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**MODERN PERSPECTIVES OF FINANCIAL MANAGEMENT ACCOUNTING
APPROACH IN THE CURRENT ECONOMY**

**PERSPECTIVE MODERNE ALE ABORDĂRII MANAGEMENTULUI FINANCIAR ÎN
CONDIȚIILE ECONOMICE ACTUALE**

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Annotation: *Organizing, as a function of management, on the one hand aims work and on the other hand aims production and conditions the implementation of the other functions providing the necessary clarifications concerning: who and what they should do; who is responsible and of what; which are the channels of communication; the definite grouping of homogeneous and specialized activities. Organizing is the process that establishes the area of action, resource allocation, outlines the manager's responsibilities and delegated authority, necessary to achieve the planned objectives in the best conditions.*

Adnotare: *Organizarea, în funcție de management, urmărește, pe de o parte, munca și, pe de altă parte, urmărește producerea și condiționează implementarea celorlalte funcții, furnizând clarificările necesare privind: cine și ce ar trebui să facă; care este responsabil și de ce; care sunt canalele de comunicare; gruparea definită a activităților omogene și specializate. Organizarea este procesul care stabilește domeniul de acțiune, alocarea resurselor, evidențiază responsabilitățile managerului și autoritatea delegată, necesare pentru atingerea obiectivelor planificate în cele mai bune condiții.*

Keywords: *accounting management, financial management, summary documents, consolidating documents.*

Cuvinte-cheie: *contabilitate de gestiune, management financiar, rapoarte, documente consolidate.*

Introduction

The organizational structure is a system or network of tasks, reporting and communication relationships which ensure: coherence of the activities of its members, individually and in groups; labor division and coordination; achieving planned objectives.

Achieving the organizing function is conditional upon the organizational structure, attribute which resides with the superior level management team through: defining structural components

(departments, divisions, sections, services workshops etc.); establishing the type of structure; preparing documents for the presentation of these structures.

Establishment and organization of the main compartments of the organization is an attribute of the mid-level management team.

Materials and methods of research

The manager's workplace - having a certain surface and equipment which allow both its current activity as well as organizing enlarged regions with lower level managers structured on ergonomic principles, must meet a number of requirements which relate to:

- convenience;
- comfort;
- proper furniture placement and combination of, functionally and aesthetically;
- furniture that should be simple, should ensure the correct position of body parts during the execution of all operations and meets the ergonomic and aesthetic requirements;
- normal conditions from the point of view of the environment;
- appropriate technical equipment for the office (computer, printer, internet, telephone, intercom, fax, photocopying etc.)

Organizing the manager's work takes into account factors of physical and nervous stress of ambient environment, having a direct impact on work quality and productivity, respectively the microclimate and nervous stress factors (temperature, humidity, airflow, radiation), lighting and noise, color and light etc.

Optimizing relationships with subordinates is a way to boost the effectiveness of the managers' work through their direct involvement for:

- establishing and promoting specific rules in manager – subordinate relations;
- streamlining communication between managers, vertical and horizontal managerial hierarchies;
- maximum motivation of subordinates;
- effective control over subordinates.

Maximizing motivation is achieved by: transparency of motivational elements, rotation, widening and increasing the work performance elements.



Figure 1. Company's organizing and financial - accounting management
[elaborated by the author]

Streamlining communication is conditioned by providing conditions to ensure:

- motivation towards a clear and concise approach;
- perfecting self expression and listening by managers' improvement;
- promoting, as a priority, participatory management style;
- improvement of organizational structure;
- streamlining the informational system;
- management informatization.

The role of management, of the manager in general, is very important in the operation of companies regardless of their legal form. A component of business management, financial management requires knowledge of legal norms regulating the activity of accounting, optimal organization of it, management, use and permanent tracking of financial funds usage based on the principle of maximum profit, as well as analyzing and providing the necessary of capital for the next period, which is determined by choosing the optimal option.

Within companies, the practice of financial management aims to ensure the best conditions of decision, requiring for this:

- a) optimal organization of information flow (financial documents and economic information);
- b) economic and financial analysis of the results of the current period and taking immediate action;
- c) establishing minimum levels of profit and its profit rate or, if no viability solutions, activities should be abolished and the funds directed towards other profitable activities;
- d) inventory of all elements that may hinder or favor the viability of some or other activities;
- e) knowledge of the fundamentals of demand and application of the principle of maximum profit depending on local specificities;
- f) compliance with statutory and organizational provisions.

The defining elements and characteristics of quality

Any company, no matter what area of activity, must consider that everything offered for sale has a value of use and is demanded by the market. If a product or service that does not satisfy the consumer is offered for sale, then it will sell poorly or not at all, and the trader will go bankrupt. Therefore, for the smooth conduct of the companies' activities, the following actions should be taken:

- a) analyzing consumer demands in connection with the assortment and quality of required products or services covered by the activity of the respective commercial entity;
- b) tracking the process of conception and design of new and upgraded products;
- c) tracking the process of production, control, sales and service;
- d) based on the results an analysis must be made which will materialize into improvement measures regarding any changes in the technical documentation of the product / service.

The main points which must be in the manager's attention in order to meet the above actions are the following:

- using total quality control that can be achieved by using a system of control adequate to the activity;
- use of statistical quality control, by introducing principles and statistical methods;
- observing the quality demanded by consumers.

