
Tendencies of Standardisation of Management Accounting in Russian and International Practices

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Abstract:

This article contains the description of accounting and management in Russian and international practice, the correlation of principles of standardisation directions upon forming of business management strategy and tactics. The necessity of multi-approach to the standardisation process of accounting is justified for developing the designated strategy and tactics. For this purpose, approaches to standardisation of management accounting in international practice are emphasised with examples of the USA and Russia. It is proposed to concentrate on the resolving problems of accounting standards—to gather accounting resources in development of management strategies and tactics. The examples are given, which are inclined to conclude, that the US approach to standardisation of management accounting is oriented more on assistance in decision-making within the area of management strategies.

Based on the results of the research, authors offer main standardisation directions of management accounting in the Russian legislation and opportunities for an extension of the current assets of managerial accounting in the international accounting school. These directions involve description of specific techniques in management accounting; in order to maintain inner management tactics, allow extracting the targeted information on the systematic basis. For specification of accounting management possibilities, in the article, the main object of standardisation and key accounting' techniques are pointed out, which are used to allow the data base to be classified into the profitability segments and the expenditures of business entities. This approach will permit the contribution of each object of management in total income of a company, to assess the functional potential of each manager for achievement of his or her target numbers that provide the confidence in management tactics on the path to the chosen strategy.

Keywords: Standards, standardisation, management accounting, accounting and accountancy, management, accountability, assets, liabilities, strategy, tactics, centre of financial liability, expenditures.

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1. Introduction

The management accounting has already taken its place in the international and Russian management systems with its theoretical, methodological, and organisational needs. The importance of accounting resources for shareholders and outside investors, requires techniques and methods of accounting to be placed under some norms of unification, which are presumed in professional standards of accounting (Thalassinos *et al.*, 2012; Thalassinos and Liapis 2014; Thalassinos *et al.*, 2015; Liapis *et al.*, 2013; Havlíček *et al.*, 2103; Allegret *et al.*, 2016).

Due to standardisation of accounting, consistency of formats allows shareholders and investors to choose a development strategy for an economic entity and determine whether it is appropriate to make an investment, to perceive contents of financial statement. Besides, process of accounting and liability standardisation are demanded in the international and Russian practice, with the difference of time implementation of professional standards (Anikina *et al.*, 2016; Hes and Jilkova, 2016).

The start of accounting standardisation in Russian theory and practice was given in the period of centrally planned economy abolishment. Since that time, techniques and methods of Russian accounting were closed to the international formats, which make the factor of uniformity more attractive for foreign economic activity.

However, the regulations of management accounting in Russian and international practices follow different paths, thus making them the object of scientific and practical interest in professional field. In the leading countries of the world economy the standardisation of accounting management is recognised as an absolute necessity, while in Russia this process still remains at the stage of discussion by the scientific community. Nevertheless, for the Russian microeconomics the role of standardisation in accounting management is irrefutable. In this regard the studies become relevant in the international experience in standardisation of management accounting and in Russian practice too.

2. Purpose of the study and hypotheses

2.1 Purpose of the study

The purpose of the present study is the examination of main trends in standardisation of management accounting techniques in the international practice and rationalisation of key directions of management accounting standardisation in Russian microeconomics. Achievement of the selected purpose requires solutions to following tasks:

- 1) To emphasise differences between missions of financial and management accounting, which exert influence on technology of accounting standardisation.
- 2) To generalise international experience of standardisation of management accounting techniques in commercial activities.
- 3) To suggest main directions of standardisation development in management accounting in Russian theory and practice of accounting.
- 4) To state consistency of main informational modules in the process of standardisation of management accounting techniques in Russia.

2.2 Research hypotheses

In order to find solutions to said objectives during research, following hypotheses will be examined:

H₁: Unsteadiness of business environment in market economy requires differentiation of management and financial accounting's informational field.

H₂: Trends of management accounting standardisation depend on established relationships between the state and businesses.

3. Review of Scientific Literature

In Russian and international theory and practice of accounting, professional scientific community has long emphasised the key role of management accounting in administration of a present-day company.

