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THE ESSENCE AND CONTENT OF APPLYING LOGISTICS IN MANAGEMENT ACCOUNTING

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ABSTRACT
This article examines issues such as the application of logistics in management accounting within enterprises. In particular, it highlights the features of organizing logistics costs in management accounting and their role in managerial activities, develops scientific proposals for effective management of costs from a logistics perspective, improves prompt internal accounting in management, and explores the practice of organizing logistics costs in management accounting for supply, production, and sales processes.
KEYWORDS: *management accounting, logistics, costs, flows, supply, production, sales.*

INTRODUCTION

In today's competitive environment, characterized by globalization of the economy and the need for fundamental reforms in enterprise management systems, the effective organization and improvement of management accounting has become crucial. Therefore, efficiently organizing costs and implementing logistic management in the supply, production, and sales chains of enterprises has emerged as one of the most pressing issues.

Naturally, the requirement to maintain timely and reliable management accounting information as part of the broader accounting framework emphasizes the need for in-depth research on cost-related processes in management accounting. Achieving positive results in management is the current primary goal.

Indeed, developing and implementing effective projects is particularly relevant under today's conditions. This necessitates the creation of a fully comprehensive database and reforming accounting systems to meet modern requirements. The integrated management of material and related flows through the logistics chain—comprising "procurement - production - distribution - sales - service"—is required to align enterprise managers' actions via integrated logistics tools. Accordingly, reducing costs and managing labor, material, financial, and information flows is considered integral to logistics.

As challenges arise in the management accounting of enterprises, shortcomings in its organization have become evident. The development of infrastructure, modernization of enterprises, and the proper integration of logistics and management in production remain critical issues. Based on these factors, the necessity of organizing logistics costs in the management accounting of manufacturing enterprises underscores the relevance of this problem.

RESEARCH METHODS AND MATERIALS

Numerous scientific studies by both domestic and foreign economists address the issues of organizing logistics costs within management accounting.

Foreign scholars such as J. Stonehouse, B. Houston, D. Caldwell, B. Needles, J. Foster, C. Horngren, K. Drury, and G. Stabenaue, as well as researchers from the CIS, including A.F. Aksenov, R.V. Borisov, M.S. Bobizhanov, M.A. Vakhrushina, T.P. Karpova, N.P. Kondrakov, V.F. Paliy, Y.V. Sokolov, V.I. Strazhev, I.E. Tishkov, D.U. Urokov, A.D. Sheremet, and N.G. Chumachenko, have conducted significant studies. Additionally, Uzbek scholars like A.A. Abduganiev, R.D. Dusmuratov, O.M. Jumonov, D.U. Mamadiyarov, A.A. Karimov, A.Kh. Pardayev, B.Kh. Pardayev, M.M. Tolahodjaeva, B.A. Khasanov, and A.A. Khashimov have analyzed management aspects and theoretical issues of management accounting in their research. Furthermore, Kazakh scholar K.T. Taygashina has specifically examined the methodological aspects of applying logistics in management accounting.

RESEARCH RESULTS AND DISCUSSION

According to K.T. Taygashina, "logistics," when translated from English, means "supply"[1], while K.A. Dadabayev describes "logistics" as derived from the Greek word meaning "calculation"[2]. Our research indicates that the definition of "logistics" has varied across different periods, and a universally accepted definition has not yet been established. Presently, numerous perspectives and interpretations of "logistics" can be found in scientific and economic literature. Western specialists view logistics as one of the

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most powerful tools for strategic planning of firms and companies and for competing effectively with rivals. Introducing logistic management leads to savings in financial, material, raw, and other resources.

Several economists, including L.F. Bobinin, K.A. Dadabayev, V.G. Degtyarenko, O. Dilmurodov, E.A. Golikov, M.P. Gordon, L.S. Fedorov, and G. Stabenaue, have provided definitions of logistics in their monographs, textbooks, manuals, and other scientific works. However, they have not specifically addressed its role and importance in management accounting. These researchers recognize logistics as a system for managing material flows but only highlight its relevance to supply processes. Summarizing the definitions provided by economists, logistics can be considered as the management of flows that cause dynamic changes over a given period.

Based on an in-depth analysis of the definitions and findings from our research, we propose the following definition: "*Logistics is one of the tools for reducing costs in supply, production, and sales processes. It involves managing material, financial, and information flows, as well as labor resources, in the most optimal ways to ensure the competitiveness of an enterprise's products, services, and operations.*"

This definition comprehensively reflects the essence of logistics, with additional insights to consider: First, utilizing logistics operations in supply, production, and sales processes within management accounting is essential to minimize costs. Management accounting serves as the primary source of information for developing management decisions regarding logistics flows, including material, financial, and informational streams.

