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WAGE IN THE MANAGEMENT AND CONTROL SYSTEM AT THE ENTERPRISE

The article is devoted to topical issues of wages as an object of management and control at the enterprise. It has been proven that the correct organization of accounting of accrued wages contributes to effective management and control with the aim of timely calculation of wages and effective use of labor resources.

Proper organization of accounting includes the selection of the most modern forms and systems of work, analysis of factors that increase labor productivity and ensure optimization of the working time of employees. The article highlights the importance of the formation of the accounting system as a direct incentive for effective development, a direct factor in increasing the investment attractiveness of the enterprise, which should gain recognition and reputation even in conditions of military aggression.

It is emphasized that accounting is a component of the enterprise management system that goes beyond accounting and is intended to provide personnel with information for effective business planning, accounting, evaluation, analysis, control and, accordingly, management decision-making.

The basic principles of the formation of the accounting and wage control system are outlined. It is noted that the accounting and control of wages is the main source of information for management in the process of managing a business entity. The basic criteria for evaluating the information that is formed at the enterprise, the methods of its formation, are given. The requirements for the formation of a system of accounting and control of wages at enterprises are highlighted.

The results of the study of the issues of accounting and wage control are the practical application of the proposed improvements at the selected enterprise in order to improve the indicators of financial and economic activity, liquidity and solvency of the enterprise.

The proposed improved documents will improve the payroll management and control processes. The implementation of measures to improve the accounting of wages allows to significantly increasing the efficiency of accounting, to eliminate shortcomings in the organization of accounting of wages at the enterprise.

In the process of research in the article, general scientific research methods were used to solve the tasks, namely: system analysis, theoretical and methodological generalization, statistical and graphic analysis, specification, induction, deduction, observation, grouping and comparison.

Keywords: enterprise management, labor costs, accounting and control, wages, personnel management

Formulation of the problem. In modern conditions, the accounting system, especially the calculation of wages, is in the process of change and improvement according to international standards. Mostly, this is due to the fact that work, as an object of accounting and control, is one of the fundamental economic categories, which is designed to provide functions necessary for a person, namely: stimulating, social and reproductive.

An important component in the organization of personnel management is the creation of appropriate documentation regarding the activity of calculation and payment of wages, which is the basis for making management decisions in terms of the development of measures to increase motivation and work organization, which helps to optimize the time of processing accounting information and directly affects the quality, reliability, accuracy, integrity and accuracy of personnel management.

Salary is one of the motivational factors, which serves to increase the labor productivity of employees, which in turn is positively reflected in the production of goods or the provision of services. Throughout the development of the economy and society, wages remain a key incentive for workers.

For social and legal protection and material interest of employees, it is necessary to constantly improve the wage system, taking into account the quality of work, working conditions and its results. This requires constant control of personnel costs, which includes monitoring of compliance with applicable labor legislation, adjustment of salary calculation and deductions from it, adjustment of relevant accounting documents of accrued salary.

Labor costs are regulated by relevant regulations and laws, which are constantly changing, so studying the calculation and control of accrued wages is also relevant. The completeness and reliability of the salary calculation primarily depends on the organization of labor remuneration at the enterprise, which in turn optimizes the results of the enterprise as a whole.

In practice, enterprises use separate elements of accounting and wage control, and it is important that they are not separated, but combined into a common plane, which is aimed at achieving a positive result.

Analysis of recent research and publications. The following scientists paid attention to the study of the management and improvement of accounting and control of accrued wages in their works: I. Lepyokhin, I. Voloshan, S. Honcharuk, A. Makarenko, O. Sholyak, O. Gamovata.

The information necessary for operational management is provided by the company's payroll accounting and control system. Constant changes and additions to the legislative and regulatory acts of Ukraine, the influence of transformational processes associated with the use of IFRS, require that the accounting and analytical information system of enterprises is not aimed at the formal compilation of both external and internal reporting, but serves as a source for adopting balanced management decisions.