During the formation of the market economy in Russia, foreign authors, such as Van Der Will, R. (1997), Daile, A. (2001), Drury (1998), Meyer (1993), Scone (1997), Han, J. (1997), Horngren (2000) became trailblazers in management accounting techniques for their application in Russian practice. They conducted to the understanding of necessity to set apart management accounting as an independent subsystem of management, and existing methods of management accounting allowed Russian scientists to develop theory of accounting in the area of management. The scientific works of representatives of Russian scientific school in the area of management accounting—such as Vakhrushina, M. (2006), Vrublevsky, N. (2005), Ivashkevich, V. (2003), Karpova, T. (1998), Kerimov, E. (2009), Kondrakov (2003), Nikolaeva (1997), Sheremet (2000), Nechaev and Antipina (2016), Kosinova *et al.* (2016) and others became an affirmation of this. In their studies, they expanded the frontiers of management accounting by substantiating the significant effect of accounting techniques on information value of management system in general.

Considering the strong influence of accounting on the ability to secure management decisions, the necessity of standardisation of management accounting techniques in Russia is undoubtable. Besides, in analogy to the international practice of standardisation, it would be wise for professional communities to pay close attention

to the problems of management accounting standardisation in Russia. However, this process hardly gets any observation in Russian professional and scientific literature.

4. Methodology of the Study

In the present study, following general scientific methods were used as research tools: analysis, particularisation and generalisation, comparison, observation, formalisation, analogy; historical, logical, and systematic approaches.

In the study, particular methods of scientific cognition were used, such as method of analytical tables' construction, technique of schematic structuring of information, forecasting technique.

5. Result of the Study

5.1 Distinguishing features of financial and management accounting' mission, which influence technologies of accounting standardisation

The world practice knows that management accounting has long been regarded as a systematic tool of management for business entities. As a result, since early 20th century US professional organisations in the area of management accounting have been engaged modelling and description. A necessity of restricting the scope of accounting in order to unify formation rules of public accounting's report and the scope of accounting in company management is considered to be an advisability of standardisation for all subsystems of accounting. Besides, unification methods of management accounting differ from unification methods of financial accounting, which is justified by their mission.

There is no doubt that the mission of management accounting standards should be different from the mission of general accounting standards. The reason for this is that accounting resources are structured in accounting reports in a particular sequence, providing an opportunity to assess the economic potential of an organisation, and selection of management strategy for this potential in the future. These opportunities are what Russian and international standards of financial accounting and statements strive for. Certainly, strategy, based on the results of financial accounting, allows forming a plan of action for strategical management, which combines priority objections, resources, and logical steps towards an achievement of designated business goals. This is relevant in both international and Russian practice of standardisation in general accounting and statements.

In our opinion, the mission of management accounting is to provide tactics for management of an entity, which would allow—being based on specific accounting methods—realisation of targeted strategy for an economic entity's development. It is worth mentioning that tactics for economic entity's management are based on both

selection and execution of consequent formation methods of accounting information, allowing ranking sources of income by profitability and their share in total income of a company, which contributes to the optimal combination of price factor and level of activity in relation to various commodity groups. Particular instruments, which have no realisation of their own in a regulated accounting system, contribute to this. We are talking about differentiated by functionalities objects of accountings for income and expenses, about differentiation methods of expenses between various levels of objects of accounting, options for allocation of indirect costs; about calculation methods for prime costs depending on various factors, etc.

In particular, differentiation in spheres of influence on accounting in various groups of indicators, distinctions in applied techniques and methods of accounting, differences in indicator analyticities in formats of general and management accountings presume the differentiation in basics of general and management accountings standardisation.

So, in our opinion, norms of management accounting standardisation give opportunities to choose amongst already offered accounting methods those methods, which facilitate an achievement the company's targeted strategy; standardisation norms of general accounting and reporting facilitate an assessment of achieved strategy. And this is the difference in occupancy standards in two areas of accounting. However, international and Russian approaches in this area are different.

