

THE ROLE OF OUTSOURCING ACCOUNTING AT A SMALL ENTERPRISE

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Abstract: The relevance of the chosen topic is due to the fact that accounting outsourcing is one of the most effective models of doing small business recently. This model helps the company to quickly and successfully develop. The article is devoted to the study of the role of accounting outsourcing in small businesses. The authors examined the concepts, role, and place of outsourcing of accounting services in small businesses. The organization models of outsourcing relationships are investigated, the advantages and disadvantages are revealed. Differences from the usual provision of accounting services are considered. In addition, the need for the use of accounting outsourcing in small enterprises was determined and prospects for the development of this type of economic relations were identified. For the provision of accounting services in outsourcing, a standard contract for the provision of services is concluded, where such clauses as the subject of the contract, the rights and obligations of the parties, the terms and procedure for fulfilling obligations, payment, the liability of both parties and other conditions are specified. The essence of accounting outsourcing is primarily in the transfer of routine accounting functions to a third-party accounting company. Accounting outsourcing is becoming cost-effective for those companies that achieve their strategic goal by saving time and material resources.

Keywords: accounting; outsourcing; small business; entrepreneurship, the role of outsourcing; development of outsourcing accounting services.

1 Introduction

From year to year, the state increases the complexity of accounting for small and medium businesses and tightens penalties for violations. Even minor violations turn into penalties and fines, up to the arrest of current accounts. It follows that the trend of a growing demand for high-quality accounting services is obvious. The norms of accounting legislation in the Russian federation, including federal law no. 402-fz of december 6, 2011 "on accounting" (clause 3, article 7), do not prohibit accessing the services of third-party specialized outsourcing organizations (Ivanova, 2010).

The essence of outsourcing accounting is primarily in the transfer of routine accounting functions to a third-party accounting company. Accounting outsourcing becomes economically effective for those companies that achieve their strategic goal by saving time and material resources.

The relevance of selected topics explains that accounting outsourcing is one of the most effective models for running a small business in recent times. This model contributes to the company, quickly and successfully developing.

The purpose of the article is to identify the role of accounting outsourcing and the effectiveness of its use in small enterprises.

To achieve this goal the following tasks were solved:

- consider the concept, role, and place of accounting outsourcing;
- explore the model of the organization of relations in accounting outsourcing;
- to consider the advantages and disadvantages of outsourcing in small enterprises;
- to study the legislative aspects.

The theoretical basis of the study was the works of Russian and foreign authors devoted to the problems of accounting and outsourcing. Also in work publications on an investigated problem in the periodic press, materials on the internet were applied.

The information base of the study was the regulatory legal acts of the Russian federation.

In the process of writing the work, various methods and approaches of system analysis and comparative analytical analysis were applied.

2 Materials and methods

Outsourcing is a situation where one organization transfers certain types of business activities to another company (based on an agreement). Outsourcing is not simple service delivery. It differs in that it has no one-time or random nature.

Accounting outsourcing includes two important stages: the conclusion of the contract, which reflects the order and organization of services provided to the customer, and the direct implementation of work in accordance with the provisions of this contract.

Assigning the responsibility for accounting of business operations and the results of the activities of your company to an outsourcing firm, the manager must be confident in its objectivity and competence.

To provide services for accounting, the preparation of financial (accounting) statements is a contract for the provision of services in accordance with paragraph 2 of article 779 of the civil code of the Russian federation (Espino-rod r guez & Padr n-Robaina, 2004). A model contract for the provision of outsourced accounting services includes sections such as the subject matter of the contract, rights, and obligations of the parties, terms, and procedure for fulfilling obligations, payment, responsibility of both parties for performing certain accounting operations and other conditions.

In the Russian legislation, there is no concept of "outsourcing", it is not specified in the okved of the Russian federation or in the civil code of the Russian federation. But this does not mean that there is no outsourcing activity in the Russian markets. The civil code of the Russian federation allows for the conclusion of outsourcing contracts, the relations for which are drawn up in the form of ordinary contracts of gratuitous services or works contracts, also art. 7 of the federal law № 402 "on accounting" allows "to enter into an agreement on the provision of services for accounting." consequently, on all matters related to the execution of accounting outsourcing contracts, one should be guided by the current legislation of the Russian federation, including the tax code of the Russian federation, the law of the Russian federation "on accounting" no. 402 and the civil code of the Russian federation.

