

## Theoretical and Methodological Asymmetry of Development of Management Accounting in Russia

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**Abstract:** This study reflects the results of reconsideration of scientific views and searches of new approaches in modern interpretation of development of management accounting methodology. The main conclusion is the fact that development of general concept of long-term development of perspective scientific researches in the sphere of management accounting, directed at provision of management systems of Russian companies with key types of economic activities, may become not only key impulse for depolarization of scientific views and basic element of system of their coordination but also will provide scientific support of applied value. Basing on assessment of key parameters of reformation of accounting in Russia against the background of adoption of informational and communicative technologies into real sector of economy, we suggest the solution for a range of applied tasks, aimed at effective application of technical and technological achievements in the sphere of automatization of management accounting and elimination of theoretical and methodological asymmetry of scientific thoughts' development in this sphere of investigations.

**Key words:** Automatization, depolarization of scientific views, informational space, concept of development, management, software, management accounting

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### INTRODUCTION

Increasing competitive struggle for consumers led to promotion of Russian companies' work, directed at detection of possible ways to increase efficiency of economic activity which in its turn conditions the need in on-stream management. Particular topicality is manifested in the problem of modern management of Russian companies which is connected with achievement of planned economic indicators of business activity and which is conditioned by defects of organization of cost management. Development of modern tools of on-stream management requires scientists' focusing on investigation of theoretical and methodological ideas of management accounting. Formation of effective system of strategic management requires reconsideration of theoretical and methodological bases of management accounting in modern interpretation.

### MATERIALS AND METHODS

Development of management accounting theory in Russia by means of outsized empirical ideas about management accounting is the reason why, there are contradictions between the vastness of empirical researches and insufficient profundity of knowledge.

Managers of Russian business note the difficulty of obtaining timely and necessary economic information which points at insufficient knowledge of applied role of performed scientific researches in the sphere of theory and methodology of management accounting.

Reconsideration of tasks and results of theoretical and methodological development of management accounting in applied concept would allow adapting and optimizing its methodology from perspective of practicability and rationality for modern users as well as to increase efficiency of its adoption for the aims of business management.

Chaotic condition of scientific researches in the sphere of management accounting leads to the thought about the necessity of defining their development trajectory which would be consistent with the needs of modern Russian business.

In market economy the foremost are consumers' interests, thus, the process of logical connection of scientific researches and their result with informational technologies should be based on economic rationality and users' interests by means of widening the following key tasks setting tasks of programming for automation of management accounting according to spheres of economy at the level of main types of economic activities; development of simulated algorithm and objects of programming; interpretation of results.

**Table 1: Prerequisites for formation of modern accounting model**

Prerequisites	Accounting model
Social and economic prerequisites	Globalization of world economic and informational space; structural changes in business organization; formation of client-oriented economy; innovational approaches to management; marketing strategy of customer retention
Technological prerequisites	Development of informational technologies (electronic data processing, net technologies, internet, open specifications, corporate databases, SAAS technologies, BMS technologies)
General scientific prerequisites	Formation of "universal evolutionism" philosophy; concepts of "institutionalism" and "rational agents" in economic theory; occurrence of new sciences which describe behavior of complex systems (synergetics, cybernetics, theory of systems, management theory, theory of artificial intellect); mathematization of economic knowledge; project method of scientific researches
Theoretical and methodological prerequisites	Modeling as a scientific method of accounting; standardization and unification of accounting principles; formation of new types of accounting (management, social, macroeconomic, ecologic ones etc.); international exchange in the sphere of accounting theory and practice; application of specialized software for needs of management

As Sidorova (2013) notes, in conditions of global information system development, two bidirectional processes are actively developing search for unified principles of accounting and differentiation of accounting systems (Castells, 2000). In scientific research, dedicated to investigation of integration model of various accounting subsystems into unified informational space, the author opens the content of modern approach to building accounting records' model which was called integrational and technological one (Kolvakh and Kalmykova, 2008).

This approach is directed at formation of unified informational space of the company on the base of application of modern informational technologies. In the course of studying results of application of historical-evolutional approach to investigation of tasks, being solved in modern management systems, presented in scientific research of Sidorova (2013), it should be noted that detected preconditions of development of accounting models do not fully consider modern condition of informational technologies, particularly, SAAS-technology, BMS-technology as well as specialized software for needs of management. In this connection, at Table 1: we present an updated list of prerequisites of development of accounting models.

Scientists' attention should be drawn to results of their researches which form and develop methodology of management accounting which eventually may be used in practice for creation of specialized programs of accounting automatization. At the same time, researches should consider industrial specialization of management accounting.

It is evident that if scientists are distracted from modern business needs in management in the process of their researches, it is natural that they do not get a clear vision of requirements to automated program product and methodology that should be implemented in it. The main thing is getting understanding that methodology, integrated in the program, should correspond business needs in management and formation of excessive information often leads to complication of accounting system and fall in rationalization of its organization.