5.2 International practice of standardisation of management accounting techniques in commercial activity

The long period of functioning of market economies in developed countries allowed the establishment of standardisation processes in the area of general and management accounting to go through difficult route. Competition in the business environment in international practice provided an earlier experience in standardisation methods of accounting, in comparison to the Russian experience in the standardisation of accounting. Initially, the Institute of Certified Management Accounting—the successor of the National Association of Cost Accountants (founded in 1919)—started the development of system standards for management accounting (Sheremet, 2000). In the UK, Chartered Institute of Management Accountants conducts an analogous work; it defines its mission as 'helping people and businesses to succeed' by also including development of management accounting standards.

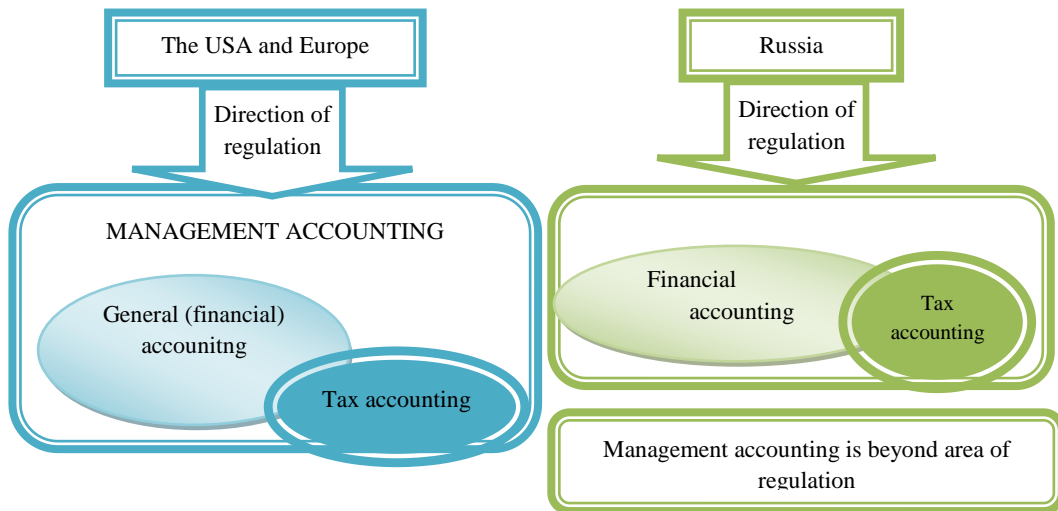
Currently, more than 60 standards of management accounting are used worldwide. They can be arranged in five categories:

– standards, which reveal economic features of management accounting;

- standards, which define terms in the area of management accounting;
- standards, which explain structural principles of management accounting;
- standards, which allow use of techniques and methods of management accounting in the management system;
- standards, which specify a number of theoretical techniques and methods of management accounting in some business areas (Averchev, 2011).

It is fully justified that global standards in management accounting serve as the basis for standardisation development of management accounting methods, while in Russia there is a stereotype of accounting standards being primary, and regulations of management accounting being secondary. Unfortunately, respective standards of management accounting are absent in Russian practice nowadays. It explains diversity of correlation between various accounting subsystems in Russian and international practices. While global professional community emphasise standardisation of management accounting as the most important information resource for management, Russian professional community prioritise state regulation of financial and tax accountings. Picture 1 shows the correlation between directions of accounting standardisation for their different subsystems.

Picture 1. *The direction of accounting resource regulation in international and Russian practice*



The regulation system of accounting in Russian and international practices is shown in more detail in table 1.

