Improve the Quality of Cost Management at Balkan Technology Trade Co. Ltd

Author’s Details:
(1) Thi Hinh Nguyen (2) Thi Kim Lien Tran – (3) Thi Thu Hien Phan – (1) Viet Nam Training Institute of Industry and Trade Sector – (2) (3) University of Economics - Technology for Industries

Correspondence: Thi Kim Lien Tran, No. 456 Minh Khai Street, Hai Ba Trung District, Hanoi, Vietnam

Abstract:
The paper presents the current situation of cost management and production cost accounting and product cost calculation of Balkan Technology Trading Co., Ltd. At the same time, the article provides reviews, and solutions to improve the quality of cost management activities at Balkan Technical and Commercial Company.

Keywords: Cost management, quality of cost management, Balkan Technical and Commercial Company.

1. Introduction

In the context of a market economy with increasingly intense competition, the management of production costs and product costs become one of the business strategies. The question is: "How to spend the lowest cost but the highest economic efficiency?". In order to achieve this, the enterprise must put the accounting work together with production costs and calculate the price of products to become an important stage in the management of its business operations.

Production costs and costs are not only related to profitability but also to business capital needs. Saving production costs, lowering product costs is an important factor enabling businesses to reduce the amount of working capital used in production, thereby expanding production both width and width, depth. In order to properly analyze and evaluate the results of production and business activities, it is necessary to organize the accounting work well together with the calculation of product cost prices. Determining the amount of cost transferred into the finished product is important and an urgent requirement in the current economic conditions.

Balkan Technology Trade Co., Ltd operates with hundreds of thousands of other businesses in the market economy; the company also faces a problem of how to save production costs, reduce costs, products to improve profits for themselves. Because of such an important role, the cost accounting of the company's products is highly respected. The company's main products are crane products whose complex technological processes require high precision, so cost accounting is very complicated. On the other hand, the company's production workshop is located in An Khanh, Hoai Duc, but the accounting department is located at the head office, so the update of price information is sometimes interrupted. Recently, many comments and suggestions have been given; many solutions have been applied and proved to be effective. However, it is not the end of the problems, requiring continuing to find a complete solution.

2. Balkan Technical Trade Co., Ltd

Balkan Technology Trade Co., Ltd is a company with a long history of manufacturing and supplying lifting equipment, specifically crane types. The company has over 10 years of experience in the design and manufacture of crane equipment such as bridge cranes, single girder gantry cranes, double girder gantry cranes, suspension cranes, container cranes, wall cranes, bridges rotating shaft, fixed crane. The main products are: Synchronous cranes of PODEM - Bulgaria and STAHL, SWF, ABUS - Germany; Geared, geared motors of: PODEM - Bulgaria, A - one - Taiwan, China, SEW - Germany; Electrical system for operating crane of Taiwan, Malaysia, Australia, Germany; Hydraulic brake origin: Bulgaria, Germany, Taiwan, China ...; Remote control for crane of Taiwan; Bearings: Germany, Japan, Russia, Rumania, China, Taiwan, South Korea; Types of accessories in mechanical engineering, forklift machines of Germany, Netherlands, Poland, China, Taiwan; Machine tools, processing machines in mechanical engineering industry of Germany, Poland, Spain, China, Taiwan.
Crane is a crane-type machine. This type moves on rails that reach high along the factory floor, trucks carrying goods moving on a steel structure, the crane can lift and transport goods on-demand at any point in the space of factory. Cranes are used in all sectors of the national economy with various equipment such as hangers, couplings, electromagnets, etc. Especially cranes are commonly used in the industry, machine and metallurgical industry with specialized equipment.

Because crane items directly affect labor safety and work efficiency, the production inspection design is strictly implemented from the design stage to the construction site. Business activities in the field of design and manufacture of crane position of Balkan Technology Trading Co., Ltd are increasingly affirmed. The company's products are increasingly known by businesses not only for the quality of their products but also for their designs, types and after-sales policies. Here are some products from the company.

3. Management requirements and tasks of accounting gather the production costs and calculate the cost of products at Balkan Technical Trade Co., Ltd.

In the management of the company, production costs are one of the important indicators that are always paid special attention to by the company's managers. Through the data collected by the accounting department, managers can know the actual business activities and results, thereby taking effective and timely measures to lower expenses, production costs and product costs, making decisions consistent with business development and corporate governance requirements.

The analysis and evaluation of the results of the production and business activities of the company can only be based on the exact cost of the product. Therefore, a well-organized accounting work that collects production costs and calculates the product costs must ensure the correct content, range of costs constituted in product costs, value of cost elements. That translates into products of significant significance. In a market economy, business, finance and credit relations are becoming more complex, and competition is becoming increasingly fierce, the company can stand firm and develop in the demanding market. The question must be effectively managed and operated. This has a great impact on the cost accounting system and cost accounting not only follows the current accounting regime but also must be suitable for the management requirements in order to make business decisions, the right way. This is related to the timing, timeliness and accuracy of the information. Delays and decisions may be erroneous due to inaccurate and timely information.