For the potential provision of offshore outsourcing at the international level in the jurisdiction of Russia, it is possible to adhere to the isic international standard classifier (United Nations, 2008).

3 Results and Discussions

Today, there are many approaches to the definition of the term outsourcing. Consider some of them:

1. Outsourcing is the acquisition of services for the implementation of a number of business processes from an outside organization in order to attract external resources to solve their own business problems (Anikin, 2003).
2. Outsourcing is the transfer of managerial functions together with the necessary resources for this, necessary for the implementation of the organization's activities to external executives (Kalejyan, 2003).
3. Outsourcing is "the transfer of an internal division of a company and all associated resources to a service provider who offers the required specific service for a certain period at an agreed price" (Filina, 2008).

The considered definitions, despite their varied interpretation, allow us to identify common signs of outsourcing and formulate a more concise definition that defines its essence - this is the delegation of authority to perform support functions in the organization to outside contractors with relevant knowledge and experience on a contract basis.

The concept of "outsourcing accounting services" in general corresponds to the above-discussed terms, thus implying the transfer to the outsourcing company of such functions like accounting and reporting. Accounting outsourcing among small enterprises is a growing field in Russia and has many advantages, such as: getting better services from highly qualified specialists, reducing accounting costs, no pay for accountants, full financial responsibility for an outsourcing company, fast provision of services, etc. And this is especially true for small businesses, due to the fact that small businesses lack qualified personnel in conditions of limited resources in general.

The value of a small business in the economy is very high. Small business is one of the main sources of tax revenues in the formation of the budget at all levels. Without small business, the modern economy cannot function and develop successfully. At present, the role of outsourcing is interpreted as a method of radical transformation of the structure of the enterprise's economic activity in order to create highly efficient and competitive advantages in the face of fierce competition. Simplistically, the principle of outsourcing can be represented by the phrase: "i can only keep myself what i can do better than others, transfer to an external contractor what he does better than others."

Consider the various models of cooperation of organizations with outsourcing companies in table 1:

Table 1. Types of models of cooperation with an outsourcing company

Models	Types of businesses	Characteristics of cooperation
Accounting "all-inclusive"	For individual entrepreneurs and small enterprises	Maintaining registers of accounting and tax accounting
	For large organizations and holding companies	Accounting in separate structural divisions
External accountant	For medium and large firms	Transfer to outsourcing companies of separate accounting objects (payroll accounting, personnel records, work with receivables, conducting unscheduled audits in various areas of economic activity and others)
External chief accountant	For small organizations	Drawing up reports
External consultant	For small, medium and large firms	Providing consulting services and informing the client about updates in legislation on a certain range of issues

Over the past decade, a powerful wave of accounting outsourcing has swept almost the entire small business. One of the main reasons for this is the increasing role of outsourcing as a catalyst for the modern management concept. In order to survive in the conditions of modern competition, an enterprise must constantly adapt to its surroundings, track changes in the external environment, change and, above all, in the direction in which it can best realize its capabilities focus on those business areas that it performs professionally.

It is obvious that organizations of different countries use the technology of outsourcing with varying degrees of intensity, which is due to the different goals facing them, the features of the

political and legal environment, and the level of economic development of these countries.

A developed system of specialized companies and accounting outsourcing abroad is a consequence of the complexity of tax legislation relating to business, which has been developing for more than one century, while in Russia it has only been developed for a couple of decades.

In Russia, organizations planning to outsource their accounting to not only help specialized firms but also private accountants, their market share is about 50%.

Today in Russia only 7–8% of small enterprises, accounting services use the services of accounting and outsourcing firms. However, speaking about the demand forecasts for business process outsourcing services, in particular, accounting, we can say that in the future the market will grow by 40-60% per year (Yakovleva, 2018).

We will conduct a comparative analysis of the advantages and disadvantages of various forms of organization of accounting, outsourcing firms in comparison with the incoming and full-time accountant (table 2).