Table 1: The regulation system of accounting in Russian and international practices

Subject	Object	Regulatory authority	Regulation result
Russia	Fin. acc.	<u>State regulation:</u> Ministry of Finance of the Russian Federation and the Central Bank of Russia (Art.22 of FL №402 'About accounting')	Federal accounting standards
		<u>Non-state regulation:</u> Institute of professional accountants of Russia (IPAR) (founded in 1997)	Formation of a high-qualified professional community in accounting
	Tax acc.	<u>State regulation:</u> Ministry of Finance of the Russian Federation	Establishment of regulations for formation of the tax base and tax accounting (Russian Tax Code)
		<u>Non-state regulation:</u> House of Tax Consultants (founded in 2002)	Formation of a high-qualified professional community in consulting
Manag. acc.	None	None	
USA	Fin. acc.	<u>State regulation:</u> Securities and Exchange Commission (SEC); Governmental Accounting Standards Board (GASB)	Development of requirements for financial reporting and accounting standards
		<u>Non-state regulation:</u> American Institute of Certified Public Accountants (AICPA); Financial Accounting Standards Board (FASB); National Association of Accountants (NAA); American Accounting Association (AAA)	Development of the US accounting standards (GAAP). Development of Generally Accepted Auditing Standards (GAAS)
	Tax acc.	<u>State regulation:</u> <u>US Treasury</u>	Control the tax burden and tax planning based on three-tier system of taxation: Federal, state, and individuals
Manag. acc.	Institute of Management Accountants (IMA)— The International Association of Certified Specialists in management accounting (Sheremet, «Management Accounting»).	Management accounting regulations (advisory). Headquartered in the United States, actively operates around the world, including Europe and Asia. The community has more than 80,000 professionals from 120 countries	

United Kingdom	Fin. acc.	<u>State regulation:</u> Financial Reporting Council (FRC) which includes observers from Governments of the United Kingdom and Ireland. The Council Members (about 20 persons) usually gather 3-4 times in a year	General supervision over the standards development process. The state carries out not so much a thorough accounting regulation as governs the principles of accounting reporting formation
		<u>Non-state regulation:</u> Accounting Standards Board (ASB) Financial Reporting Review Panel (FRRP)	Development and control of accounting standards: provisions of standard practices, financial reporting standards, provisions of recommended practices, etc..
	Tax acc.	<u>State regulation:</u> Her Majesty's Treasury; Her Majesty's Revenue and Customs (HMRC)	Formation of tax policy. Supervision in the tax area. Administration and collection of taxes.
	Manag. acc.	Chartered Institute of Management Accountants (CIMA)	Headquartered in the UK, certification of specialists in management accounting. The number of members of the community consists of more than 172,000 professionals from 165 countries.
Global economy	Fin. acc.	<u>State regulation:</u> A number of countries recognised IFRS as a mandatory, making the formation of national standards unnecessary	International Financial Reporting Standards
		<u>Non-state regulation:</u> International Accounting Standards Board (former International Accounting Standards Committee, founded in 1973)	International Financial Reporting Standards
	Tax acc.	None	None
	Manag. acc.	None, but CIMA and IMA have prevailing influence	None

Monitoring the situation it shows that financial accounting standards in both Russian and international practices are [uniform/consistent] in their striving for unification of methods and techniques for financial reporting formation, and that management accounting lacks systematic approach in standardisation of accounting methods in the area of inner management in both practices. Thus, in US practice, functioning management accounting standards are more applicable for management strategy, rather than management tactics.

For example, the purpose of the 4th section on the management accounting standards in the US, concretizing the practice and techniques of accounting methods and calculating the number of indicators in the sphere of management, is the elaboration of practical recommendations on the use of applied management

techniques with reference to accounting categories (accounting objects). These standards disclose options for calculating the value of equity and liabilities, which is important when assessing the structure of own and borrowed capital (4A «Cost of Capital», 4H «Uses of the Cost of Capital»).

A number of standards actualize the use of various management strategies in the organization (4N «Management of Working Capital: Cash Resources», 4V «Effective Benchmarking», 4HH «Theory of Constraints (TOC) Management System Fundamentals», 4II «Implementing Integrated Supply Chain Management for Competitive Advantage», 4KK «Implementing Lean Production Fundamentals», 4NN «Implementing Process Management for Improving Products and Services», 4OO «Understanding and Implementing internet E-Commerce») and methods of rating the company's potential effectiveness (4D «Measuring Entity Performance», 4U «Developing Comprehensive Performance Indicators», 4Y «Measuring the Cost of Capacity», 4AA «Measuring and Managing Shareholder Value Creation», 4DD «Tools and Techniques for Implementing Integrated Performance Management Systems», 4EE «Tools and Techniques for Implementing ABC/ABM», 4FF «Implementing», 4GG «Tools and Techniques Target Costing», 4LL «Implementing Capacity Cost Management Systems», 4MM «Designing an integrated Cost Management Systems for Driving and Organizational Performance»).