Automation of management accounting starts from technical task which should be clearly defined and this requires high quality of its development as well as testing methodology and regulations of accounting and analytical procedures. In the process of testing methodology and regulations of accounting and analytical procedures, one should collect a large amount of information non-automatically as well as to process it.

Russian market of computer programs aimed for budgeting and management accounting contains a wide range of various informational products, the majority of which are designed as a constructor which allows making necessary adjustments for particular company. However, program's reconfiguration requires a lot of time and there is risk of adaptation, i.e., after spending money at program's adaptation, one may find out that its model doesn't correspond to client's needs.

Content of forms of management accounting is regulated by informational needs of company's management, that is why, modern system of management accounting's automation requires formalization and structuration of business processes which eventually would allow considering informational needs of various subdivisions of the company, avoiding duplication of inputting information into the system. Thus, complex automation of management accounting gets a priority in comparison with fragmentary automation of particular business processes (Fig. 1).

Application of program software of management accounting's automation should be compensated with practical need and economic efficiency. Currently, Russian market of automation programs accounts with hundreds of program products, implementation and usage of which is complicated by hardware and subscriber maintenance.

As a result, we observe significant increase in business' expenses at organization and keeping management accounting, which impedes distribution of automated form of management accounting. These defects of modern software are conditioned by the

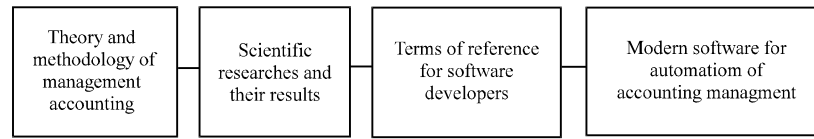


Fig. 1: Scheme of logical connection of results of scientific researches in the sphere of management accounting and informational technologies

concept of information system development which is rooted in the issues of evolution of accounting methodology.

With this connection, we conclude that formalization of automation program for management accounting should be performed at the stage of formulation of terms of reference. The main stages of formulation of terms of reference are presented at (Fig. 2).

Statement of need of program development implies performing the following works: task-setting, collection of initial materials, selection and justification of effectiveness and quality criteria of developed program. The content of scientific and research works should include the following types:

- Definition of structure of input and output data
- Preliminary selection of problem-solving techniques
- Justification of practicability of application of earlier developed programs
- Definition of requirements to technical facilities
- Justification of principal possibility of solving the task set

Development and confirmation of terms of reference should include:

- Determination of requirements to the program
- Development of technical and economical justification of program's development
- Definition of stages, steps and terms for development of program and documentation
- Selection of software programming language

Scientific researches in the field of creation of effective Russian management accounting technology should be based on foreign practice of management organization, analysis of which shows us a wide range of modern instruments of management accounting. However, we should note that complete copying of western products of management accounting leads to poor effectiveness of managing Russian companies. In most cases, results of scientific researches contain western theories of management accounting that were hardly adapted to Russian conditions.

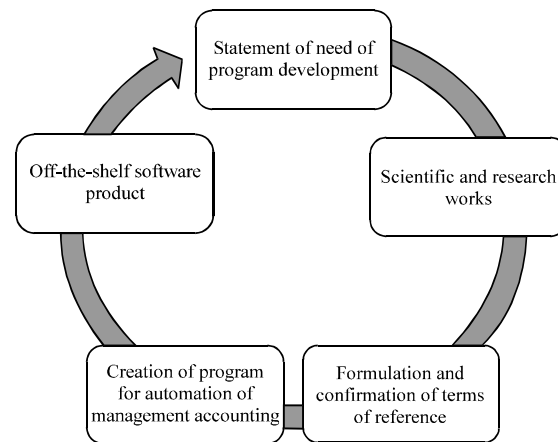


Fig. 2: Stages of formulation of terms of reference for development of software for automation of management accounting

Introduction of adapted western management tools may positively influence the process of establishment of management accounting of Russian companies. At the same time, results of assessment and analysis of foreign experience in development and application of management tools in researches of Russian scientists should be harmonized and interpreted through the prism of dialectic of modern Russian management.

In modern world, informational technologies have become an essential instrument for effective realization of social and economical restructuring (Sidorova, 2013).

Application of multidimensional accounting technologies is a core of informational user support for provision of real-time solution of the main management task control over company's operational efficiency (Waymire, 2010). For example, Mattessich (1995) compares accounting system with the wall, in which bricks is represented by accounts and concrete is represented by vectors of reflection of business operations.

As Yu. Ijiri noted, all accounting indices are functions of time, which are reflected and included in accounting reports not like separate characteristics of accounting items in particular moments of time but like hour statistical series (Melse, 2010). However, despite of the usage of the

third dimension (time), the task of formation of consolidated accounting reports, determined by accounting technology, should always be solved unequivocally regardless of used technical facilities and form of its realization ( Sidorova, 2013).