4. A general assessment of the status of cost accounting and cost management in cost at the company

On the momentum of development and economic integration of the country, in order to integrate its steps along with that pace of development, Balkan Company has continuously improved and improved its management and training staff. Skilled professionals, innovation and additional new technology lines.

In recent years, along with the general changing trend of the economy, the company's production and business activities have had positive changes, the financial and accounting system has been constantly renovated and perfected. both on organizational structure and accounting methods. In general, the management of production costs and costs in the company are relatively tight, and done fairly regularly monthly providing timely and prompt information for company leaders toSince then, the company's leaders have been aware of the fluctuations of costs in product costs, appropriate management measures to reduce costs, save raw materials, reduce costs and increase profits for the company. However, it also reveals shortcomings that require a more practical solution.

5. Requests and Measures to strengthen cost management at the company

Accounting of production costs and product cost calculation is a necessary and important task for all businesses today. It helps the management apparatus and members of the enterprise to understand the implementation of cost plans, provide accurate documents to direct production and business, analyze and assess production situations. Through this, the company will exploit and mobilize all potential capabilities to expand production,
improve labor productivity and lower production costs. With such significance, perfecting the cost accounting of production costs and product costs is always a matter of concern for businesses in the process of improving their production and business efficiency. Define the importance of saving production costs, reducing product costs but still ensuring quality in a market economy, with fierce competition, but the organization of cost management and the cost is taken seriously by the accounting department of the company and under the constant guidance of the leaders. Thus, we can see that the quality of accounting information has a significant impact on the accuracy and degree of response of the company to this information. Therefore, perfecting the accounting in general and accounting of production costs and calculating the price of products, in particular, to provide accurate and correct information for the management of the company, the authorities. Of the state, the customer is the mission of significant significance.

Principles of completing production cost accounting and product costing are the guiding ideas that have throughout the process of accounting for production costs and product cost calculation. Compliance with such principles will help with proper, objective and scientific accounting. Here are some key principles:

• In accordance with the characteristics of the company's production and business
• Ensuring a compact and efficient accounting apparatus
• Comply with widely recognized accounting principles and standards
• Providing timely and accurate information
• Based on a scientific basis, ensuring feasibility

Measures to strengthen cost management at the company.

* For the production process to take place smoothly from the design stage to the implementation stage, corporate governance needs to get information on the cost situation associated with the results obtained. From the accounting information made through the methods and reflected in the accounting books as well as the reports provided to the administrator from which the administrator can make timely decisions to resolve. quickly and effectively, such as reducing unnecessary expenses, exploiting the potential of raw materials, labor of the company. From this perspective, it shows that production cost accounting information is the main content of management accounting information which is an integral part of corporate governance. Cost reductions merely result in temporary results that can help companies achieve their profit goals, but rarely provide sustainable improvement in competitive position. There are three reasons for this.

• In any case, cost reduction programs are a simple, short-term way to create competitive advantages that rarely reinforce or really improve a company's products. Cutting costs is seen as a short-term program, not a long-term one. Even after successful cost-cutting campaigns, many companies find that in other areas the costs are rising or competitors are catching up.

• Most cost-cutting programs set a simple goal and apply throughout the entire business without regard to the specific characteristics of each department in the company.

• In efforts to cut costs to become more competitive, some important competencies are lost, and the results become contrary to the wishes of the business. The main challenge is to distinguish between "good costs" (important contribution to profitability) and "bad costs" (which can be eliminated without reducing the competitive advantage.

• Any temporary competitive advantage will erode over time. In the end, the company faced other difficulties arising from the above cost cutting.

• Therefore, it is important to align cost reduction programs with cost management. The advantages of cost-effective operations are only sustainable if you later implement an effective cost management plan.
6. CONCLUSION

Accounting records aggregating production costs and calculating the cost of products has a very important position in the accounting work of manufacturing enterprises. Whether or not business results are provided on time depends on the provision of gathered production costs and information on product costs for managers to make decisions. Right, reasonable and accurate determination. For a manufacturing enterprise under a production cooperation contract such as Balkan Technology Trading Co., Ltd is a small company and is making steady progress in the domestic and foreign markets, the information on payment Production costs and product cost are very important, it affects the company's decision to accept or refuse to continue production contracts. Because of the important role of production costs and costing of products, it is required for economic managers to find ways to manage costs and prices more reasonable. Reasonable here is how to save production costs to lower product costs while ensuring product quality to enhance the prestige and position of the business in the market.

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