The issue of organizing the accounting of accrued wages is quite important, as it is the most responsible and complex. In addition, some enterprises make unofficial payments to workers without corresponding payment of taxes and payments established by the Law of Ukraine. This problem requires the improvement of already existing approaches to record keeping, as well as control using the latest information and communication technologies in accordance with international accounting and financial reporting standards, which in turn will affect the improvement of the efficiency of managers' work, as well as the prevention of possible abuses and errors on enterprises.

In the period of globalization of economic processes, modern enterprises face the problem of achieving competitiveness and efficiency of functioning on domestic and international markets. However, insufficient volume or lack of high-quality internal accounting information has a negative impact on its activities, since managers do not have full information, do not have quick access to it and, accordingly, the ability to quickly solve problematic issues that arise at the enterprise.

Practical activity shows that the more complex the production structure and technical and economic features of the enterprise, the more diverse should be the field of management methods and procedures for optimizing costs and financial results, which requires operational economic information for making informed management decisions.

The purpose of the article. The purpose of the work is to study the organization, methods of accounting and control of accrued wages at the enterprise, to provide suggestions for their improvement.

Research results. The main legal base in force regarding the right to work is the Constitution of Ukraine (CU). According to Art. 43 of the Civil Code states that "everyone has the right to work, which includes the opportunity to earn a living by work that he freely chooses or freely agrees to" [1]. "Everyone has the right to proper, safe and healthy working conditions, to wages not lower than those determined by law" [1].

According to the Law of Ukraine "On Wages", wages are "remuneration, calculated, as a rule, in monetary terms, which the employer pays to the employee for the work performed by him under the employment contract. The size of the salary depends on the complexity and conditions of the work performed, the professional and business qualities of the employee, the results of his work and the economic activity of the enterprise" [2].

From an economic point of view, different methods can be distinguished in relation to finding out the content of remuneration and the factors that determine it. Let's consider in detail the interpretation of "wages" in the works of scientists. Thus, in the opinion of S. Glukhova and A. Zotova, "salary is the price that the employee receives as a reward in monetary terms, which stimulates him to achieve high final results of work on the one hand and elements of production costs on the other" [3].

I. Lepyokhina considers wages "as objectively necessary for the reproduction of the labor force and the effective functioning of production, the volume of the main part of the means of living expressed in monetary terms, which corresponds to the achieved level of development of productive forces and increases in proportion to the increase in the efficiency of the work of workers" [4].

A. Mashevska interprets the salary as: "the price by which the work of the worker is evaluated, which should be expressed only in monetary terms and stimulate high results, and also acts as one of the elements of production costs" [5].

Wages are a significant and complex economic category. When calculating it, it is necessary to know the price of labor and the price of labor. The price of labor power includes the value of goods that are necessary for functioning, and the price of labor, in turn, is related to the price of labor power.

The economic structure of wages is also revealed through the functions performed in the process of social reproduction. Scientists distinguish four main functions of wages, namely: motivational, regulatory, reproductive and social (Fig. 1). The essence of the motivational function is to encourage employees to increase the quantitative and qualitative level of their work.

The main feature of a person's motivational activity is his various needs. According to the hierarchy proposed by A. Maslow for the hierarchy of human needs, there are needs for self-actualization, that is, the desire to realize one's abilities, for personality development.

