

ANALYTICAL BASIS OF INDUSTRIAL PROGRAM

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Key words: the profit, production, output, cost, sale, enterprise, analysis, the plan, production volume, industry.

The author determines the necessity marketing research of goods line in market economy and modern society. The results of marketing research can be used for forming of portfolio orders. After examining the abovementioned questions the author has made conclusions of urgency of conducting the analysis of supply of goods, influencing the portfolio orders, the production volume and prime cost of goods in close connection with each others. All these ways make the activity of an enterprise effective and qualitative.

The market conditions of managing raise independence and responsibility of the enterprises that is shown in freedom of formation of the industrial program, in a choice of the business partners. The enterprises independently plan the activity on the basis of the contracts, made with the consumers of production and the suppliers of material resources and define strategy of development. Thus the development of the industrial program and perspective plans of development of the enterprise is weak connected with the analysis of demand, its dynamics. The traditional complex analysis, including analysis of manufacture and sale of production, uses opportunities of the marketing analysis, in particular, at formation of a portfolio of the orders and assortment of let out production insufficiently. In the given connection the importance of accuracy of calculation of demand, allowing planning the manufacture capacity; to estimate potential efficiency of the industrial program; to calculate a threshold of business, which is not making a loss, of activity. Topical character and large practical importance of the listed problems in modern conditions have defined a choice of a considered theme.

The working practice of planning of production is limited to annual term. At the same time market conditions dictate necessity of manufacture of production, claimed by the customer, and conclusion from manufacture of production, which is not having demand. Therefore the perspective analysis of changes of the industrial program is urgent, and in this plan it is important to have forecast method. In the literature allocate groups of methods of the forecast of volume of sale: first group consist in trend analysis, analysis of a market share of

production; second - method of consecutive correlations, method of escalating of the market, methods statistical analyses¹. Use of two and more methods allows to do forecast of sale more precisely.

In conditions of a competition manufacture of production, claimed by the consumer should prevail. The procedures of planning of sale should precede an industrial stage and consist in study of a market conjuncture and opportunities of the enterprise to make production, having demand, and also development of the budget of sale, which is on basis a formation of the budgets of supply and manufacture. The forecast of volume of sale is carried out as a result of study of the following factors: volume of sale in the previous period, market conjuncture and its possible change, getting of incomes of production, price politics, production capacities, long-term tendencies of sale of various kinds of production etc.

For an analytical substantiation of the industrial program the sources of the information should correctly reflect the current condition and prospects of development of demand on industrial production.

Data of the internal registration documentation contain the complete information of activity of organization, make a trade secret, the access to which internal users is defined by the circumspect documents of the enterprise. It results that the users limited for volume and degree of detalization of the information can not to the full generate opinion about activity of organization. In this connection it is necessary to take into account the requirements of the Law of Russian Federation from July 29, 2004 № 98-Federal Law "About a trade secret" for

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a regulation of structure of the information, which is being and a not being trade secret. The information, making a trade secret composes scientific and technical, technological, industrial or other information (including component know-how). The enterprise should to establish a regime of a trade secret concerning the data of the accounting, tax and administrative account; plan and actual parameters of financial-economic activity; the items of information of profitability of manufacture. Closed there should be information in the primary and summary registration documents, payment assignments etc.

Thus, the most part of the information about industrial activity of the enterprise concerns to a trade secret, that lead to the insufficient information interchange between the enterprises about manufacture, deliveries, stocks and sale of production. In this connection automated databanks allow to carry out mutually advantageous information interchange with the suppliers and marketing services that promote the most complete satisfaction of demand.

The analysis of realization of the industrial program is connected to the analysis of the profits (net) from sale of the goods, production, works, services, reflected in line 010 of the form № 2 "Reports on profits and the losses" according to the order of the Ministry of the finance of Russian Federation № 67n from July 22, 2003². Now reflection of the profits of the sale in the form №2 does not answer the requirement of a transparency, objectivity of the financial reporting, as reflects summed result for four elements - from sale of the goods, production, works, services. Every component of the profit has concrete character, as it give to the managers, shareholders and other interested users to be defined with most significant directions of activation of production-economic activity of the enterprise. In this connection we shall specify the bases, causing reflection of the profit of sale separately for various kinds of activity as of independent positions of the reporting:

- ◆ the integrated approach of a parameter contradicts the requirement of a transparency, objectivity of the financial reporting;

- ◆ accumulation of the significant sum of the profit for separate kinds of activity corresponds to the requirement about reflection of the data, essential for the importance. For realization of

the requirements of norms of accounting, namely: item 18.1 Situation of accounting 9/99 "The Incomes of organization"³ and item 1 "Of the Instructions about the order of drawing up and representation of the accounting reporting", authorized by the order of the Ministry of finance of Russia from July 22, 2003 № 67n. According to this situation the enterprise can recognize essential the sum, which relation to a general result of the appropriate data for accounting year makes not less than 5 %;

- ◆ The differentiation of the profit will allow analyzing possible deviations of financial results, to give an estimation of composed elements, to reveal potential structural shifts in activity, to forecast production and investment risks, to define opportunities of escalating of potential in the long term.