Second, the use of logistics in management accounting is a critical factor for overcoming competition in the production and sale of products and the provision of services.

Third, achieving high profitability hinges on the efficient management of material, financial, and informational flows - essentially, logistic flows.

Efficient management of logistic flows is crucial for improving an enterprise's management accounting, leading to the development of measures that assist in decision-making.

According to Uzbek economists A.Kh. Pardayev and B.Kh. Pardayev, "The decision-making process in management often resembles an art, requiring high qualifications, practical experience, and developed intuition"[3].

B.A. Khasanov and A.A. Khashimov emphasize that "The process of making management decisions holds a special place in the economic activity of enterprises, requiring high qualifications and practical experience. Management decision-making begins with defining the enterprise's goals and objectives"[4].

A.A. Karimov notes, "The importance of information in management lies in its role as the foundation for making management decisions"[5].

Russian researchers N.V. Kozlyuk and S.N. Ugrimova state, "At every stage of planning and operational control, the foundation for management decision-making is accounting information"[6].

Similarly, Yu.A. Mishin highlights that "Ensuring the high economic efficiency of management decisions is no easy task, but the aspiration to maximize efficiency remains constant among managers"[7].

Endorsing the above perspectives, it is evident that the continuous management of logistic flows is indispensable, and the significance of management decisions cannot be overstated. Thus, the enterprise's management apparatus must base every operation on precise analytical results to achieve organizational objectives.

In our view, the following steps are essential for improving the decision-making process in management accounting:

1.Development and Preparation of Management Decisions: Assessing the situations in supply, production, and sales processes; Developing various options for management decisions; Selecting the optimal options for measures and plans; Analyzing the reasons for decision-making.

2.Evaluation: Assessing the economic efficiency of decisions; Ensuring timely implementation; Evaluating the social impact; Identifying and managing risks.

3.Making Management Decisions: Drafting and formalizing orders and directives; Assigning responsibilities to accountable individuals; Establishing deadlines for implementation; Communicating decisions effectively to implementers.

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4.Execution of Tasks: Preparing programs and providing them to executors; Delegating and dividing tasks and responsibilities; Explaining and clarifying assignments; Motivating and encouraging employees for task completion.

Control of Execution: Monitoring and addressing errors and deviations; Ensuring adherence to deadlines; Identifying and evaluating results; Exploring alternative options and implementing them as needed; Identifying those responsible for deviations; Addressing any discrepancies in the execution of decisions.

From the logistics perspective in management accounting, thorough development and revision of logistics processes in enterprise management can significantly reduce costs. Consequently, logistics management involves not only optimizing individual stages like supply, production, or sales but managing the entire process comprehensively to achieve the best outcomes. Unlike traditional management, where attention might be unevenly distributed across supply, production, and sales stages, logistics management ensures that no part of the chain experiences a decline in performance. This holistic approach prevents inefficiencies and ensures seamless integration of all operational stages.

For significant cost reduction in management accounting, it is advisable to apply logistics processes and grant additional responsibilities to specialists in accounting, internal audit, and management services. These responsibilities should include the following:

- Sharing information on logistics strategies adopted within production and management accounting;
- Developing and implementing measures for reorganizing the management of material and financial flows;
- Ensuring timely acquisition, storage, transfer, and processing of necessary information;
- Controlling and managing human resources effectively;
- Collaborating with other legal and physical entities to develop and implement strategic decisions.;
- Tracking financial indicators to assess the effectiveness of logistical decisions in management accounting.

In management accounting, logistics primarily involves the integration of material, financial, and informational flows, considered as a unified system of physical entities. Consequently, when establishing a logistics system, it is essential to ensure that the system is adaptable to these flows. This is because material, financial, and informational flows traverse various forms, states, and conditions throughout the supply chain, from suppliers to consumers, facilitated by logistical processes.

When implementing logistics operations in management accounting, it is important to distinguish and integrate activities aimed at modifying material, financial, and informational flows into a cohesive system. Operations related to organizing logistics costs and ensuring the production process are regarded as internal operations, while processes focused on fulfilling supply and sales functions are external operations.

In management accounting, the management of material flow necessitates specific logistics operations such as: collection, storage, processing, and the delivery of information and financial outcomes.

This is because material flow is considered in conjunction with an informational flow, which means it must be managed and optimized to ensure seamless coordination and control throughout the supply chain. Proper management of material flows helps to reduce costs, improve efficiency, and support informed decision-making by integrating relevant data and financial results into the process. The effective management of labor resources is crucial for establishing the mechanism to manage material, financial, and informational flows from procurement to the sale of products to consumers. Companies that view skilled personnel as their most valuable labor resource are more likely to successfully implement an efficient logistics system in management accounting. Therefore, it is essential that company leaders today prioritize the selection, professional training, and preparation of their workforce.