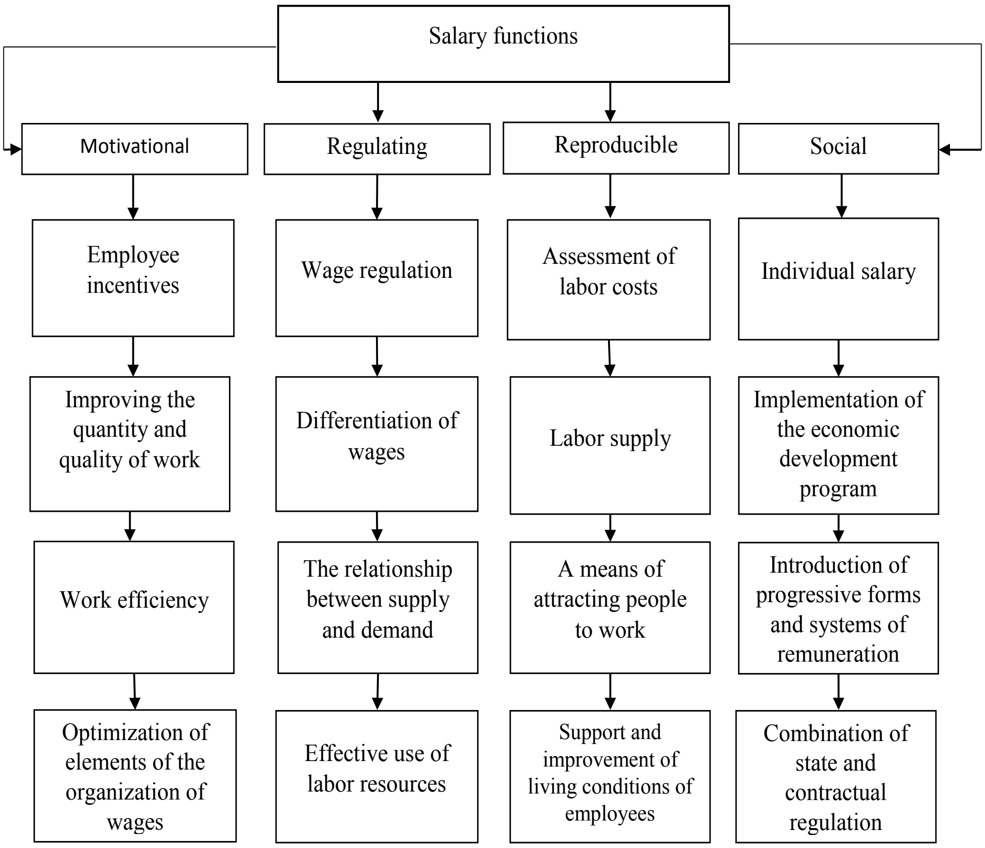

Figure 1. Wage functions. *Compiled by the author based on [4,6].

A person can satisfy all these needs with the help of work. As a result of a person's awareness and experience of needs, certain urges to act arise, thanks to which they are satisfied. The regulation function allows you to effectively find and use labor resources at the expense of their labor results.

The essence of this function consists in the regulation of wages, the combination of supply and demand, the training of the company's personnel, the level of its work, and the differentiation of wages. "It solves the problems of regulating the cost of labor on the labor market depending on its demand and supply and the distribution of labor resources by regions, industries, enterprises, taking into account the market situation" [7].

The reproductive function consists in providing the labor force at a certain level of consumption, the ability to maintain and improve the living conditions of workers. "Employees are mostly interested in its implementation and it is connected with the peculiarities of state regulation of wages, that is, the establishment of state regulation of wages and the living wage"[7,8].

The social function is that the amount of wages determines the amount of deductions. This function can be considered as "a means of ensuring social justice, limiting or restraining the development of economic and other forms of inequality"[7,9,10].

When performing all functions together, the enterprise is able to achieve effective organization of salary issues. "Any opposition to any of the listed functions contributes to the development of crisis phenomena in the country" [4].

However, in modern conditions, "wages in Ukraine perform the following functions:

- Preservation of employment at the cost of a reduction in wages;
- Provision of social guarantees;
- Containment of inflation (through late payment of wages);
- Redistribution of the employed by branches and spheres of the economy;
- Spread of illegal activity and secondary employment;
- Increasing labor mobility" [4].

For the analysis of accounting and control of accrued wages, as well as for providing recommendations on improving accounting, we will consider the enterprise "Metinvest Business Service".

