

The Competencies of the Supply Chain Management in the System of Economic Security of Russian Enterprises

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Abstract— The level of economic security of an entity is heavily influenced by administrative and legal status of Supply chain management. Legal status of Supply chain management determined specifics of his work. Supply chain management belongs to the leaders of the economic-financial and administrative units of the organization. Emphasis on professional competence, labour functions and legal status of Supply chain management in ensuring the economic security of an entity in the light of the introduction in Russian practice of a professional standard "Accountant" is made. The widespread use of the practice of the Russian companies of professional standards, including those related to the procedures of the organization and conduct of audit and control services will organize work on compliance with economic security, develop and implement a system of events. The impact of accounting on the basis of professional standards "Accountant", "Internal Comptroller" and "Internal auditor" and labour competencies and functions on a system of economic security of an entity is examined. In modern conditions the professionalism and qualification of accountants, including Supply chain management, define their importance in providing economic security will allow program implementing a national system for assessing qualifications.

Keywords— *supply chain management, competency, economic security, management accounting, business accounting.*

1. Introduction

Modern economy imposes new demands on the quality of the workforce and training system. The process of reproduction of skilled labour entails the development of national systems of qualifications and professional standards. This is necessary to improve the quality of training and further training in vocational education [1]. Professional standards

set the requirements for the qualification of employees. Implemented professional standards are intended to bring together the labour activity and training. Currently qualification is associated with human competencies that should be effectively used in labour activities. World and Russian experts are similar in the opinion that professional standards provide rational use of professional competencies [2].

The Ministry of labour and social protection of Russian Federation developed and implemented more than 800 standards aimed at the establishment of the list of requirements to the level of education, knowledge, experience of employee of specific profession. In practice professional standards are already applied such as "Accountant," "Internal control specialist (Internal controller)" and "Internal auditor" directly affecting the organization of accounting and control and revision functions enterprises.

2. Method

Since the introduction of professional standard "Accountant" in 2015 in Russian Federation in the scientific and professional community arose many questions of its practical application. Generally professional standards are applied by employers in forming HR policy of the Organization and the attestation of workers. Responsibility to take personnel decisions are the powers of employers, and professional standard sets the bar for modern requirements and guidelines for personnel policy.

Professionally designed HR policy, including with regard to the accounting service is an integral part of the economic security of enterprises economic security system that should detect and prevent possible threats to the company ensuring the effective functioning of its activities. And in this context an important role is given to the organization of the accounting department and its leader directly. Supply chain management should ensure not only the formation of the accounting and analytical information to make professional management decisions but also to minimize the risks that could

affect the achievement of company objectives. Formation of a system of economic security of an entity recently received more attention and it is connected with the presence and emergence of new threats, both external and internal.

The relationship of accounting-analytical control divisions and economic security service will

provide a rapid response to emerging threats to financially sound company and accordingly will enhance its economic security. The importance of such specialists as supply chain management, internal controller and the internal auditor in ensuring economic security is underestimated [3].

Table 1: The duties and competencies of the Supply chain management

Functions	Competencies
Control of tax accounting	Tax accounting skills, knowledge of recent changes in the Tax Code
Passage of the tax and audits	Communicative skills. Ability to manage conflicts. Stress resistance
Periodic monitoring of the maintenance of all accounting sections	Experience or knowledge of all areas of accounting
Balance reporting and compiling	Balance sheet and compilation skills reporting. Similar experience in companies producing comparable scope and scale
Interaction with external contractors	Negotiation skills and conflict management
Formation of accounting departments	Experience shaping branches. Fundamentals of strategic management
Internal procedures setting in the company	Skills analysis of the effectiveness of processes
Accounting personnel management	Management skills: motivation, control, setting goals, and delegation. The distribution of tasks, personnel development, basic skills in selecting candidates. Practical experience in managing employees. Matching values and core behaviors corporate culture of the organization
Participation in strategic decisions related to the development of the company as a whole	Competencies related to the expectations of the company depending on the type of corporate culture can vary significantly: <ul style="list-style-type: none"> - result orientation; - initiativeness; - a high degree of loyalty to the company.

The main provisions of the professional standards should help managers realize the importance of highly skilled accounting personnel in the system of economic security of an entity. For each position generalized labor function in the standard is defined, which is detailed by specific list of job duties (Table 1).