As exclusive importance of a parameter "profit from sale" and stated situations we offered to detail it for kinds and to enter accordingly additional lines in the form № 2: from sale of the goods (page 011), from sale of production (page 012), from sale of works (line 013), from sale of services (line 014). This detalization allows concretizing their influence on profit from sale and in time to even out the negative influence. On the basis of the offered approach of calculation of the profit from sale for separate kinds of activity we can separate eight parameters: a share of the profit from sale of the goods in a total sum of the incomes; a share of the profit from sale of the goods in a total sum of the receipt; a share of the profit from sale of production in a total sum of the incomes; a share of the profit of production in a total sum of the incomes; a share of the profit from sale of works in a total sum of the incomes; a share of the profit from sale of works in a total sum of the incomes; share of the profit from sale of services in a total sum of the incomes; a share of the receipt of services in a total sum of the incomes. Besides it is offered also for separate kinds of activity to divide the cost price, total profit, and profit from sale.

The quality of realization of the analysis directly depends on quality of used information base, in this connection we shall note lacks of information maintenance:

- ◆ the generalized character of parameters of external sources, that causes additional ex-

penses for use of this information in view of specificity of activity of the concrete managing subject;

- ◆ absence of confirmation of reliability and representativeness of the available data;

- ◆ informal character of mutual relation between the partners of business.

The imperfection of information maintenance of the analysis is shown insufficiency and inopportuneness of the statistical data about financial parameters of Russian enterprises for branches and sizes of the enterprises, as mark S.B. Barngoltc and M.V. Melnik⁴. Besides, results of statistical supervision (for example, for an industry: number of the enterprises, volume of production, level of profitability of production, average annual number of the industrial-production personnel, the indexes of manufacture of production, structure of expenses to manufacture of production, level of use average annual of production capacity of the industrial enterprises for release of separate kinds of production and number of other parameters reflect results of activity in scales of an industry and estimate productivity, however do not put a main task to reveal the reasons of absolute and relative changes of parameters of an industry, that does not allow at the end to define efficiency of activity of the industrial enterprise.

The enterprises of production assignment are interested in surviving in competitive struggle and to receive a maximum of the profit, which should be proved by the appropriate analytical accounts. In this connection for acceptance of the administrative decisions are important a correct substantiation of production capacity of the enterprise and calculation of volume of sales, at which the activity will be profitable or, opposite, will be non-profitable. With this purpose scientists expect a lot of parameters: break-even volume of sales, volume of sales, guaranteeing to the enterprise the necessary sum of the profit; a zone of safety of the enterprise (stock of financial stability). The procedure of payments of the given parameters is given in works V.I. Barilenko, S.I. Kuznetsova, L.K. Plotnikova, O.V. Kayro⁵, G.V. Savitckaya⁶, O.V. Efimova⁷, M.A. Vahrushina⁸, N.D. Ilienkov⁹.

There are known the graphic and analytical ways for definition of the specified parameters. On the diagram you can see: at what vol-

ume of sales the enterprise will receive profit; a point, which expense will be equal to the profit from sale. Economists called a mentioned point as a point of break-even volume of sales by economists, either threshold of profitability, or point viability of expenses. Using opportunities of the computer programs, it is possible to receive the complicated enough variant of graphic representation of the table data that strengthens the importance of the carried out analytical work.

The analytical way is more convenient, is less labour consuming, with the help of a number of the formulas allows quickly calculate necessary parameters.

By development of strategy the industrial enterprise aspires to minimize risks of the future enterprise activity that is realized by calculation of the so-called operational lever, or as it is called in economic sources production leverage, economic lever.

The understanding of the mechanism of display of production leverage allows purposefully operating a correlation of constant and variable expenses with the purposes of increase of efficiency of production-economic activity at the various tendencies of a conjuncture of the commodity market and stage of life cycle of the enterprise. The approaches of the analysis of parameters leverage or lever were mentioned in works V.I. Barilenko and co-authors, M.A. Vahrushina, and also in researches V.V. Kovalev, O.N. Volkova¹⁰, A.D. Sheremet¹¹.