The main base of documents of a normative and legal nature, which regulate labor remuneration in Ukraine, as well as at the selected enterprise "Metinvest Business Service" includes: Statute, Collective Agreement, Order on Accounting Policy, Law of Ukraine "On Labor Remuneration", Constitution of Ukraine, Law of Ukraine "On accounting and financial reporting in Ukraine", Code of Labor Laws of Ukraine, Tax Code of Ukraine, Regulation (standard) of accounting 26 "Payments to employees", instructions on issues of accounting of wages at enterprises of Ukraine approved by the Cabinet of Ministers of Ukraine.

The specificity of the activity of Metinvest Business Service LLC is a wide range of services to internal and external clients in the following areas:

- Accounting and tax accounting;
- Treasury operations;
- HR;
- Legal support;
- Supply and sales;
- Language translations;
- Other services (archiving, administration).

The accounting system at the enterprise is effective from the day of its registration; the issue of accounting organization is within the competence of its owner. The SAP ERR information system is used for accounting.

In order to manage and adjust organizational and production processes, the enterprise has main and auxiliary departments and services. Let's consider the organizational structure of the Department of Accounting Operations, which is related to "Metinvest Business Service" LLC, which is a unique division in the structure of the METINVEST Company, since its purpose is to perform financial operations to increase efficiency through standardization and unification.

The size of the statutory fund is UAH 71,125,000.00. To protect the interests of Metinvest Business Service LLC employees, the primary trade union organization of MBS LLC was created in November 2016.

The result of the successful start of work was the development of a draft Collective Agreement between workers and the administration of MBS, which was approved at the labor collective conference on January 25, 2017.

The directions of activity of MBS LLC did not change during the period of its existence. As of the end of 2021, there were no mergers, divisions, mergers, or transformations with wage accounting at the enterprise (Fig. 2).

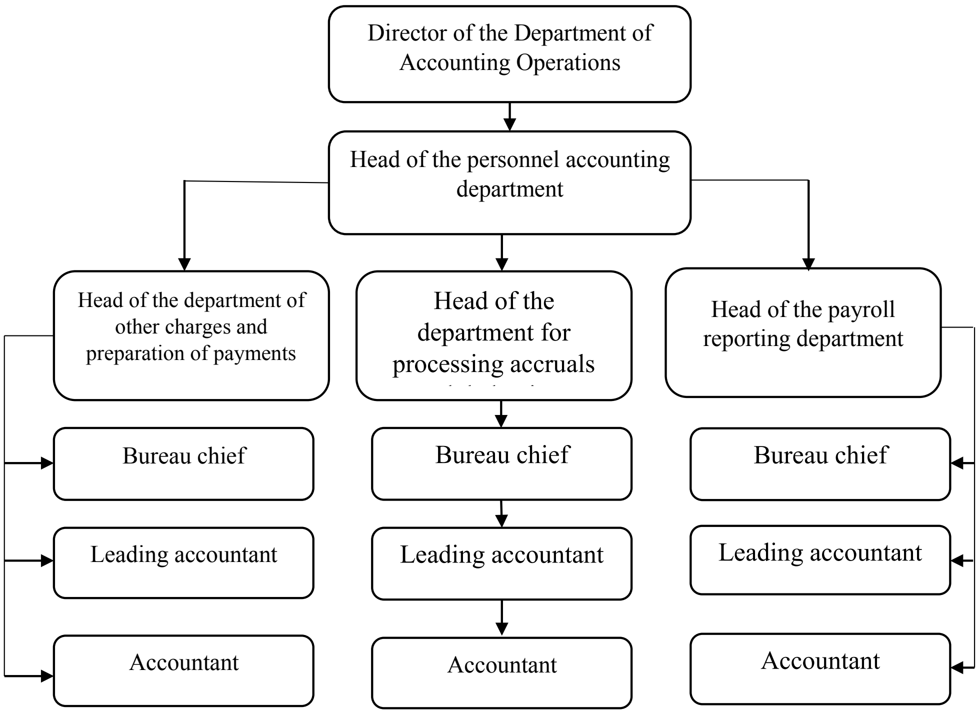

Figure 2. Diagram of the organizational structure of the department of accounting operations (* Developed by the author independently)