The main objectives of the particular type of professional activity are identified. For example, the organization of internal control service significantly influences on enhancement of economic security. Specialist of internal control is to provide support for the management of economic entities through the timely identification and evaluation of risks of financial and economic activity using various forms of control, observance of the current legislation, internal policies, safeguarding of assets, reporting in a timely manner in order to achieve the planned indicators based on effective managerial decisions [4].

A similar description of professional activities of internal audit in a professional standard where the right is labeled link ensuring economic security: audits and consultations on the issues of reliability and efficiency of risk management systems, internal controls with a view to ensuring the reliability of information on financial and economic activities of the organization [5]; the efficiency and effectiveness of the organization

[6].

Each feature is explained by individual knowledge, skills and actions. Work performed by supply chain management maintains a high level of economic security of an entity. Such labour functions should be mentioned here as internal control of accounting and preparation of financial statements, financial analysis, budgeting and cash flow management contained in the functional map occupations.

Professional standard "Accountant" indicates the need for the Supply chain management to evaluate potential risks and opportunities of an economic entity in the foreseeable future and justify the measures taken by management decisions when performing internal control, audit, and tax audits. The implementation of the above-mentioned functions ensuring economic security is based on the expertise of international and federal legislation, internal standards and regulations for the protection of information of an entity.

For various skill levels standards describe labor actions, required skills and knowledge related to the economic security of financial-economic activity including guaranteeing the security of private and corporate investors. In labour actions there is a need to identify and assess the conditions conducive to the emergence of significant risks and their transformation into a risky event; to form the information base on deviations in the actions internal control object from the requirements of normative-

legal base and internal regulations; to formulate evidence of significant deviations and significant risks are also set [7].

The Supply chain management conducts operational monitoring of violations and related risks, monitors activities to address them. The Supply chain management has many important information, he knows many "secrets" of the company, he is negotiating with regulatory agencies, with external counterparties.

Many CEOs when selecting a candidate for the position of Supply chain management do not focus on the relationship of its competencies and responsibilities towards economic security of the company. However obviously the relationship should be tracked based on the following professional characteristics:

- availability of higher economic education and academic degree;
- advanced PC user;
- in-depth knowledge of accounting and tax legislation;
- experience of audit and tax audits;
- experience in business administration;
- availability of professional accountant certificate;
- experience of reporting under IFRS (Aletkin,2014);
- experience and the length of professional activity;
- gender;
- knowledge of a foreign language.

A survey of opinion leaders of companies and recruitment agencies allowed us to compile a ranking of the core competencies of Supply chain management (fig. 1).

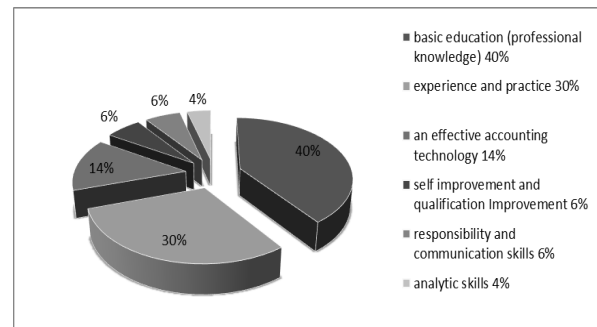


Figure 1: Rating of the core competencies of Supply chain management

To ensure the economic security of the organization there is a need to highlight the most important and priority factors when drafting the competency profile of the Supply chain management. For an objective assessment of candidatures for the position of Supply chain management the profile of the position should be simulated. The executive director of the company determines the significance of labor skills which are developed on the basis of a map of the supply chain management of competencies (fig.2).

Not every company has the ability to allocate in the organizational structure independent Department for economic security. Therefore the accounting and analytical services organization are endowed with special powers and certain employment functions contributing to minimize possible risks [8-10]. In our view we should add one more professional indicator structure and rate that can be used by only highly skilled manager who has some knowledge of accounting with its further use in the recruitment of professional accountants. The close interrelationship of accounting-analytical division and economic security (if any) will ensure a rapid response to emerging threats to the stability of the organization and accordingly will enhance its security.