In our opinion, for the high-level management of the logistics sector in the Republic of Uzbekistan, the staffing system must be closely linked with the training of highly qualified and experienced accountants, internal auditors, and managers to ensure the successful execution of a company's strategy and plans. Only then can a company achieve high results in aligning material, informational, and financial flows in a purposeful and planned manner.

Monitoring daily economic operations within a company is the responsibility of the accounting department staff and internal auditors. They need to gather, process, and provide quick access to daily data for management, ensuring information about all logistics flows is collected and processed efficiently. This is necessary because data is not always collected accurately, completely, reliably, and promptly. We believe that applying logistics operations in management accounting is the most effective way to achieve high efficiency.

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In management accounting, the tasks of the logistics system involve developing management decisions aimed at achieving optimal pricing through effective cost management, and logistics management includes costs related to supply, production, and sales processes. For these reasons, the general tasks of logistics in management accounting are deemed appropriate for implementation in our country's economy. Setting the tasks of logistics in management accounting, in our opinion, is established through the following theoretical-methodological principles:

- Developing principles in management accounting for logistics tasks aimed at overcoming crises;
- High-Level computerization and automation of the logistics sector in management;
- Designing separate elements of logistics tasks in management accounting that do not fall victim to negative market impacts;
- Ensuring modern adaptability of logistics tasks in management accounting with reliability and high quality;
- Developing and adopting effective management decisions to minimize logistics costs through their organization in management accounting.

Analysis of the studied economic literature and sources indicates that the use of logistics in management accounting is widely practiced in developed market economies.

In this regard, we emphasize the importance of establishing a logistics chain that aligns with the market within the relationships between suppliers, producers (service providers), and consumers, and organizing it based on optimal logistics management principles that help them capture the market.

Our research has shown that, in our opinion, the goal of logistics in this area is to achieve high profit by optimizing costs in the processes of delivering, unloading, storing, using, and selling finished products to consumers through optimal selection of suppliers and management of inventory.

The study and analysis of logistics costs in the use of logistics systems in management accounting play a significant role in improving our economy. It should also be emphasized that warehouse management costs, inventory creation, storage of reserves, transportation and handling costs, production planning, fulfillment of consumer orders, and other costs are interrelated.

Even reducing certain types of costs can lead to an increase in other costs, so it is important to thoroughly analyze the consequences of implementing and changing each type of cost before managing logistics costs effectively in management accounting. However, drastic changes or reorganization of the system can also result in an increase in logistics costs. We believe this could be due to the following factors:

1. Insufficient information and financial flows in management accounting;
2. Implementing management decisions without analysis;
3. Management staff not completing tasks on time or with responsibility;
4. Implementing changes without analyzing important aspects, developing management decisions without considering market demands and changes;
5. In practice, the goals of logistics may not align with the objectives of management accounting, marketing, or production.

In our opinion, logistics costs are the expenses incurred to activate logistics flows (material, financial, information flows, and labor resources).

CONCLUSION

In our opinion, it is complex to manage production without organizing warehouse management and inventory in enterprises of the Republic of Uzbekistan. For this reason, it is appropriate to apply the logistics system in management accounting to calculate the most optimal purchase standards and select reliable and guaranteed suppliers. In our view, based on the tasks of logistics in management accounting and the current demands, it is necessary to develop specific directions for improving logistics costs in management accounting for effective management of supply, production, sales, delivery, and warehouse management costs in enterprises of the Republic of Uzbekistan. Additionally, a comprehensive method for effective management of logistics costs in management accounting should be extensively researched.

In managing logistics costs in management accounting, it is appropriate to organize activities considering all factors affecting the changes in market infrastructure, the scarcity of financial flows in payment processes, high levels of competition, and the increase in enterprise costs. To date, the effective management of logistics costs in management accounting has not been studied through serious scientific research in our country. Ignoring the effective management of logistics costs in management accounting and not considering these processes as a subject of research leads to negative consequences.

We recommend implementing the following measures for the effective management of logistics costs in enterprise management accounting:

1. Developing management decisions taking logistics costs into account in management accounting;
2. Organizing management accounting using logistic methods;

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3. Maintaining accounting for each logistics flow in management accounting;
4. Organizing the joint application of management accounting and logistics in the development of enterprise activities;
5. Strengthening the interconnection between current and operational planning in organizing logistics costs;
6. Implementing effective management of logistics costs to achieve optimal pricing.

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