Let's analyze the indicators of the financial and economic activity of the enterprise (table 1). Analyzing the financial and economic activity of "Metinvest Business Service" LLC for 2019-2021, the following can be noted. Net revenue from the provision of services in 2020 compared to 2019 increased by 34.1%, and in 2021 this indicator has a positive trend, as it increased by 11.6%, this indicates that the company developed and distributed the following areas of services - accounting and tax accounting, treasury operations, legal services, services in the field of personnel management, which led to an increase in revenue and partly influenced the growth of net profit. The cost of goods sold compared to 2019, in 2020 increased by 32.5%, compared to 2020, in 2021 it increased by 2.7%. When the net revenue from the sale of products decreases, their cost price increases, which is connected with the expansion of the range of services.

Table 1

Analysis of indicators of financial and economic activity of " LLC "Metinvest Business Service for 2019-2021.pp.

Indexes	2019 year	2020 year	2021 year	Absolute deviation		Rate of change%	
				2020/ 2019	2021/ 2020	2020/ 2019	2021/ 2020
1. Net sales revenue, thousand UAH	284532	381576	425698	97044	44122	34,1	11,6
2. Cost of goods sold, thousand UAH	224763	297742	305687	72979	7945	32,5	2,7
3. Gross profit (loss) thousand hryvnias.	59769	83834	97895	24065	14061	40,3	16,8
4. Other operating expenses, thousand UAH.	5948	2263	3564	3685	1301	-62,0	57,5
5. Administrative expenses, thousand UAH	54428	74400	83700	19972	9300	36,7	12,5
6. Other financial income, thousand UAH	119	47	64	-72	17	-60,5	36,2
7 Other incomes, thousand hryvnias	9	0	0	-9	0	0	0
8. Financial expenses, thousand UAH	367	929	648	562	281	153,1	-30,2
9. Other expenses, thousand UAH	120	0	0	-120	0	-100	0
10. Profit before taxation, in the amount	2358	6380	8965	4022	2585	170,6	40,5
11. Net income (loss) from ordinary activities	1444	5002	6704	3558	1702	246,4	34,0
12. The average registered number of workers, people	1021	1349	1295	328	-54	32,1	-4
13. The average salary of one worker per month, thousand hryvnias.	10278,55	12735,6	14057,39	2457,05	1321,79	23,9	10,39
14. Authorized capital, thousand UAH.	71125000	71125000	71125000	0	0	0	0

*Compiled by the author based on data

The average registered number of workers compared to 2019, in 2020 is 1349 people, compared to 2020, in 2021 it decreased by 4% and is 1295 people. Such a decrease in the number of employees is primarily associated with a change in the company's personnel policy, secondly, with a mass outflow of the population of working age, and thirdly, with a lack of motivation to work. The average salary of one worker per month compared to 2019 in 2020, it increased by 23.9% and amounts to UAH 12,735.60, and in 2021, this indicator also has a tendency to improve and amounts to UAH 14,057.39. The main reasons for the increase in the FOP are the increase in the salary of employees and the decrease in the average registered number of employees.

When analyzing the liquidity of the balance sheet, it is important to determine the factors affecting changes in the company's activities. "These factors should include: the amount of short-term debt; structure of current debts; reliability and solvency of creditors; directions of use of borrowed or borrowed funds; structure of working capital of the enterprise; the type of enterprise and the duration of the production cycle; existence of receivables (date of occurrence and repayment); availability of developed measures of complex management of current assets; the presence of a defect; availability of developed settlement schemes with buyers and suppliers; sales policy of the enterprise" [8].