Table 2. Advantages and disadvantages of various forms of organization of accounting in enterprises

Advantages		
Outsourcing firm	Staff accountant	Visiting accountant
1. There is an equipped workplace; 2. The value-added tax paid on the cost of services is deductible, and the cost itself is expensed; 3. Other specialists (auditors, lawyers) are always involved in keeping records; 4. Always aware of all changes in legislation; 5. Bears responsibility, before the organization, for poor-quality record-keeping, in accordance with the contract; 6. Prompt resolution of emergency issues; 7. If necessary, a specialist travels to the company; 8. Owns modern professional packages of legal and accounting programs; 9. Interest in the timely implementation of all tasks.	1. Always in the workplace; 2. Can quickly respond to urgent problems and solve them in a timely manner; 3. Interested in developing and improving the profitability of the organization.	1. Relatively low pay; 2. No need to spend money on an equipped workplace, if the records are kept remotely.
Disadvantages		
1. Communication with a specialist carried out mainly by phone or by mail; 2. The threat of information leakage.	1. It is necessary to equip the workplace; 2. It is necessary to acquire professional accounting, tax, and legal	1. May keep records with competitors; 2. No interest in the development of the organization; 3. A limited amount of time for the

	programs; 3. High labor costs of a qualified accountant; 4. The cost of contributions to extrabudgetary funds; 5. Expenses for the continuous professional development of an accountant; 6. Does not bear full responsibility, only in the amounts established by law.	preparation of primary documentation; 4. Does not bear full responsibility for the quality of performance of accounting work, and, as a result, there is no quality control; 5. Difficult to solve emergency issues.
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In general, the advantages of accounting outsourcing are beyond doubt, which significantly increases the attractiveness of this type of service for enterprises of any industry. These shortcomings can be completely leveled out by careful analysis of the service providers existing in the outsourcing market, the inclusion of additional conditions in the contract, and by motivating the outsourcers with cost-effective offers.

We should not expect that outsourcing of accounting services will save the organization from all problems. It is necessary to have an enterprise development plan that will help, by optimizing costs, to build a clear plan to follow to the intended goal, taking into account the current economic situation.

Making decisions on outsourcing accounting functions for many companies is hampered by the problem of trust, on which the result of the outsourcer's work depends since for this you need to be ready to make your business completely transparent. Often, in order to gain customer confidence, outsourcing companies, in addition to accounting and reporting, offer clients a number of additional services.

The trust can be defined as the expectation executive that the professional accountant can be trusted upon to carry out legal obligations, possess knowledge and expertise will act in a predictable way (Kamyabi & Devi, 2011; Lamminmaki, 2007; Espino-rodríguez & Padrón-Robaina, 2004).

4 Summary

According to the results of the study, the following conclusions were made:

1. The considered definitions, despite their varied interpretation, allow us to highlight the common features of outsourcing and formulate a more concise definition that defines its essence - this is the delegation of authority to exercise support functions in the organization to outside contractors with relevant knowledge and experience on a contract basis.
2. On all matters related to the execution of accounting outsourcing contracts, you should be guided by the current legislation of the Russian federation, including the tax code of the Russian federation, the law of the Russian federation "on accounting" № 402 and the civil code of the Russian federation. (Gareeva & Grigorieva, 2018).
3. Outsourcing of accounting is one of the modern methods of improving the efficiency of the organization. By transferring accounting and reporting to outsourcing, an organization receives significant benefits in many areas - labor costs are reduced, as there is no need for qualified specialists, organizational and information resources are released, costs are optimized, and resources released can be spent on core business development. The company.

4. In general, it can be said that the transfer of accounting to outsourcing will be beneficial only if, after the transfer of these functions, the effectiveness of company management becomes higher than with regular accounting.

5 Conclusion

One of the main reasons hindering the growth of accounting outsourcing services for small businesses is the threat of confidential information leakage.

This problem can be solved with the help of an effective system of selection of outsourcers. The criteria for choosing an outsourcer can be impeccable business reputation, work experience, recommendations from friends, qualification of a specialist, positive feedback from a partner, etc. One of the effective measures to reduce the risk of information leakage is specifying a commercial secret non-disclosure point in a model contract.

The effectiveness of outsourcing accounting services for small businesses is determined by the following areas:

- cost savings;
- improve the organization's management system;
- tax optimization;
- acquiring the necessary expertise.

World experience and the prevailing realities of the domestic economy allow us to draw conclusions about the increasing distribution of outsourcing accounting services. Every year, an increasing number of small companies are ready to transfer their accounting functions to outsourcing companies and due to the growing demand and demand for companies offering accounting services, outsourcing activities becoming a promising activity, not only abroad, but also in Russia.

Further development of outsourcing services in the field of accounting gives a good chance to create in Russia a new innovation industry that will begin to introduce the achievements of foreign experts in the field of accounting and tax services necessary to create their own highly competitive and high-tech products, products and services. The appearance of professional outsourcers of accounting services will lead not only to the emergence of a new and promising profession but also to the creation of a community of experts who are in demand in the services market today.

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