of the scientists of our country, all directions related to the organization of management accounting are covered. In addition, A.H.Pardaev, U.U.Kostaev, and Z.A.Pardaeva covered the issues of improving cost efficiency in their research. [5,6]. A.A.Karimov's monograph entitled "Accounting and Audit in the Corporate Management System" covers the directions of effective organization of the corporate management system. The research of the researcher M.B.Kalonov is focused on the issues of "Improving the methodology of accounting and analysis of income and expenses in enterprises" [7]. The fact that the above-mentioned classification of expenses does not dwell on the essence does not allow us to get enough information. A.Z.Avlokhulov conducted scientific research on "Improving the methodology of accounting and auditing of financial results" [8]. In the work, the researcher has shown the spheres of application of output, expenditure and cost categories in a scientifically reasonable manner.

The analysis of the above approaches shows that defining the essence of the terms was carried out by scientists to raise the problem. There are different approaches to classifying costs, which have different grouping methods. In the financial account, information about the total volume of expenses for the economic entity is formed. In this regard, the costs are usually: costs of the main type of activity; operating expenses; non-realization costs; expenses for other activities; expenses are divided into types by elements. In many ways, making effective management decisions mainly depends on the provision of reliable information, and ensuring the accuracy and speed of information is the most urgent issue. Many foreign research scientists have conducted scientific research and achieved effective results in order to find systematic solutions to existing problems. [9,10,11].

RESULTS. In the course of our research, we studied and analyzed the scientific works of researchers who carried out systematic work on solving the problems of management accounting, and achieved the following results:

The first result - based on the scope of goals and tasks of management accounting, we offer the following author's definition of management accounting: Management accounting is an information system that provides the collection, measurement, systematization, analysis and transfer of operational data necessary for the systematic adoption of tactical and strategic management decisions in order to manage the activities of economic entities and its departments in order to achieve operational goals and competitive advantages.

The second result - the analysis of the approaches to the classification of costs showed that they use different symbols for their classification and, accordingly, offer different options, that is, different levels of classification are

recommended. At the same time, it should be recognized that if the costs are classified by taking one criterion as a categorical indicator, the directions of application of the obtained data will not be very effective, as a result, we believe that it is more suitable for use in theory than in practice.

The third result - the generalization of feedback from the results of our research - is achieved through analysis. We believe that the determination of the essence of the terms was carried out by scientists only to raise the problem.

Fourth result - in order to effectively organize and maintain the management account, we recommend the classification of expenses according to two categories (Fig. 1).

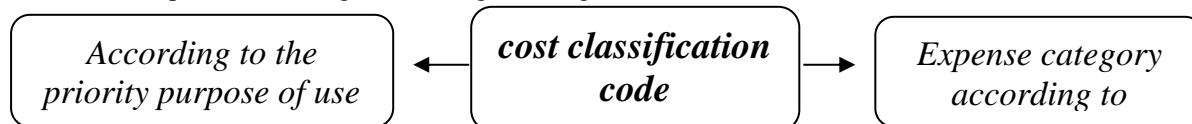


Figure 1. Implementation of the classification of costs according to two categorical symbols ¹

Separation of groups of expenses according to the priority purpose of use is not strictly carried out. The division of costs into variable and fixed costs is important not only for management decisions, but also for cost calculation in the "direct costing" system.

It was concluded that in the diametrical change of the external environment of economic entities, emphasis should be placed on maintaining competitive advantages. It is recognized that the direct relationship of the management accounting methodology to the goal set by the management should be accepted as a basic rule.

DISCUSSION. We would like to present below a comparative analysis of the existing approaches of our foreign and local scientists.

Research scientist M.A.Vakhrushina "Management accounting is intended for the purposes of management of an economic entity; orientation of information supply to the management of enterprise divisions; it is stated that it includes only the orientation to the preparation of quick decisions. Researcher N.P.Kondrakov and M.A.Ivanova "Considering the amount and movement of material, financial and labor resources and providing information to managers about them; they bring tasks such as the calculation of certain indicators and the implementation of others. These approaches are important because they serve to reveal the content and essence of management accounting. However, in our opinion, in today's rapidly developing economy, it is appropriate for management accounting to focus on strategic goals. Therefore, we propose the following author's definition of management accounting based on the goals and objectives of management accounting: Management accounting is an information system that provides the collection, measurement, systematization, analysis and transfer of operational data necessary for the systematic adoption of tactical and strategic management decisions in order to manage the activities of economic entities and its departments in order to achieve operational goals and competitive advantages. In our opinion, the above definition of management accounting serves to reveal the essence of management accounting more perfectly.

The terms "costs", "expenses", "expenditure" are used as synonyms in the rules of accounting, as well as in the regulatory documents defining the financial account, research scientist A.Z. Avlokhulov has shown the scope of application of the terms in a scientifically reasonable way. A.Kh.Pardaev, U.U.Kostaev, Z.A.Pardaeva have also highlighted "issues of improving effective cost management" in their research. Summarizing the above opinions and analyzing the interpretations of representatives of other scientific schools in this regard, it shows that defining the essence of the terms was carried out by scientists to raise the problem. Summarizing the above opinions and analyzing the interpretations of representatives of other scientific schools in this regard, it shows that defining the essence of the terms was carried out by scientists to raise the problem.

CONCLUSION. Summarizing all of our opinions above, we came to the following conclusions regarding the effective organization of management accounting and revealing its essence:

1. On the basis of analytical study and critical approach, it was proposed to state the purpose of management accounting in the following way: "the formation of relevant information for effective business management is the main purpose of management accounting. It was proposed to express it as follows: formation of relevant information for effective business management is the main goal of management accounting.

This approach serves to organize management accounting with a basic understanding.

2. Based on the scope of goals and tasks, the following author's definition of management accounting is proposed: "Management accounting is an information system that provides collection, measurement, systematization, analysis and transmission of operational data necessary for making tactical and strategic management decisions in a systematic manner in order to manage the activities of economic entities and its departments in order to achieve operational goals and competitive advantages" is enough. It is this approach that is important in making a correct assessment of the nature of management accounting.

3. During our research, we conducted an analysis of existing problems. However, at the same time, no clear solution was found to the existing problem of using the terms "expenses", "costs", "costs" as synonyms for the purpose of effective management accounting. Therefore, it is appropriate to use these terms as synonyms for now. However, our research into the essence of these terms will continue.

4. In order to effectively organize and maintain management accounting, we recommended the classification of expenses according to two categories: according to the priority purpose of use and according to the category of expenses.

5. In order to organize the essence of expenses, we suggest to pay attention to three criteria when classifying expenses:

- depending on the period of transfer to the benefit of the economic entity (product production costs; period costs);
- depending on the volume of production (variable; fixed);
- depending on the method of inclusion in the cost (direct; indirect).

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