

ECONOMICS AND BUSINESS ADMINISTRATION (according to the economic activity types)

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FINANCIAL FLOWS MANAGEMENT BASED ON LOGISTIC BUDGETING

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Introduction. In today's economical environment, that characterized by unpredictability and dynamism of events, industrial enterprises are in dire need of increasing the efficiency of the financial management system in logistic systems. One of the tools of such growth is the use of logistic budgeting. It should also be noted that logistic budgeting is a fairly new economic base, so the study on the implementation of logistic budgeting at enterprises is very relevant and progressive.

An overview of the latest sources of research and publications. A significant contribution to the study of the problem of introducing logistic budgeting at enterprises was made by domestic scientists such as Kuzmin O.E. [6], Krikavskiy Ye.V. [7], Kalchenko A.H. [8], Chukhra N.I. [5], Husak L.V. [2] and others.

Each scientist argues his point of view on the need to implement logistic budgeting by various means. But most researchers reveal the issue of budgeting in the aspect of financial management and management accounting in enterprises, without affecting the specifics of the functioning of logistics systems, the characteristic feature of which is, on the one hand, ensuring the value of logistics chains, on the other hand, the growth of the cost of the enterprise.

Setting objectives. The purpose of the publication is to study the essence and features of the process of logistic budgeting at industrial enterprises.

Main material and results. In the theory and practice of economic activity, the interpretation of the category "logistic budgeting" is not unambiguous, since, like every economic category, the category under study is created and varied in the process of economic development.

Among a significant number of works allocated work, where the author suggests to perceive logistics budgeting as a process of transformation of articles of expenditure and incomes related to the entire economic system of the traditional budget in the indicators that determine the specific values of the parameters of the flow [3, p. 130].

Logistic budgeting is a fundamental tool used by managers in decision making and for guiding principles for future business. Therefore, it is very important to build a proper logistic budget that will meet the specifics of the organization, as well as the needs of managers.

Drawing up a logistics budget allows logistics companies to look at their business from different points of view. The budget must give the business the right display, rather than simply reflecting the amount of costs.

Due to the aggravation of the economic situation and a significant rise in material resources, the cost of production increased significantly, which in turn led to an increase in the number of unprofitable enterprises (Fig. 1).

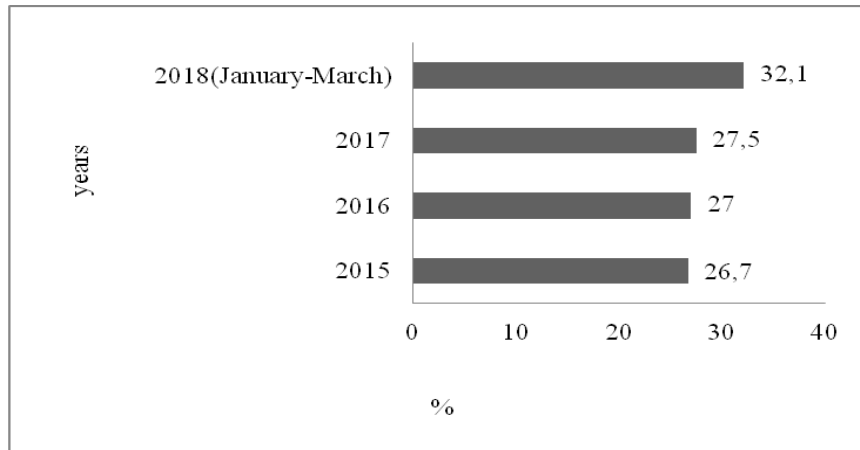


Fig. 1. Percentage of enterprises that have suffered losses (in %) to the total number of enterprises of Ukraine in 2015-2018.

(compiled by the author according to [9])

In 2015, the percentage of loss-making enterprises amounted to 26.7%, and in 2018 – 32.1%, that is, their share increased by 5.4%. The given tendency testifies to inefficiency of functioning of the enterprises, which is caused by inappropriate management of incomes and expenses which extremely negatively influences balance of financial flows.

Logistic budgeting helps to prevent loss of material and financial resources and to ensure effective financing of strategic and operational plans of logistics services of the enterprise.

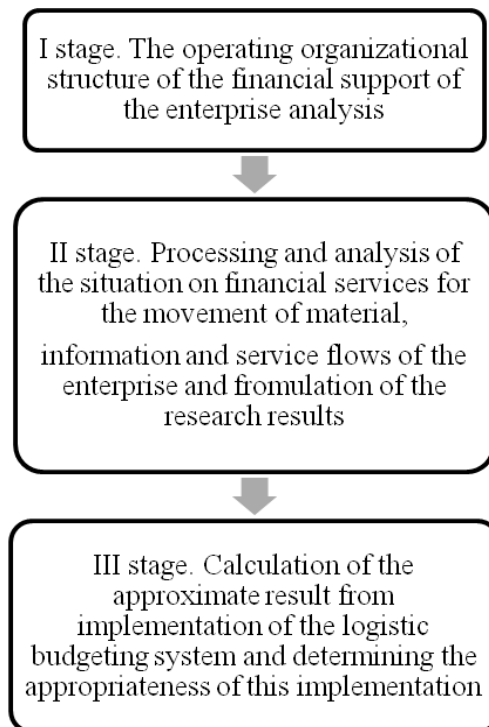


Fig. 2. Stages of preliminary assessment of expediency of introduction of logistic budgeting system at the enterprise