The following conclusions can be drawn from the calculations. In 2021, there is a decrease in liquidity at the enterprise compared to 2020. The value of absolute liquidity in 2021 compared to 2020 decreased by 0.01 and is below the norm, which is a negative trend, indicating a decrease in the ability of the enterprise to immediately settle its obligations. The coefficient of quick liquidity in 2021 meets and exceeds the normative value and is 1.23; but compared to 2019, the value of the indicator decreased.

The value of the coverage ratio corresponds to the standard, and this indicates that the company pays its debts on time. The coefficient of financial autonomy during the analyzed period is below the normative value, which means that the level of independence from external loans is low. The indicator of provision of own working capital shows how many stocks and expenses are financed in the enterprise at the expense of own working capital.

Table 2

Analysis of liquidity and solvency indicators of LLC "Metinvest Business Service"

Indicator	Norm	2019	2020	2021	Absolute deviation		Pace of change, %	
					2020/2019	2021/2020	2020/2019	2021/2020
Coverage ratio	1-2	1,36	1,35	1,24	-0,01	-0,11	-0,7	-8,1
Quick liquidity ratio	0,6-1	1,35	1,35	1,23	0	-0,12	0,0	-8,9
Absolute liquidity ratio	0,1-0,2	0,06	0,02	0,01	-0,04	-0,01	-66,7	-50,0
Own working capital	>0	30054	33181	25530	3127	-7651	10,4	-23,1
Coefficient of autonomy	> 0,5	0,48	0,47	0,44	-0,01	-0,03	-2,1	-6,4
Coefficient of provision with own working capital	>0,1	0,26	0,26	0,19	0	-0,07	0,0	-26,9
The coefficient is maneuverable. own working capital	>0,1	0,17	0,06	0,04	-0,11	-0,02	-64,7	-33,3

*Compiled by the author based on financial reports

In 2021, the indicator fell by 0.02 compared to 2020. Such dynamics indicate the increased dependence of the enterprise on sources of credit for the formation of reserves and expenses, which negatively affects the financial condition of the enterprise. Thus, "Metinvest Business Service" LLP is one of the main divisions in the structure of the Metinvest company for the provision of service services in the areas of: accounting, treasury operations. Comparing the activities of "Metinvest Business Service" LLC over three years, it can be seen that the most effective year of the company's activity is 2021, since all indicators in this year had a tendency to improve.

During the studied period, there is a positive trend in the growth of liquidity indicators, which is mainly due to an increase in the growth rate of current assets compared to the growth rate of current liabilities. The main indicator of the company's liquidity is the operating cash flow.

Conclusions. Today, Ukrainian companies work in a difficult economic situation, in conditions of military aggression, which, on the contrary, increases the struggle for quality and high professionalism of employees. The task of every enterprise is to increase labor productivity. The completeness and reliability of the salary calculation primarily depends on the organization of labor remuneration at the enterprise, which in turn optimizes the results of the enterprise as a whole.

Modern methods of managing the economy and production require a more detailed organization of accounting at the enterprise. Management accounting is intended to provide reliable and complete information, which is necessary for making correct and effective management decisions of the enterprise itself. But in practice, the heads of Ukrainian companies still do not have a clear understanding of this type of accounting, which is probably the main problem in the process of establishing a management accounting system. The company's activities did not change during its existence.

During the analyzed periods, there were no mergers, acquisitions, transformations or divisions at Metinvest Business Service LLC. According to the results of the analysis of financial and economic activity, it can be noted that financial activity shows positive dynamics, the company is developing and expanding its scope of activity due to the introduction of new services - legal services and personnel management services

These innovations led to an increase in revenues from the provision of services, as well as an increase in net profit. The conducted analysis of the company's financial condition shows that the company is relatively stable and able to repay its obligations on time. The source of the company's liquidity is cash flow. Wage accounting at the enterprise is carried out in accordance with current legal norms.

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