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## Efficiency of Introduction of a Cost Controlling System at the Enterprise

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### Abstract

The research indicates the relevance of controlling the costs of main gas transportation from the point of the modern concept of sustainable development. A review of the current state of the industry and enterprises at the macro-, meso- and microeconomic level is provided. The author's scheme of assessing the impact of the cost controlling system on business results is presented. The possible impact of the implementation of cost controlling on the quantitative and qualitative indicators of the company is considered. The relationship between different types of efficiency with the resource concept of the organization's efficiency is shown. The cumulative result of testing the methodological tools of the cost controlling system at the gas transportation enterprise is provided. At the same time, the testing calculation is based on the implementation of the combination of the controlling tools: ABC methodology, benchmarking, and building a value chain. The results of the calculation of the expected effect of the implementation of cost controlling in terms of the concept of sustainability (meso-level of evaluation) are provided.

**Keywords:** controlling, costs, efficiency, gas transportation enterprise, sustainable development.

**JEL Classification:** G39, L71, O14.

### Introduction

Development and implementation of the cost controlling system at gas transportation enterprises is carried out in complex and ambiguous conditions (Osinovskaya, Sidorenko and Lenkova 2014). Aside from the factors contributing to the introduction of this concept into the practice of companies, there is a range of restrictive aspects. For example, if we consider the conditions of the macro-level, the adopted and currently implemented 'Concept of sustainable socio-economic development of the Russian Federation through to 2020,' which assumes the implementation of measures of energy and resource saving on a large scale, is a challenging condition for the development of controlling. The fact that the gas industry takes a significant share in the formation of the revenue

## 2. Results

During the study, the authors have obtained the relationship between quantitative and qualitative indicators of efficiency of enterprise management, which are affected by the introduction of the cost controlling system, and the performance indicators of the gas transportation company. The performance evaluation was based on the resource approach, i.e. the assumption that the transformation of the costs is based on the principle of modification of various resources: material-and-technical, human, financial and information. Various types of efficiency were considered: financial and economic, marketing (image), production and technological, social, ecological. The qualitative assessment of the impact of the implementation of cost controlling on these types of efficiency of functioning of the enterprise was conducted. It was recommended to use the identified relationships to assess the efficiency of the implementation of controlling in organizations. The testing calculations were made on the example of one of the structural divisions, which showed the possibility of reducing costs in the short term. It was proposed to calculate the expected effect from the implementation of cost controlling at the meso-level, based on the sustainability concept of the company development. The expected effects for the region of the gas transportation company's presence in the field of ecology, society and economy were listed.

## 3. Discussion

In our view, the problem of the assessment of the efficiency of the implementation of the cost controlling system is paid insufficient attention in the works of Russian and foreign scholars. In most cases, the theoretical basis and methodological tools of controlling are considered (Bashkatova 2009, Vertunov 2012, Dedov 2008, Karminsky 2006, Pavlenkov 2010, Yusupova 2008). The complexity of the assessment lies in the presence of a large number of the quality efficiency criteria that are difficult to formalize. Besides, as a rule, there is a large number of mutually influencing relations between the various effects in the implementation of controlling. It is often difficult to clearly assess the nature and power of the impact. In the future development of research, it is planned to consider the possibility of formalizing these relations by adopting the respective economic and mathematical apparatus and the subsequent use of information technology for the implementation of the above approach. The potential of cognitive techniques may also be considered as an alternative technology.

## Conclusion

In conclusion, we would like to note that the goal declared by the authors in this study, which was to develop a methodological framework for assessing the efficiency of cost controlling at the gas transportation enterprises, has been achieved. The impact of implementation of the cost controlling system on the cost-effectiveness and performance indicators of the company as a whole was revealed based on the results of the thorough analysis of existing approaches to the development and implementation of the principles of cost controlling at the enterprises of different fields, and on the basis of the recommended presentation of the system of cost controlling. These author's recommendations are designed to assess the impact of the introduction of cost controlling and making recommendations for its implementation at the enterprise under consideration.

In our view, one of the shortcomings of the author's proposals is the need to assess the quality indicators using expert assessments, which have a high degree of subjectivity. However, the author's approach has a great advantage –flexibility and versatility.

This approach has been tested in one of the divisions of a major gas transportation company. The calculations confirmed the feasibility of implementation of the cost controlling at the company in the industry.

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