

IMPROVING INFORMATION AND ANALYTICAL SUPPORT OF THE COST MANAGEMENT SYSTEM OF MACHINE-BUILDING ENTERPRISES

Lesia Prysiashniuk¹

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The cost management system should consist of two subsystems – control and managed, which in turn have their own structure. The allocation of functional elements in the control subsystem will allow to exercise managerial influence not only on the object, but also on the subject of management in order to improve the quality of its own activities.

Since the functioning of the subject of cost management is an activity of collecting, processing and transmitting information, a separate element is

¹ National Technical University of Ukraine
«Igor Sikorsky Kyiv Polytechnic Institute», Ukraine

allocated information support, as the most important link. High-quality information support is the basis for the effective operation of other elements. The main methodological approaches to the formation of production cost management system at machine-building enterprises are as follows.

1. Formation of rational information support of cost management on the basis of development of adequate structural component (optimal channels of information transfer on expenses, places of its processing, ways of realization of administrative influence) and qualitative component (collection of data on expenses of necessary degree of detailing and periodicity). contain this information, etc.).

2. Improving methods of inventory management and organization of supply of raw materials.

3. Development of methods for the distribution of indirect costs for certain types of products using a stepwise methodology that will more accurately determine the cost of certain types of products, their profitability.

4. Optimization of production costs based on improving the structure of the product range.

5. Formulation of recommendations for changes in the regulatory framework relating to production costs.

6. Formation of an effective system of motivation.

The efficiency of the production cost management system is inextricably linked with the quality information support of the management process. The existing system of collecting information on costs in machine-building enterprises is built in such a way that the main flow of information moves from production, where the main costs are formed (more precisely from the working changes of the main production) to senior management.

The reverse flow of information, ie managerial influence is carried out not in the same way, but in another way – from the CEO through the chief engineer to the production manager and to the foremen of change. Moreover, the management influence is not documented, and the standards to be achieved, as a rule, are not set. In addition, the chief engineer, production manager, change foremen – that is, line managers who implement management decisions, do not have economic information about costs, familiar only with the technical and technological side of the cost formation process, while costs – category, first of all, valuable.

Economic services, accountants, economists, through which information is grouped and brought to the attention of management, are usually familiar only with the economic side of the process of cost formation. In these circumstances, the CEO is the sole owner of a variety of information about costs, however, he usually implements not tactical but strategic goals and

objectives. It should be noted that the enterprises do not take measures to analyze costs, their causes, ways to optimize.

Low quality of information is caused by uncertainty of powers and responsibilities of employees and departments of the company in the field of costs, lack of delimitation and consolidation of these powers and responsibilities in internal regulations, which leads to inability to obtain accurate, reliable, timely information on costs from relevant employees and services. and, as a result, to inadequate management decisions.

To eliminate structural violations in providing information to the cost management system, it is advisable to form a level management vertical at machine-building enterprises, in which cost information is transformed, aggregated, analyzed in terms of size and compliance.

At machine-building enterprises it is necessary to create an administrative center for cost management of the enterprise, which carries out strategic cost management, and the allocation of a staff unit – an economist for control and cost management, which will perform tactical functions. The organizational structure of cost management is presented in Figure 1.

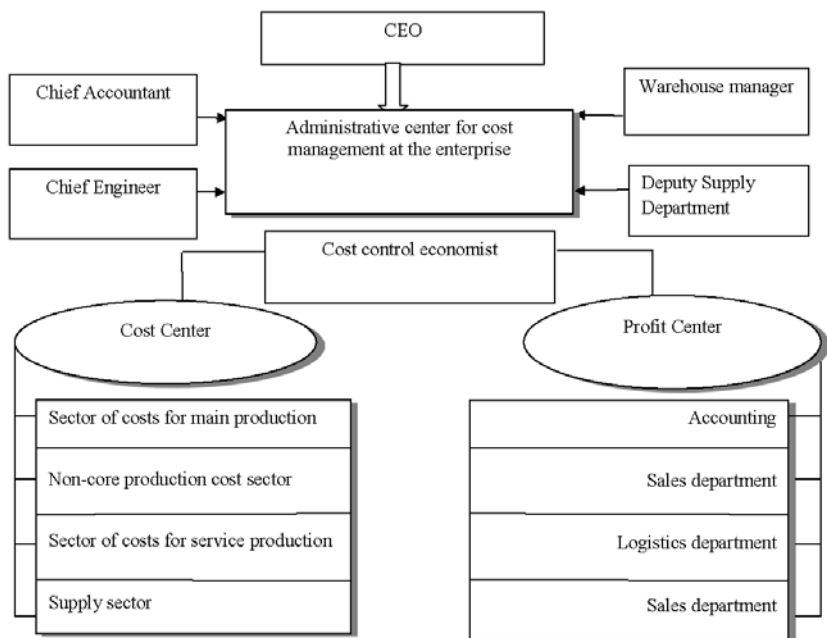


Figure 1. Organizational structure of cost management

Based on the choice of long-term and short-term goals (which in itself can already in some way improve the activities of the enterprise), planning, development of enterprise strategy in the field of cost management. Within the framework of this function the solution of problems of formation of the production program, definition of the general need for resources and their distribution on the basis of the proved and progressive norms and standards of expenses of material and labor resources, planning of expenses, the forecast of profit and its distribution should be carried out. All this should be part of a comprehensive plan for the development of the enterprise, the preparation of which is the responsibility of the administrative center.

Execution of the coordinating function should include establishing cooperation between structural units of the enterprise in the field of cost formation, determining the necessary information about costs, ways of its possible receipt, level of detail, forms of documents containing this information, persons responsible for their preparation, terms and procedure, methods of processing, bringing the planned tasks to the relevant departments and employees. Thus, the need for coordination is determined by the need for flexibility and mobility of the management process and the cost management system as a whole.

A very important function is to control and regulate the process of cost formation. Analytical support and timeliness of management decisions depend on the effectiveness of control. The presence of effective control implies, firstly, the presence of well-established feedback, which again involves a clear implementation of coordination functions and rational, timely, reliable exchange of information on costs, and secondly, accurate definition of powers and responsibilities of structural units in the field of costs.

Decision-making means the ability to generate options for the implementation of individual elements and plans as a whole, as well as tactical tasks, evaluation of these options, choosing the best of them according to the criteria of speed, ratio of results and costs and more [1].

All decisions of the administrative center of cost management are communicated to the units through a cost control economist. Its main function is to implement the objectives of the administrative center of cost management, analysis, control and regulation of costs at the tactical level. The considered measures in combination with balanced performance of the listed functions will allow to eliminate structural disturbances in providing with the information of system of management of expenses. In the most general form, this vertical will look like this: administrative center of cost management – cost control economist – production manager – change foremen – specific jobs. At different stages of cost management and in the implementation of management functions to the management process will be connected to other

departments and employees: technologists, suppliers, logistics, accounting and more. Creating such a management vertical will optimize the flow of information about costs, provide feedback, increase the efficiency of the system and the management process. All these measures require careful development of regulatory and methodological documentation, the formation of economic interest of staff in optimizing costs, identifying and eliminating the causes of their occurrence, and so on.

However, for the organization of rational information support of the cost management system, in addition to eliminating structural violations, it is necessary to eliminate qualitative violations, ie increase the usefulness of the most generated information about costs, its reliability, timeliness, completeness, analytical, level of detail and more.

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