Some standards recommend applied methods of accounting and management of fixed assets (4L «Control of Property, Plant, and equipment», 4J «Accounting for Property Plant, and equipment»), and also disclose methods for organization of automated workflow (4PP «Implementing Automated Workflow Management»).

The purpose of the 5th section is to develop recommendations for the use of the accounting resource in some segments of business management, namely in the system of management control and optimization in overall (5A «Evaluating Controllership effectiveness», 5B «Evaluating Controllership effectiveness», 5C «Managing cross-Functional teams», 5D «Developing Comprehensive competitive Intelligence», 5E «Redesigning the Finance Function», 5F «Tools and Techniques for Redesigning the Function», 5G «Implementing Shared Service Centres»).

Despite the fact that generally standards of management accounting in the US contribute a point providing of accounting resource's tactics of business management, the complex of these standards ignores typification of such techniques of internal management, as selection of objects of management accounting, typification of costs for different purposes, methods of objective selection of techniques for cost calculation, depending on various factors of production etc.

International approach to the standardization of management accounting least contributes to the assessment of internal management capabilities, identifying correlation of actions of concrete top-managers with productive performance in their area of responsibility. These standards are mostly focused on a specific structuring

of assets and liabilities, their assessment and analysis, what is not less important in the selection and confirmation of the organization's management strategy generally and its sectorial activities – in particular. This confirms the need of further development of the standardization process in international accounting practice.

5.3 The development of management accounting standardization in Russian theory and practice of accounting in the sphere of management.

The beginning of accounting standardization processes as a unified system of accounting and reporting in the Russian theory and practice was initiated in the period of cancellation of centralized economic planning. Since then, the Russian accounting reporting formats to some extent approximated to international formats, what makes beneficial the factor of uniformity of reporting for foreign economic activity.

But during the standardization of accounting and taxation, benefits of distinguishing of subsystem management accounting techniques have become more visible which methods have been farmed out to top managers. From knowledge of corporate executives depended on the bulk of additional capacity on account, disclosing a strategy of profit management organization. The absence of a set of common methods and techniques of management accounting, based on the professional standards creates variations in the accounting companies, frequently unduly influencing an organization's policies of accounting. The solution of problem of the unification of methods and techniques of management accounting can be implemented through its standardization. Credibility of the process can be proven by international experience. These are suitable directions for standardization of management accounting in Russia:

- systematization of the essential characteristics with respect to the management accounting terminology. In the absence of accounting terminology in various legislative documents, it would be possible to disclose particular differences of certain accounting terms, contributing to the knowledge of financial and managerial accounting differences: the elements of cost, cost items, the cost accounting object, and the object of calculation, centre of financial responsibility and a cost centre, and so forth.
- structuring of management accounting objects. Researches in the field of typification for structure of analytical facilities management, which simultaneously become objects of management accounting, are of particular relevance to business. For example, the distinguishing of the characteristic features of the costs carriers, cost centres, centres of financial responsibility, and others.
- typification of structuring of expenses. This method is equally important, as it allows to: a) disperse all organization's costs for management decisions (detailing costs into variables and constants), b) to assess functional responsibility of top-

managers in terms of their control over accountable costs (detailing costs on controlled and uncontrolled, regulated and unregulated);

- classification and characteristic of prime cost calculation methods. Standards in this area of business would get a special interest as they contribute to an understanding while choosing a method of cost calculation on various basis, for example, on the technological features of production (custom-cost, redistribution-cost and process-cost method of cost accounting), on the basis of completeness of the expenses formation (total and reduced method of prime cost accounting), on the basis of rationing of costs (standard method of cost counting and method of actual prime cost accounting) and another features. This contributes to a more objective forming of components for calculation technology of accounting for the enterprise of one or another industry.