Source: developed by the author

The functioning of the logistic budgeting system is based on such principles [7, p. 344]:

- completeness (budgeting covers all activities and, in particular, logistics activities of the enterprise);
- reality – justification of budgets by forecasts of sales (provision of logistic services), resource limits, norms and norms of logistics costs;
- integration – the close connection between the budgets of the higher and lower levels;
- flexibility (in conditions of instability of the market environment a system of constant adjustment of logistic budgets, creation of resources for compensation of additional logistics costs is necessary);

- profitability – the ratio of income and expenditure in the process of budgeting logistics costs.

Implementation of the logistic budgeting system at the enterprise begins with the definition of the current financial state and model of financial flows management, which requires a number of tasks (Figure 2).

If (after solving these tasks) the enterprise determines the expediency of introducing a logistic budgeting system, then at the next stage the entity will need to implement the directions for its implementation (Fig. 3).

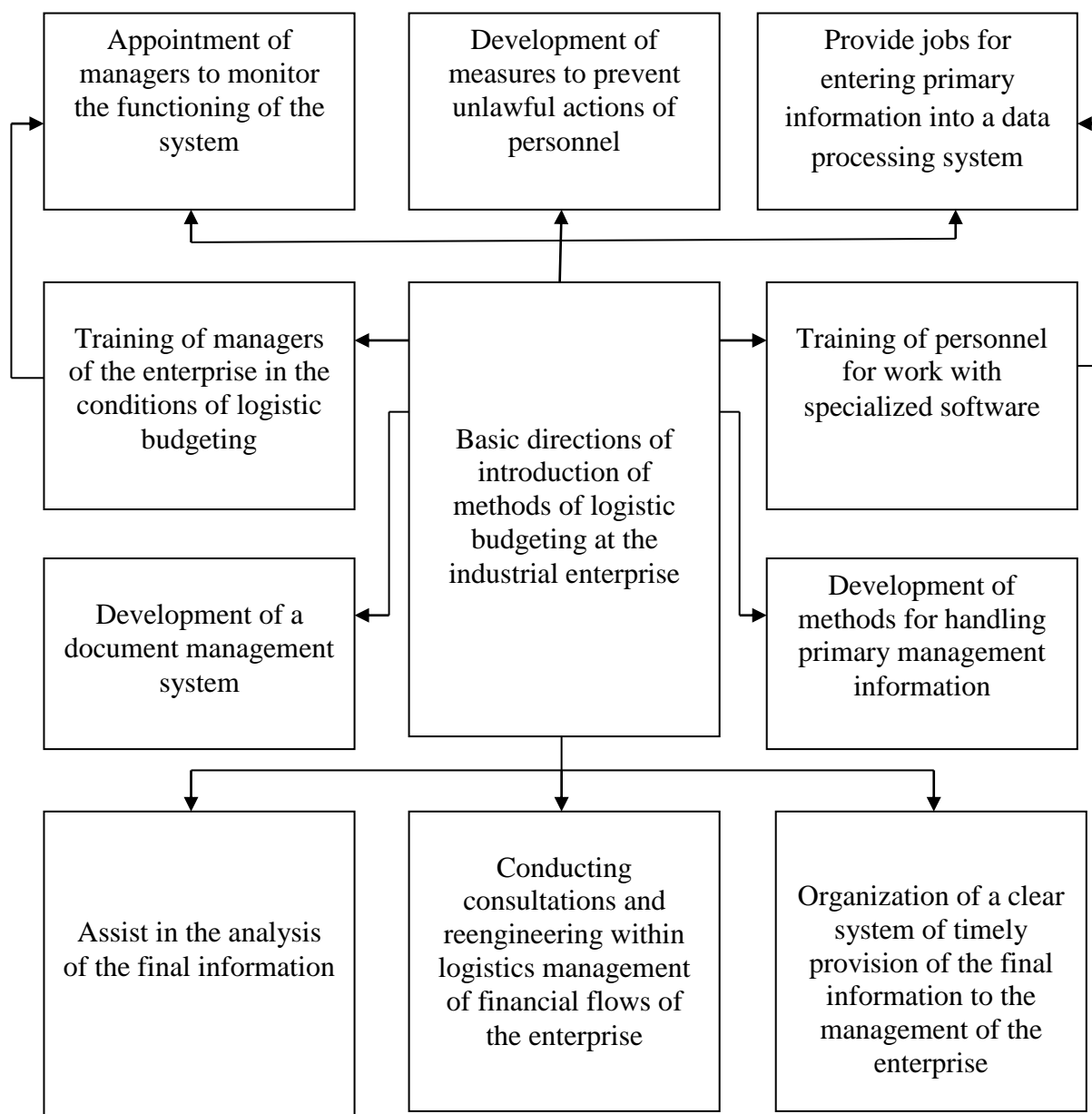


Fig. 3. Directions of introduction of methods of logistic budgeting in the system of financial flows management of the industrial enterprise