Steps for quality systems implementation programs

When organizing the business activity, an important role is the quality system, which must fulfill the following functions:

a) *The function of quality*, which should reflect all activities needed to be undertaken to take into account, in a planned and organized manner, all factors influencing the quality of products and services, namely:

- activities related to quality assurance;
- activities related to compliance control related to products / services;
- activities related to trials, tests, laboratory testing regarding the quality of materials and stocks;
- activities related to the use, maintenance, repair and checking of equipment used in the company.

b) *The function of research-design-development*, which includes all activities within the company by which scientific and technical progress is conceived and applied and consists of:

- the activity of planning, residing in drafting future projects for the strategy of development of the company;
- conception and design of new products and upgrades depending on market requirements;
- design and implementation of new technologies and their upgrade in order to increase the economic efficiency of the company.

Financial management refers to legal and administrative systems, as well as procedures established to allow entities to conduct activities so as to ensure proper use of funds in accordance with defined standards of probity and regularity. These activities include revenue growth, expense management, financial accounting and asset management.

Good financial management requires topicality and legitimacy of expenditures, directing expenditures in accordance with the regulations, taking the necessary measures to prevent and punish any violation of law and to recover any damage caused by irregularities or negligence.

A key concept in the theory and practice of modern financial accounting management is *responsibility*. Managers are obliged to carry out a defined set of tasks in accordance with the rules and standards applicable to their positions. The person or institution to which the manager must report and to whom/which is responsible for his actions is explicitly indicated and the manager must be rewarded for good performance or bear the consequences of inadequate behavior. The financial accounting manager of an organizational unit must also answer for the actions of subordinate staff.

Modern financial accounting management must ensure greater flexibility and management autonomy in order to improve the efficiency and effectiveness of their choices. As this gives greater decision making powers to the financial accounting manager, greater emphasis is required on responsibility as a tool for balancing and controlling the action of these powers.

In relation to the work performed, the responsibility can be:

- internal, to a high level of management, where the work of managers is measured by the basic rules, depending on how they have fulfilled the tasks included in the job description, with salary increases and / or promotion prospects, compared with the result of such evaluations (performance assessment). The job description is a set of tasks or activities to be performed by one person and which describes the position;
- external, according to the provisions approved by Parliament in that area, by agencies, public and central, supreme institutions of audit etc.

Financial management focuses on management control, namely on internal control.

Management control implies organizing policies and procedures used to ensure that:

- programs are meeting their goals;
- the resources used for the programs are consistent with the aims and objectives of the entity;
- programs are protected against fraud and mismanagement;
- timely information is obtained and used in decision making.

The responsibility to establish and monitor management control systems belongs to the management of that entity.

For management and administration, control is a system of mechanisms and means for guiding, self adjusting or constraint, used to prevent. To control means to verify and analyze, to have a clear picture of the accounts.

Accounting control consists of procedures and documentation focused on heritage protection, management and recording of financial transactions and compliance of financial documents. The procedures are frequently based on international and national standards in order to ensure uniformity of accounting practices.

In their work, managers are assisted by a fund of information consisting of documents, records and financial statements. Financial management information systems are designed to ensure better management of resources. Also, these systems can contribute to the performance evaluation of programs, to planning tasks and monitoring progress according to objectives.

Management information systems form a key element of management control.

Essential for information systems is the accounting system, represented by the set of procedures and documents of an entity, which allows identifying, correlating transactions and other events.

Technical, operational and accounting records are a means of uninterrupted control over the economic and financial activity, a necessary condition for insuring heritage integrity and efficiently spending material and financial means.

The most important issue with the management of technical, operational and accounting records is perfecting the economic and financial operations, as they occur.

Bookkeeping, records and financial statements represent a basic element of financial order and discipline as they make possible knowing the financial situation of a patrimonial unit.

Double entry bookkeeping ensures the accuracy of records and taking immediate measures for correction of errors.

Results and considerations

To summarize real and legally the economic and financial activity it is necessary that the bookkeeping system is accurate, fair, real and complete.

Regarding technical, operational and accounting records, management includes within its scope:

- organizing and keeping track of the technical and operational records within storage locations and of types of material resources, highlighting accurately, correctly and timely the financial and economic means and transactions recorded in the documents;
- organizing and keeping synthetic and analytical records, to ensure coverage in monetary heritage and permanent control of the existence and movement of heritage values;
- providing correlations between technical and operational records, accounting and statistics, between synthetic and analytical accounting, between the reality of their data and the balance sheets;
- correct management and up to date of bookkeeping;
- establishment and evaluation of capital and assets;
- ensuring accuracy and veracity of accounting records for establishing financial and fiscal obligations to the state;
- inventory of heritage and exploitation of results;
- preparation, approval and audit of financial statements.

Increasing the role of accounting in the process of synthesizing and control over financial and economic activity requires continuous improvement of its methodological rules, use of modern calculation and recording means as well as a rational organization, scientifically based.

Bookkeeping is essential to economic and social management activity based on the criterion of profit, as it involves economic and financial order and discipline. Rational and clear management of bookkeeping provides economic, contractual and financial discipline.

Conclusions

To get a true picture of the economic and financial activity, it is needed that the information from the financial statements is true, legal, accurate and of high quality.

Financial management has the purpose to deliver the source documents with the proper form and content, organizing the technical, operational and accounting records in compliance with methodological rules and regulations harmonized with the European Economic Community.

The information entered in the source documents, in the technical and operational records, in the financial statements is most widely used in financial management, since it reflects the economic, financial and management situation of the patrimonial entities.

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