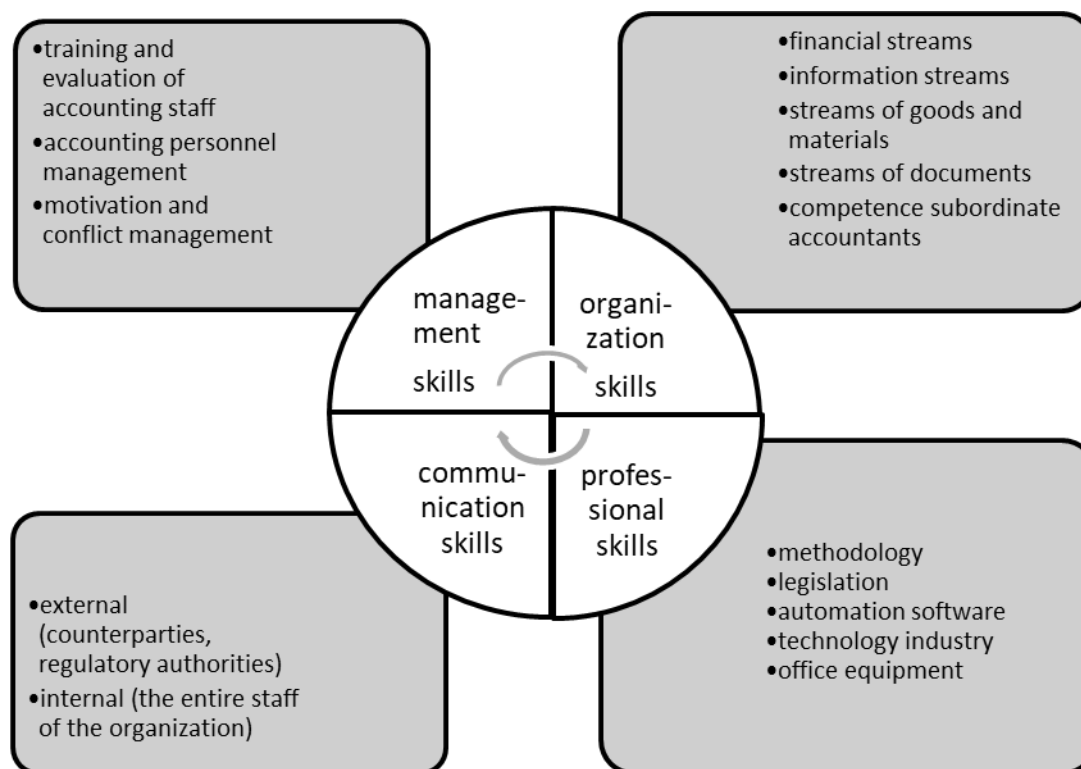


Figure 2: Map competencies of Supply chain management in the system of company's economic security

3. Result

The level of economic security of an entity is heavily influenced by administrative and legal status of Supply chain management. Legal status of Supply chain management determined specifics of his work. Supply chain management belongs to the leaders of the economic-financial and administrative units of the organization. In this regard the duties of the Supply chain management are dominated by administrative and managerial functions of planning, organization, coordination and monitoring of the process of formation of documented systematic information in the accounting system, the distribution of responsibilities between accounting employees, monitoring of internal standards organization.

At present the role of Supply chain management in ensuring economic security is undermined and fundamental provisions of the professional standard of "Accountant" should help the executive officer of the company to realize its importance. The presence of professional accounting personnel will ensure the economic security of an entity.

In the Professional accountant standard there are two positions - accountant and supply chain management. For each position functional map type of professional activity is defined which is detailed through a specific list of labour functions. Each labor function explains individual knowledge, skills

and actions. A careful examination of each function specifies a relationship of certain actions of the Supply chain management aimed at ensuring a high level of economic security of an entity.

Generalized labor function of supply chain management determines the requirements for practical work experience and specific conditions of admission to work indicating that in our view the need for economic security. For example, to perform labour functions officials are permitted if having the experience of professional activity for at least five years out of the last seven calendar years. In some economic entities additional requirements to Supply chain management may be established: Supply chain management must not have outstanding conviction or appeal.