The industrial program should be formed within the framework of the administrative account, its contents is accessible only to internal users. Let's allocate stages of an analytical substantiation of the industrial program and its realization: the analysis of formation of "portfolio" of the orders, analysis of production potential, analysis of realization of the industrial program, perspective analysis of opportunities of development of the enterprise. Let's consider the contents of offered stages.

At realization of the analysis of formation of "portfolio" of the orders the special attention it is necessary to separate the use of results of the marketing analysis, including the following directions: the analysis of the markets of sale, analysis of price politics, analysis of competitiveness, analysis of formation of assortment, analysis of demand, analysis of

positioning of kinds of production on the basis of a matrix BKG etc.

The results of marketing researches should be used at an estimation of a condition and prospects of development of the market, at definition of size of demand, forecasting of a price level for raw material and semifinished products for production, that at the end will enable to develop assortment politics, on the basis of which the maximal financial result is reached.

The sale of industrial production in conditions of a rigid competition requires the decision of many problems, namely: assortments of made production and maintenance of its profitability, choice of sectors and segments of the market, regions of sales. The account of a market conjuncture at formation of the industrial program will allow receiving the large economic benefit.

The marketing substantiation of the business-plan is one of the basic conditions of its reliability, as thus the risk unclaimed production is minimized and, consequently, stability of receipt of the incomes.

One of directions of the marketing analysis is the analysis of price politics. The marketing analysis is directly connected to a substantiation of the prices on sold production that is explained by the following situations:

◆ First, the maintenance of market positions is reached at the control of the tendencies of change and fluctuation of the prices for kinds of production, season and segments of the market;

◆ Secondly, the competitiveness is provided with a level of the cost price, guaranteeing the necessary importance of profitability at moderate for the market the prices. This importance is adjusted on the basis of the marketing approach to the analysis in an estimation of production costs; definitions of a point of business, which not making profit and stock of financial durability; substantiations of an acceptable share of constant expenses. Consequently, the marketing analysis is closely interconnected to traditional directions of the administrative analysis.

The price factor concerns to number of the basic criteria of consumer demand on production. It is necessary to take into account the law of demand - return dependence between the price and size of demand. For this reason it is necessary the proved politics of pricing.

At definition of the price of let out production it is necessary to take into account the following factors: a level of consumer demand, elasticity of demand, opportunity of reaction of the market on change of output, measure of state regulation pricing, price level of the competitors.

Available cash portfolio and the items of information of new receipts characterize a degree of loading of manufacture at the present moment and in nearest future¹². The enterprise is formed "portfolio" of the orders for volume and nomenclature of production on the basis of the direct contracts with the customer, proceeding from the industrial opportunities and market conjecture.

On the basis of the applications of a portfolio of the orders, made contracts and revealed capacity of the market it is necessary to form and to analyze the assortment and nomenclature of a portfolio of the orders; to estimate financial parameters of a portfolio of the orders, including planned profit, profitability, size of tax receipts and payments, volumes of manufacture from davalchevsk raw material, volumes of cooperation deliveries and other factors, on which the efficiency of sales depends¹³.

During formation of assortment programs it is necessary to compare variants, on the one hand, of industrial programs in view of the usual demand or arrived applications (made contracts) and to another - most of effective utilization of available labour, raw, technical, technological, financial and other resources.

It is obvious, that the recession of demand on production will result accordingly to reduction of "portfolio" of the orders, volume of manufacture, to growth of the cost price of production, losses. In this connection the analysis of demand on profile production has actual importance and is by one of the important investigation phases of the market.

The results of the analysis of demand on production allow developing strategy and tactics of development, to prove the plans of manufacture and sale of production and to lead to control of their realization, to reveal reserves of increase of production efficiency. A role of the analysis of demand at stages of production-economic cycles, namely in this connection is considered: at a preliminary stage the analysis of demand is a basis of the industrial pro-

gram and price politics; at the current stage such analysis acts by the tool of operative management of work of the industrial enterprise; and finally, it defines a degree of realization of the purposes, satisfaction of needs in production, and also estimates prospects of development of manufacture of concrete kinds of production.

During the analysis of formation of "portfolio" of the orders it is necessary to lead the analysis of realization of the contractual obligations for deliveries of production. Let's stop on analytical importance of performance of the available obligations under the contracts of delivery. Maintenance of sale is caused by threat of default of the contractual obligations resulting at the end as in reduction of the proceeds, profit, to the penal sanctions and penalties, and to loss of reputation of the enterprise in the markets of sales, that entails significant recession of manufacture.

The importance of the analysis of results of default of the contracts grows in conditions, when the essential share of deliveries is necessary for one supplier or appreciable share of sale - for one customer. Certainly, in case of loss of these contractors the heavy losses and direct threat to a continuity of activity of the enterprise are possible.