As in Russian practice there is no structuring of accounting methods that provide management tactics, business rely on freedom of choice for methods of structuring the accounting resource while assessing the system of internal management. Some organizations are seeking variants of assessment for income of particular commodity group or even commodity positions, despite the dubiousness of economic prime cost, exactly the amount of fixed costs as a part of innovative productions costs and the absence of an objective basis of distribution for this mass of indirect costs turned economic prime cost into the mathematical one. The other organizations focused on a search for methods of resource's income and costs distribution in the context of financial responsibility centres and cost centres. In this case due to the lack of interest in these categories by the fiscal authorities, the direction of the search depends on economic knowledge of a top manager. The third organizations focused their internal management efforts on extension of the analytical levels with the reference to income-forming indicators in unified system of financial accounting, when loading accounting policy with the appropriate techniques and endorsing rigid structuring of accounting itself. However, this practice eliminates the flexibility in attracting methods of accounting to ensure the management target information.

5.4 Basic information modules for the standardization of management accounting techniques in Russia

In order to avoid trade-offs between the objectives of the strategy and management tactics, between the integrated and stand-alone variant of correlation of accounting and managerial accounting, it will be more appropriate in Russian practice to create an appropriate standard for managerial standards, similar to the US and European standards. However, these are possible main directions for Russian standardization:

1. Standards, disclosing characteristic typical components of management accounting: characteristic of managerial accounting, its purposes, objectives, principles, set of its basic methods and techniques of management. This will allow the management of company with any industrial orientation and any production

- volume form an opinion about the necessity of using an additional information space within the framework of management tactics;
2. Standards, characterizing typical set of the objects of managerial accounting (in fact – objects of management in commercial activity), their distinction from objects of financial accounting, subordination of one objects to another, purposes, which can be solved basing on the resource for each object of management accounting;
 3. Standards, disclosing classification principles of costs of organization on various bases: for prime cost calculation purposes, purposes of management decisions, for purposes of controllability and adjustability by the responsible top-managers and on other bases.
 4. Standards, characterizing methods of costs accounting and techniques of calculating the prime cost of the objects of managerial accounting: methods of costs accounting, depending on organization industrial orientation, on efficiency of costs accounting, depending on the completeness of expenses formation and on other bases;
 5. Standards, giving knowledge about typification of methods of forming the internal managerial accounting, allowing top-managers to choose reporting format for assessing the results of commercial activity.

Chosen set of methods of management accounting and managerial reporting for a particular organization is advisable to fix in the accounting policy for managerial accounting, and use it as a guide for corporate management. Table 1 shows the main components of the standardization of management accounting.

Table 2: The major components of management accounting standards

№	Standardization trends	Objects of standardization	Purpose of standardization
1	Standards characterize typology of essence of management accounting	Characteristic of management accounting Purposes of accounting Objectives of accounting Principles of accounting	Allow to form opinion about the differences between managerial and financial accounting
2	Standards characterize typical objects set of management accounting and disclose economic content for each of them	Cost bearers Centers of financial responsibility Cost centers Other types of objects	Allow to choose optimal structure for the objects of managerial accounting for particular commercial organization
3	Standards characterize principles of organization's costs classification on various bases	Elements of costs Expenditures Variable costs Fixed costs Controllable costs Uncontrollable costs Regulated costs Unregulated costs Other groups of costs	Form the opinion about the possible use of different groups of costs for the management purposes
4	Standards characterize methods of costs accounting and	Custom-cost method of accounting, Process-cost method	Allow to form a selection from one or the other method in accounting policy

	techniques of prime costs calculating	Redistribution-cost method Method of reduced prime cost Method of full prime cost Normative method of accounting Other variants	on managerial accounting, depending on the technology of organization and other preferences management
5	Standards characterize typical methods of forming inner management reporting	Possible formats of management reporting Principles of report fillings Methods of correlation of financial and managerial accounting	Assisting in the selection of formats for internal management reporting

In the same format existing standards of managerial accounting in international practice may be extended, what would visually divide accounting methods in the sphere of strategic and tactical management of organization. It would empower any business with standard set of systematic methods of accounting in the management system and enhance the typicality of the accounting, depending on the new purpose priorities of business.

