

ACCOUNTANT'S MANAGEMENT ROLE IN IMPLEMENTING THE STRATEGIES OF POSTAL UNITS IN ROMANIA

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Abstract:

Modern costs accountancy supplies information that managers mostly need in their decision taking process. Managers use information supplied by the management accountancy or the accounting management in order to choose a strategy, to communicate and establish the best way to implement it. They use information coming from the management accountant in order to coordinate decisions connected to conception, production and selling as well as the necessary transport of a certain product or service.

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JEL classification: *M,M4,M40*

If we imagine accountancy as rows of numbers that have to be summed, sorted and recorded we shall be surprised. Modern accountancy of accounting management or to say it better of costs represents more than its numerical side, much more. It is an essential factor in the process of managerial decision taking. From the supply of information necessary for planning the new products to the assessment of success of the most recent marketing company, costs accountancy has a major role in Postal Units in Romania organization and operation.

Postal units in Romania use information provided by costs accountancy in all the activities of its units in Romania. The research-development team needs to examine the main costs of services provided by Postal units as well as for editing printing, trading and storing stamps and postal effects in the stamps preserver and other related services and activities according to the relevant legislation.

The production department has to supervise raw materials and manpower expenses in order to be included in the necessary budget. The marketing group wants to evaluate various advertising channels in order to make the best choice, and distribution has to manage costs related to packages delivery and main postal services to clients. The managers in each of these departments of the Postal Units are based on information provided precisely by the stocks accountancy in order to be able to analyze and take decisions that would bring Post welfare.

Costs modern accountancy provides information that managers need in decision taking process.

Managers use information provided by the management accountancy or accounting management in order to choose a strategy, to communicate and determine which is the best way to implement it. They use information coming from the management accountancy in order to coordinate decisions about the conception, production and trading as well as the necessary transport for a certain product or service.

Accounting systems come from economic events and operations that occurred in an enterprise and process the data included in these operations in order to transform information that are useful to managers. The processing of any economic operation means collecting, systematization, gathering and analyzing the data.

We can notice the fact that costs are collected on categories of expenses (raw materials, manpower, packaging and delivery), added in order to determine monthly, quarterly or total annual costs and analyzed in order to evaluate the way in which they have evolved in comparison to incomes (for instance, from one period to another).

Accountant systems provide information under the form of financial statements (profit and loss account, balance and the status of the flows in the treasury) and performance reports (like the packaging cost, transport cost or postal service provision cost). Managers use accountant information in order to manage every activity or functional fields they are responsible of and coordinate these activities or functions within the organization taken as a whole.

An important thing to be noticed is that well organized accountancy supports managers in achieving these duties.

Accounting managers often require that the information of an accounting system be presented or communicated in a specific way. We can take, for example, the information on sale orders. A responsible sales manager could be interested of the total value of sales, in order to determine commissions payable to trade agents or physical persons. A responsible distribution manager could be interested of the sales orders, classified on geographic regions and delivery data required by clients, in order to provide products delivery in time. A responsible production manager could be interested of the quantities ordered from various postal products and necessary delivery data, in order to plan production.

An ideal database (often called “data storage” or “information storage”) consists of fragments of small and detailed information that can be used for multiple purposes. Sales orders database can include detailed information about products, ordered quantities, sale prices and deliveries for every sale order.

“Data storage” keeps data so as to allow every manager to access the information it needs.

We may say that management accountancy and financial accountancy **have different purposes.**

Management accountancy (managerial) quantifies and reports financial and non-financial information that help the managers to take decisions that would allow to achieve the purposes of an organization. Managers use management accounting information in order to choose, communicate and implement strategies. They use these information for coordinating decisions connected to products designing, production and marketing.

In conclusion, we may say that management accountancy is based on internal reporting.

Financial accountancy is based on reporting towards the exterior. It quantifies and records economic operations and provides financial statements drawn-up based on generally accepted accounting principles. Managers are responsible for the financial statements issued for investors, governmental control bodies and other interested parties outside the organization. The remuneration of a company’s management is often directly conditioned by the data indicated in these financial statements. Consequently, it is not difficult to understand why managers are interested both in management accountancy and financial accountancy.

Costs accountancy provides information for management accountancy and financial accountancy. Costs accountancy quantifies and reports financial and non-financial information related to the procurement cost or resources costs in a company. Costs accountancy includes those components of management accountancy and financial accountancy that include or analyze costs related information.

The aforementioned distinction between “internal reporting – external reporting” is only one of the significant differences between management accountancy and

financial accountancy. Among other differences we mention the fact that management accountancy is focused on the future (budgets drawing-up) and on influencing managers' and employees' behavior. Another difference is that generally accepted accounting principles do not apply so strictly to management accountancy like in the case of financial accountancy.

Balance type reports, Profit and loss account and the Statement of treasury flows are used both by management accountancy and financial accountancy. Most of companies apply generally accepted accounting principles (or only easily depart from them) in their main internal financial reports, due to the fact that the main principle of accounting recording of incomes and expenses in their period to the result they bring a contribution and not at the date of their actual cashing¹ offer an even way to determine the financial performances of a company both for internal purposes and for external ones. Management accountancy covers a broader field than financial accountancy which is based on drawing-up financial statements. Management accountancy thoroughly approaches subjects like strategies and policies drawing-up and implementing, budgets drawing-up, studies elaboration with a special purpose, employees' behavior influence and financial and non-financial information provision.

The Romanian Post generates profit by drawing clients willing to pay for the goods and services provided by it.

The key of Romanian Post success is offering clients a good **price – quality** report. The strategy is in identifying the way in which the Romanian Post can achieve this purpose. The success of a chosen strategy depends mostly of its implementation efficacy. Management accountant can make a contribution to strategies drawing-up, establishing the necessary resources and capacities, as well as implementing selected strategies.

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¹ Method called “commitments accountancy”, contrary to “cash accountancy”