Besides, at the first stage of an analytical substantiation of the industrial program pertinently to lead the analysis of the individual orders, applications of the wholesale buyers and dealers.

During realization of the following stage of an analytical substantiation of the industrial program - analysis of industrial potential - it is necessary to calculate production capacity and to compare it to the industrial program, and also to lead the analysis of potential efficiency of the industrial program.

The plan of manufacture of industrial production is necessary to develop in view of capacities, methods of which account, in turn, will depend directly on a type and character of let out production. The account of capacity - major stage of a substantiation of the industrial program, it will allow to reveal in production reserves of growth of manufacture, to establish volumes of output, to define need for escalating capacities. Distinguish the following kinds of capacity: theoretical, practical and normal.

The practical and theoretical capacity is seldom used by the enterprises; include superfluous capacity, i.e. additional equipment used only at repair of the capital equipment or at activity of a market conjuncture.

The volumes of manufacture are compared to parameters of the estimate of sales for maintenance of equivalence of volume of manufacture and sales during the accounting period.

Owing to presentation of the plans of production in conformity with volume of sale the enterprise will avoid purchase of excessive stocks that accordingly will reduce size of turn-around actives and considerably will improve in the whole condition of the enterprise.

The analysis of volume of manufacture begins with study of dynamics of release and sale of production, account of basic and chain rates of growth and gain. The significant advancing of rates of growth of manufacture in comparison with rates of sale testifies to accumulation of non-realized production as a result of increase of volume of output, unevenness of output, infringement of assortment and quality of let out production, lacks of work of a department of selling not paid by the buyers.

The problems of optimization of assortment programs should separate in connection with a urgency of formation proved assortment positions. The traditional approach to definition of the future assortment of production assumes entering updating in the budget of the previous period according to the forecasts of the future sales and available contracts that allows taking into account demand and its tendencies.

Important correctly to define specific gravity of each position in assortment. The analysis of performance of the plan for assortment should be carried out by one of methods:

- ◆ for a way of least percent (position of the nomenclature, reaching least percent of performance of the plan);

- ◆ for specific gravity in the general list of the names of production, on which the plan of manufacture is executed;

- ◆ by average percent, estimated by division of volume of actual output within the limits of the plan for volume of release for plan.

The refusal of manufacture for several kinds of production from their general nomenclature will be negatively reflected in image and market position of the manufacturer. The wide nomen-

clature of release should be the factor of strengthening of market positions of the enterprise, as a variety of let out production allows attracting the greater number of the customers. The release of the least profitable kinds of production influences growth of sales of more profitable kinds, attracting the new consumers to the enterprise¹⁴.

The system of parameters, describing opportunities of optimum development of industrial assortment of the given kind of production, consist in a variety of kinds of production, frequency of updating of assortment, level and parity of the prices of production of this kind. Besides, other parameters, are important also optimization of structure of let out production, width of assortment, saturation (completeness) of assortment, depth of assortment.

During optimization of assortment it is necessary to allocate three basic stages. So, at the first stage it is necessary to carry out the analysis of dynamics of the market and structure of demand, including analysis of dynamics of sales for groups of production (separate kinds), estimation of prospects of change of demand and competition in segments, on which production will be submitted. At the second stage of optimization of assortment the financial analysis for groups of production or on separate kinds of production should be carried out in view of changes of structure of assortment. At last, at the third stage it is necessary to ratify final variant of structure of assortment.

The structure of assortment needs to be reconsidered on the average once in one half-year, however this term can vary depending on branch and dynamics of the market.

The analysis and forecasting of expenses, volumes of manufacture and the sales, prices will allow optimizing profit from possible sale. The optimization of the profit should be carried out by two ways: by comparison of cumulative parameters and comparison of limiting parameters. Result - account of optimum volume of manufacture and sales of industrial production volume, reaching the required sizes, of sales and profit in the future period.

Summarizing above-stated, we shall note, that manufacture and sale as the major func-

tions of the industrial enterprise characterize its industrial activity. Between the given parameters of market activity there is a certain interdependence, as a result of which observance it is possible to estimate activity of marketing divisions of the enterprise as successful.

¹ The order of the Ministry of economy of Russian Federation from October 1, 1997 № 118 "The Methodical recommendations for reform of the enterprises (organizations) ".

² The order of the Ministry of the finance of Russian Federation from July 22, 2003 № 67n (by edited The order of the Ministry of the finance of Russian Federation from September 18, 2006 № 116n) "About the forms of the accounting reporting of organizations".

³ Situation of accounting 9/99 "The Incomes of organization": the order of the Ministry of the finance of the Russian Federation from May 6, 1999 № 32n (by edited The order MΦ Russian Federation from November 27, 2006 № 156n).

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