Thus, configuration and instruments of management accounting should be oriented at formation of such information space which within minimal time limits would provide accurate data to company managers for taking decisions in unstable market conditions and high entrepreneurial risk.

## **RESULTS**

Scientific researches in the sphere of management accounting should have applied significance, since all the range of algorithms for this type of business accounting is used for solving practical tasks modern business faces.

In our opinion, now a days there is a need in depolarization of scientific views, aimed for unification and provision of scientific support of management practical development of accounting in Russia, key impulse of this process should be development of common concept of long-term development of perspective scientific researches in the sphere of management accounting for providing conditions of managing main types of economic activities in Russia.

As a result of the research performed, we detached changes in social, economical and technological spheres, which have an impact on development of management accounting, conditioned by distribution of innovative technologies, aimed at modernization of informational exchange and managing economy.

Consequently, we should emphasize the significance of introducing new informational technologies on the base of modern program products. It conditions the need in further investigations in the sphere of clarification and nomenclature ordering of accounting, development of logical structure of its theoretical statements, study if peculiarities of accounting activity with the help of innovational informational technologies of processing economical information as well as optimization of available business processes and integration of methods of management accounting into program platform of automated systems of management accounting. Taking particular decisions would allow boosting efficiency of scientific researches in the sphere of formation of modern theory of management accounting in Russia and its comparison with objective needs of business management.

## **DISCUSSION**

Business management implies active influencing of managed system and requires performing periodic analysis of various economic information regarding business activity with the aim of obtaining of necessary volume of information for taking justified management solutions.

Corporate management needs effective and on-stream system of processing and management of multifold and large streams of economical information, by this advancing some modern claims to accounting system in conditions of transfer of new knowledge and technologies.

Automation of management accounting contains endless possibilities in on-line inspection of accounting and analytics items, opening potential for development of modeling and forecasting tools for results of management solutions.

Planning and control are important conditions of taking managerial decisions which covers many events. Close connection of planning and control is reflected in development of measures and target indicators of company's strategical development.

Planning process in accounting management is called budgeting. Correspondingly, budget is plan, a financial document, created before performance of planned actions, i.e., it is a kind of prognosis of future financial operations (Grechkina and Golushko, 2014).

According to definition, given by Institute of Chartered Accountants of Financial Accounting of the USA, budget is a quantitative plan in monetary terms, prepared and adopted prior to a certain period which usually shows planned amount of profit that should be reached and (or) expenses, which should be incurred within this period and a capital which is required to raise for achieving this goal (Grechkina and Golushko, 2014).

Being a quantitative expression of plans of company's activity and development, the budget coordinates and defines business projects in figures, showing possible variants of economical growth and their financial results. Thus, budget for management has a number of advantages which lie in formalization of instruments for planning, control, coordination and assessment of results of performing aim indicators of company's development.

Establishment of budgeting and management accounting is a difficult task. Acknowledging importance of budgeting in modern management a question arises that concerns the possibility of development of unified constructor which would allow

using computer accounting programs for building models of companies' budgeting and management accounting with consideration of sectoral affiliation and budget planning.

Basing on this, there emerges the necessity of making researches, aimed at development of standard models of budgeting and management accounting as well as creation of unique financial models of budgeting and management accounting for specialized companies which would be further, used for preparation of terms of reference for developers of automated accounting programs.

In such a manner, we solve one of the difficult tasks in management, namely decreasing uncertainty in the processes of on-stream and strategic planning of company's activity. Besides, it is possible to minimize the time, needed for processing of economic information and difficulty of its transformation into management and financial accounting. This viewpoint has been expressed by Z.F Nalimova head of Accounting and Audit Department of branch of North-Caucasus Federal University in Pyatigorsk at international research and application conference of teachers, postgraduates and students "Modern problems of methodology and organization of accounting, economic analysis and audit in conditions of switching to IFRS and ISA" which was held in April 2015 in City of Stavropol.

### **CONCLUSION**

In conditions of accelerated development of high pace of information circulation and mass distribution of modern communications, there is an objective need in design of theoretical and methodological concept of management accounting development in Russia. Provision of high speed of information circulation and processing favors boosting effectiveness of business activities of companies in various branches of economy. Reconsideration of theoretical and methodological aspects of management accounting on the base of modern technologies' principles, would allow eliminating existing theoretical and applied asymmetry.

### **ACKNOWLEDGEMENTS**

We give special thanks to Russian Scientist Dorokhova Ye. V. for investigation of main stages and

principles of introduction of automated systems, held as a part of scientific work called "Organizational and technical structuring of accounting system in the process of automation. Detached stages of introduction of automated systems emphasize an importance of this problem as well as perspectives of automation of management accounting in conditions of transfer of new knowledge and technologies.

Also, we give thanks to Russian company "1C" for providing public access to information about seminars and conferences held in terms of industry and specialized solutions on the platform "1C Enterprise 8", in the course of which we obtained detailed information about new technologies of creation of program products for economy branches as well as solutions of particular functional tasks.

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