Economics

UDC 656.025.4

MANAGEMENT OF THE ENTERPRISE AND ITS SUPPLY CHAINS BY CONTROLLING

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The article assesses the traditional control system under conditions of a slow response to environmental impacts due to strict state regulation, substantiates the need to introduce a controlling system in the activities of business entities to improve the efficiency of managing them and their supply chains in today's conditions of fierce competition and a rapidly changing external environment.

Keywords: *controlling, supply chain management, SCOR-model, key performance indicators, benchmarking, reengineering*

In modern conditions of fierce competition and a rapidly changing external environment, many business entities realize the importance of not only focusing on the internal state of affairs and solving operational problems in the supply chain, but also developing a behavior strategy and an effective mechanism for implementing this strategy. This leads to an increase in the interest of many enterprises and the scientific community in issues of strategic supply chain management, the development of mechanisms for communicating it to all employees, and integration into management decision-making systems at all stages of managing these supply chains.

World experience and scientific and practical research in the field of supply chain management confirm that in order to maintain the established development of business entities, it becomes necessary to apply new management approaches that can ensure their effectiveness in market conditions, one of which is controlling.

With the help of controlling, supply chain business processes are managed, focusing them on achieving not only operational, but also strategic objects. Controlling is a modern technology that allows you to integrate traditional methods of accounting, analysis, planning and control into a single system of obtaining, processing and summarizing information and making system-based sound management decisions on its basis. Today, controlling is one of the essential tools for managing the enterprise and its supply chains. Quotas, standards and norms are based on past experience; control actions are related more to the past than to the future of the enterprise. Thus, the management on the basis of traditional control inhibits the active anticipatory use of future opportunities [1, p.142].

The traditional control system did a good job for enterprises when the change in the external environment was so gradual that it allowed delayed reactions. With the growing dynamism of market relations, it became necessary to base control on future events and actions. In leading (or proactive) control, the emphasis, which was previously fixed on deviations from past standards, shifts to changing the gap between current results and objects that should be achieved by the end of the planning period. In the implementation, the emphasis shifts accordingly from the correction of mistakes made in the past to the measures to achieve future objects.

The basis of production control is proactive control, which allows it to either make adjustments to the actions, or if the evaluation of the results shows that the previously defined objects are unrealistic, change them [2].

Thus, controlling is a guarantee of the implementation of plans and increase the efficiency of enterprise management.

The controlling system includes management accounting, planning, control and analysis, increases the efficiency of enterprise management and ensures coordination of the management system as a whole, reducing the time spent on making management decisions [3, p.241].

The role of controlling in improving the efficiency of enterprise management processes is shown in table 1 [2].

Based on the data of table 1, we can conclude that controlling performs various functions aimed at improving the efficiency of management processes (coordination, analysis, reduction, maintenance), which allows to achieve the desired result.

The use of controlling in the logistics system of the enterprise is a factor in ensuring its successful production and business activities.

In particular, the result of the implementation of controlling the logistics system of the enterprise are:

- the ability to quickly and accurately calculate the price of an accepted order at a contract price, as well as accept an order at a fixed price in case the customer offers a price;
- the creation of formalized information flows (workflow), which allows you to quickly record the current status of the performance of certain indicators;
- the ability to plan current activities and provide its results, build a model of the future state of the enterprise;
- ensuring current control and analysis of the results of the financial and economic activities of the enterprise;
- the ability to determine the real causes of certain phenomena and the formation of management style;
- automation of the functions of accounting, control, analysis and planning of the enterprise.

Table 1. – The role of controlling in improving the efficiency of enterprise management processes

Performance criterion management processes	Role of controlling in improving the efficiency of management processes
Manageability level of processes	• Coordination, analysis and control over the formulation and support of the processes of making and implementing management decisions; • Improving the information integrity of the system, individual subsystems
Focus on the set object	• Strategic coordination of managerial decisions, the activities of units, personnel; • Ensuring the interconnection of external sources of strategic objects and personnel; • Ensuring compliance of operational plans with strategic ones; • Ensuring the information integrity of units
Duration of the cycle and the level of directness of management processes	• Saving time for making management decisions; • Integration of departments
Specific mechanism for implementing the process	• Making adjustments to management processes as a result of monitoring the production system
Effectiveness	• Reducing the risks of making managerial decisions that are inappropriate to the object; • Reducing the time for making managerial decisions at the stages of strategic planning, the risks of adopting unreasonable strategic objects and guidelines

The logistic controlling is aimed at providing managers of various management links with up-to-date information about the state of the enterprise's logistics processes in the macro and micro environment [4, p. 344].

Today, as an international intersectoral standard, in supply chain management, the SCOR model (Supply Chain Operations Reference model) is actively used, which allows us to describe and create the basis for planning, controlling and improving supply chain management, both within the framework of global projects, and for the specific objects of a particular enterprise.

In the context of developing a controlling system, using the SCOR model will help to solve the following problems:

- business modeling, identification of the main categories of processes and the relationships between them;
- definition of a set of KPI (Key Performance Indicators) strategic (and partially tactical) level;
- setting target KPI values of strategic level based on benchmarking;
- analysis of bottlenecks in the supply chain;
- determination of reengineering directions based on the analysis of best practices of processes;
- assessment of the prospects for introducing advanced technologies and concepts (their impact on the performance indicators of supply chain processes).

Indicators for assessing the effectiveness of supply chain management in the SCOR model are conventionally divided into two groups.

The first group consists of performance indicators for supply chains (Performance Attributes). These are grouped metrics used to set the direction of a supply chain management strategy. By themselves, performance indicators cannot be measured, with their help they only set the direction of the strategy.

In the SCOR model, the following 5 aspects of the functioning of supply chains are distinguished:

1) reliability in the supply chain while ensuring the delivery of the right product, at the right time and place, in proper condition and packaging, in the right quantity, with the right documentation, to the right consumer;

2) supply chain response (duration of logistic cycles) - the speed of the goods along the supply chain to the consumer;

3) maneuverability (dynamism) of the supply chain - the rate at which the supply chain reacts to changes in the market situation in order to obtain or maintain competitive advantages;

4) supply chain management costs - the costs associated with supply chain management operations;

5) asset management in the supply chain - the effectiveness of asset management (fixed assets, inventory management, working capital) in ensuring the satisfaction of demand.

Aspects of the functioning of supply chains are also conditionally divided into external (customer-oriented) and internal (business-focused focus business).

The second group consists of metrics. Metrics (a system of measurable indicators) are intended to assess the possibility of achieving strategic objects, indicated in terms of indicators of the functioning of the supply chain. It is an established standard for evaluating an activity or process. SCOR model metrics are used to diagnose supply chain problems.

The SCOR model distinguishes three levels of metrics (groups of indicators). The first level contains indicators that diagnose the general condition of the supply chain. They are known as strategic metrics or groups of key performance indicators (KPI). A comparative analysis of these indicators of the first level helps in setting real objects and objectives for the chosen strategic direction. The second level includes indicators, which in turn are diagnostic for the first level metrics and help to identify the reasons for the deviation of the planned values. The third level contains indicators that respectively serve to diagnose the causes of deviations of the metrics of the second level [5].

Thus, the SCOR-model helps to solve problems that will contribute to the development of controlling in the enterprise. This, in turn, will lead to an improvement in key performance indicators of the enterprise, as well as an increase in the efficiency of its supply chain management.

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