Source: developed by the author

From the efficiency of the logistics system in terms of planning and controlling its own budget, its competitive advantages, ability to be mobile, that is, to respond quickly to changes, and therefore to be competitive in the market, depend on it. However, the budgeting of the logistics of an enterprise, like any process, has its advantages and disadvantages (Table 1).

Table 1

Advantages and disadvantages of logistic budgeting

Advantages	Disadvantages
Get results in operational, current and future periods	Lack of qualified logistics budgeting staff
Receive operational information	Technical complexity of implementation
Coordination and control over the work of all units	Absence of methods for optimizing the flow of financial flows
Creating conditions for improving the efficiency of the enterprise	High cost of implementation

Source: developed by the author for [1, p. 177])

Logistic budgeting allows you to build a budget plan for the logistics of an enterprise, taking into account the company's overall strategy and financial capabilities, which will be the basis for further control, analysis and retrieval of deviations.

In order to increase the benefits of logistic budgeting in planning financial flows, it is necessary to use methods of mathematical modeling, which will allow to understand the mechanism of interaction of various logistic processes that take place both on the enterprise itself and externally, with the magnitude of its financial flow.

Conclusions. Implementation of the logistic budgeting system at the enterprise contributes to the reduction of inappropriate spending of material and financial resources and helps to significantly reduce the level of logistics costs, as well as increase the efficiency of financial flows management.

Consequently, logistic budgeting is a reliable financial tool for optimizing business activities.

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Гришко Володимир Васильович, доктор економічних наук, професор. **Сталінська Дарина В'ячеславівна**. Полтавський національний технічний університет імені Юрія Кондратюка. **Управління фінансовими потоками на основі логістичного бюджетування.** Упровадження системи логістичного бюджетування на підприємстві пов'язане з низкою питань, зокрема й теоретико-методологічного характеру. Незважаючи на велику кількість праць, присвячених дослідженню різних аспектів логістичного бюджетування, необхідно констатувати, що у науковій літературі так і не сформовано усталеної, повноцінної дефініції цього поняття.

Метою статті є обґрунтування теоретико-методологічних аспектів та розроблення практичних рекомендацій щодо формування системи логістичного бюджетування фінансовими потоками промислових підприємств в умовах економічної нестабільності.

Логістичне бюджетування – це фундаментальний інструмент, який використовується менеджерами в процесі прийняття рішень і з метою створення керівних принципів для майбутнього бізнесу. Дуже важливо побудувати правильний логістичний бюджет, який буде відповідати специфіці підприємства, а також потребам його керівника. Від ефективності логістичної системи в частині планування та контролю за власним бюджетом залежать її конкурентні переваги, здатність бути мобільною, тобто швидко реагувати на зміни, а отже, бути конкурентоспроможною на ринку. Саме тому в цій статті розглядаються проблеми підвищення ефективності системи управління фінансовими потоками в логістичних системах. Обґрунтовується й необхідність впровадження системи логістичного бюджетування на промислових підприємствах, визначаються переваги та недоліки застосування логістичного бюджетування.

Ключові слова: фінансові потоки, управління фінансовими потоками, логістичне бюджетування, бюджетування в логістичних системах.

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Hryshko Volodymyr, D.Sc. (Economics), Professor. **Stalinska Daryna**. Poltava National Technical Yuri Kondratyuk University. **Financial flows management based on logistic budgeting.** There is considered the problem of increase of system effectiveness of management of financial flows in logistics systems. The necessity of introduction of the system of logistics budgeting at industrial enterprises is substantiated. The advantages and disadvantages of the use of logistics budgeting are determined.

Keywords: financial flows, financial flows management, logistic budgeting, budgeting in logistic systems.

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Гришко Владимир Васильевич, доктор экономических наук, профессор. **Сталинская Дарья Вячеславовна**. Полтавский национальный технический университет имени Юрия Кондратюка. **Управление финансовыми потоками на основе логистического бюджетирования.** Рассмотрены проблемы повышения эффективности системы управления финансовыми потоками в логистических системах. Обоснована необходимость внедрения системы логистического бюджетирования на промышленных предприятиях. Определены преимущества и недостатки применения логистического бюджетирования.

Ключевые слова: финансовые потоки, управление финансовыми потоками, логистическое бюджетирование, бюджетирование в логистических системах.