Despite a century of experience in standardization and certification of management accounting in the world, in Russia so far there is no regulation of this sphere, even on the level of public associations. In order to confirm their qualifications, domestic professionals are ought to be trained and certified exclusively on programs of foreign professional communities, especially CIMA (Chartered Institute of Management Accountants - Chartered Institute of specialists in management accounting, UK) and IMA (Institute of Management Accountants - International Association of Certified Professionals for management accounting, US). Education and obtaining certificates issued by these organizations is an extremely expensive process, which does not allow acquiring the necessary education for wide range of specialists.

The absence of the required number of professionals in the field of management accounting in Russia was almost a primary problem during its implementation at the microlevel, and that, as a result, is one of the negative factors of increasing the competitiveness and efficiency of domestic enterprises. We believe that in the conditions of increasing crisis phenomena in the economy, raising the level of qualification in the field of management accounting for wide range of local specialists is becoming one of the most important tasks for education as well as professional communities. It is noteworthy that work on this direction has been going on for over a decade and continues to grow at a higher school level.

Thus, the authors of this article are the developers and leading professors at the master's program 38.04.01.21 «Financial (management) accounting, budgeting and controlling», was successfully implemented in the magistracy of the Rostov State University of Economics (RSUE) and full-time and part-time form of training. But, despite the fact this level of education develops students' knowledge obtained in baccalaureate, and corresponds to the maximum, six level of professional qualification of professional standards "Accountant", approved by Order of the

Ministry of Labour of Russia dated 12.22.2014 №1061n, highly efficient management requires continuous training, that can be realized through a national system of professional certification in the field of management accounting and budgeting. At this case, we consider it is appropriate to create a non-state regulatory institution in the field of management accounting in Russia - the Institute of Chartered Management Accountant Russia (ISSUUR). The formation of this state agency will ensure the practical implementation for these development objectives of management accounting in Russia:

- 1) Information support in the field of advanced technologies and management accounting, budgeting and financial control through the development of standards, new techniques for the practice, knowledge exchange and promotion of best practices.
- 2) Development and actualization of training programs, and professional development of specialists in management accounting.
- 3) Certification of specialists in the field of management accounting in order to confirm their professional skills for employers and build the social network of professionals in the field of management accounting, to establish permanent contacts, exchange of experience, career opportunities.
- 4) Organization of various seminars for members of ISSUUR, workshops and other professional development opportunities, taking into account the realities of the domestic economy.
- 5) Interaction with the business community and the largest universities in the country in order to adapt training programs with employers' requirements.
- 6) Promotion of professional activity of management accounting professionals through outreach, printed publications.

The implementation of the above recommendations on practice will improve the level of professionalism of local specialists in the field of management accounting and, consequently, the effectiveness of management at the level of businesses and the economy as a whole.

6. Conclusion

Thus, the bulk of accounting information is required for management decision-making, requires a special opinion and administrative resources on the part of professional associations in the standardization of the management accounting. The presence of a professional school in the field of management accounting in the United States and Europe simplifies the process of standardization of management accounting with a focus on the expansion of its practices in the direction of tactical business management. The accent on the use of methods of management accounting in the strategic management already implemented in the current standards of foreign countries, although there is no limit for improvements in management.

There are many attractive, in case of application, national methods of management, including management accounting techniques. Nevertheless, the lack of standards in the field of management accounting impoverishes microeconomic management and creates problems to entrepreneurs in understanding the typicality and variability in management accounting.

The above implies the need for a constructive solution to the problems associated with the expansion of the status of management accounting in business management tactics by developing standards that are listed in Table 2.

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