Among skills a focus should be made on the ability of the Supply chain management to assess the possible effects of changes in accounting policy of an economic entity, their impact on its future activities as a form of economic security risk. Emphasis should be made to the ability of the Supply chain management to evaluate the level of professional knowledge and skills of employees of the accounting department and coordinate their actions in relations with representatives of foreign and domestic enterprises. Standard requirements to implement simple calculations on some sections of the accounting employees will affect the reduction of risks because in this case such employees may not be aware of all

sections of accounting operations. Standard, therefore, does not consider as a necessity higher education from an accountant.

Legislation of Russian Federation on banking activity for candidates to the position of Supply chain management has stringent requirements not only because a higher education is a guarantee of better performing professional duties but also the ability to create and use accounting and analytical information with a view to ensuring the economic security of the enterprise. Unequivocally that credit and insurance companies, pension funds, government and municipal organizations will necessarily use standard "Accountant" in personnel policy and professional certification [11].

The process of the formation of the authority of the Supply chain management is based on adapting the general statutory scientific and methodological requirements for the functional characteristics of the economic entity. The head of the economic entity administratively approves the regulation of accounting management organizational structure, establishes the status of the accounting department, establishes its functions in information system management of the organization. The Supply chain management has the right to independently choose the organizational structure of the accounting department depending on the type of activity of economic entity, its legal form, scope of work and the degree of automation processing of economic information.

Supply chain management is involved in the development of internal organizational standards of the organization including accounting policy of an economic entity, evaluates the possible consequences of changes and their impact on the future activities of the organization. Professionally designed document management rules provide indirect administration technology management decisions and monitor their implementation in the organization. Supply chain management develops job descriptions for each segment of the accounting profession in the economic entity. To professionally prepared instructions key requirements are imposed on unambiguous wording of the provisions, their understanding and implementation. This approach ensures adequate enforcement and control for the implementation of the requirements of all stakeholders. The administrative tools are used in the analysis and evaluation of the results of the work of the economic entity determining the causes of deviations and the establishment of the

perpetrators. The design value of detail and professional regulation authority accountants stated in the instructions, is to eliminate the possibility of non-fulfillment of the provisions contained in it.

Scope of Administration of the Supply chain management is defined by the range of control of the head of the behaviour and activities of their subordinates, their strength and functional responsibilities of the performers. Supply chain management manages professionally competent team of people with different personal characteristics and temperament. The head is obliged to objectively assess the level of professional knowledge and skills of employees of the accounting service, planning the timing, duration and subject raising qualification of its employees.

4. Conclusion

In modern conditions the professionalism and qualification of accountants, including supply chain management, define their importance in providing economic security will allow program implementing a national system for assessing qualifications. The formation of this program defines a new type of activity-specialized organizations of professional assessment of the indicator.

Modern accounting service is multidisciplinary and multifunctional structure. To ensure economic security there should be an organized accounting system which is able to adapt to any organizational-methodical changes. Much remained to be done to develop appropriate evaluation criteria and indicators, one of which must be a criterion that indicates the ability of the Supply chain management to enter into the administrative team of top managers ensuring economic security of enterprises.

Recruitment agencies in conjunction with internal security service should assess the competence and skills of the candidate using the basic tools of evaluation of the above competencies. Administrative activities of the supply chain management of the organization through execution of basic principles of governance: authority and responsibility. Powers of Supply chain management in economic security system is objectively determine the nature and boundaries of its responsibility for organization and maintenance of accounting records.

The necessary action should be aimed at protecting the economic resources of an entity, the rule of law committed by the facts of economic life. Current accounting service is a multidisciplinary system. In order to ensure economic security it must adapt to any

organizational-methodical changes. Compliance with the requirements for the implementation of individual activities of accountants, internal controllers and auditors will have a significant impact on the timely identification of the causes which have a negative impact on the economic stability and security. The widespread use of the practice of the Russian companies of professional standards, including those related to the procedures of the organization and conduct of audit and control services will organize work on compliance with economic security, develop and implement a system of events. Analysis of individual risk categories, the assessment of its size, activities that protect the assets from threats, both external and internal, will facilitate the achievement of the objectives of economic security.

5. Acknowledgements

The work is performed according to the Russian Government Program of Competitive Growth of Kazan Federal University.

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