

Financial Planning as an Element of a Mechanism Corporate Management

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Abstract: The article deals with financial planning and control in the system of financial management of the corporate sector of the economy. Advantages of budget planning, stages of the budget process. Methods of budgeting in large organizations, the classification of general and specific principles has been carried out. The grouping of operating and financial budgets of the corporation is given. The necessity of financial control at the final stage of budgeting is proved.

Keywords: planning, control, budgeting, methods, resources, corporate planning.

Financial planning and control occupy an important place in the financial management system, what defines need permanent to them attention and improvement in the conditions continuous complications external economic conditions and business development. Financial planning — this is part management processes distribution, redistribution, multiplication and use financial resources ongoing _ in detailed financial plans. Financial planning is composite hour tew general process planning and, consequently , the management process carried out management corporations. His main stages are the following: analysis investment opportunities and funding opportunities, which has company; forecasting consequences of current decisions to avoid surprises and understanding connections between current and future decisions; justification selected option from row possible decisions (this option and will be presented in the final version plan); assessment of the results achieved by the corporation in comparison with the goals set in financial plan.

Based on the analysis of modern economic literature, it is possible to identify options planning, existing in contemporary Russian theory and practice of financial management direction:

- corporate financial planning, representing yourself dynamic process, focused on a specific task or their combination;
- financial planning as a "thing in itself" - a historically established, inherited from the domination of a centralized economy and continuing to operate by inertia, a planning system in which planning is necessary for statistics and is not
- a "live" and effective management tool (a common phenomenon in Russian industrial enterprises);

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- planning "on a case-by-case basis" is a system of setting indicative indicators and predicting results, which is typical for small and medium-sized Russian enterprises (as a rule, it is used in cases where it is necessary to receive investments and implement business projects).
- Based on the structure of financial policy, the planning process in a corporate group can be divided into two main stages: the development of an activity strategy (strategic planning) and the determination of tactics for implementing the chosen strategy (tactical planning).
- The fundamental feature of modern intra-company planning is related to the fact that it is regulatory-guiding in nature (as opposed to directive-regulatory), based on the systematic application of scientific forecasts, projects and programs, balance calculations, budgeting, and methods for optimizing decisions made to determine strategic goals and opportunistic and tactical tasks in solving the problems of the company's development.
- Strategic planning and monitoring of results and their components has become an impossible management tool to provide accurate, complete and timely information to top management. With its help, the development of a strategy for the effective development of the corporation in the face of competition and instability, analysis of the work of the corporation should be carried out.
- Some of the key benefits of budget planning include:
 - monthly planning of budgets of structural divisions (or budgets of separate business entities that make up a corporate group), which gives more realistic indicators of the volume and structure of income and expenses than in the established forms of financial reporting;
 - within the framework of the approved monthly budgets, structural subdivisions of enterprises (or enterprises participating in the group) are given greater independence in the redistribution of funds between expenditure items;
 - budget planning allows you to save the corporation's financial resources, which is especially important in the conditions of overcoming the economic crisis.
- Indeed, before drawing conclusions about a possible variant of the financial development of a corporation in the future, it is obviously necessary to study its retrospective, identify slowdown and growth trends, in other words, evaluate and analyze the object of study. Then, based on the possible pessimistic, optimistic and optimal outcomes of the development of the industry as a whole and the economic structure, in particular, in the future it is possible to
- build an algorithm for taking managerial measures, taking into account the peculiarities of the functioning and organization of each subsystem. And if the steps taken in the general economic and financial management did not justify the hopes of the subjects of management, then it is necessary to change or correct the tactics of actions aimed at achieving strategic objectives as soon as possible through the feedback mechanism.
- Before making this or that economic, planned, managerial decision, it is necessary to study and anticipate the trends of changes in the very object of socio-economic science and the environment, to comprehend the possible consequences - immediate and long-term - of decisions made or actions taken. Without this, the result may be the opposite of what is expected.
- The development and execution of budgets is called the budget process. Its stages include the following sequence.
- Preparatory stage: retrospective analysis, -analysis. Model building. Verification of forecasts. Assess the possible consequences of each option. Substantiation of target programs.

- Stage of development of budgets: development of budgetary policy. Development of budget targets. Bringing budgets to responsibility centers.
- Organization, accounting, execution of budgets: accounting for actual income, costs, production, investment and financial results. Control of their compliance with planned budget data. Stimulation of budget execution.
- Monitoring, analysis and identification of reasons for deviation from the plan.
- Regulation, adjustment of planned indicators and elimination of identified deviations.
- It is possible to formulate the main methodological positions of the budgeting procedure in the corporate structure. The budget is an indispensable condition for understanding the processes of financial development and an important factor in the effectiveness of any decisions made. The totality of budgets creates a scientific, analytical and multi-variant search base, so effective financial management always involves a proactive, anticipatory approach. Budgeting is an independent management function, inextricably linked with with your planning.
- The purpose of budgeting is to develop and substantiate target financial guidelines and an action program for financial management bodies aimed at creating and maintaining an effective financial mechanism in a corporation, stimulating the reproductive activity of subjects of a corporate structure that contribute to an increase in production volumes and the sale of competitive products (works, services) in volumes satisfying the effective demand of buyers.
- Achieving the goal involves the consistent solution of the following tasks:
 - analysis of the influence of various factors on the dynamics of the corporation's finances;
 - analysis of the effectiveness of the use of available financial resources, determination of unused reserves and calculation of the financial potential of the corporation;
 - determination of the boundaries of uncertainty and risk associated with the impact of internal and external factors on changes in financial indicators and criteria for the development of the economic structure;
 - modeling of possible variants of the dynamics of the company's financial indicators. In this case, it is necessary to use a multivariate approach that will provide flexibility in calculations, taking into account both pessimistic and optimistic parameters;
 - calculation of individual budgets, taking into account the hierarchical subordination of enterprises or divisions included in the corporate group, according to the principle of "bottom-up planning";
 - substantiation of the organizational, economic and financial measures necessary to fulfill the budget indicators, subject to an increase in production efficiency.
- Among the main tasks of budgeting, V.P. Savchuk considers the following [1]: ensuring current planning; ensuring coordination, cooperation and communication of company departments; justification of the company's costs; creation of a base for evaluation and control of plans; compliance with the requirements of laws and contracts.
- The methodological formulation of the budgeting procedure as part of the financial planning of corporate activities should be based on the basic laws, which can be interpreted by us as follows:
 - the law of consistency, according to which the interconnection of the entire set of complexly directed factors of the external and internal environment is considered in planned and analytical

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calculations;

- the law of composition, which suggests that, on the one hand, the budget should be detailed, on the other hand, planning and analytical calculations should not contain anything superfluous, considering only the main, fundamental points;
- the law of economic feasibility, which means that the planned scenarios for the development of a corporation should involve the efficient use of available financial resources, the involvement of reserves in order to increase the overall efficiency of production.
- It should be further emphasized that the budgeting methodology implies the observance of a number of principles.
- Among the general principles that do not depend on a particular object or subject of planning, the following should be noted:
 - the principle of consistency, which implies a combination of all elements of the planned system (in its content, the principle of consistency does not coincide with the law of consistency);
 - the principle of consistency, which provides for the observance of a strict hierarchy, subordination and interconnection of all parts of the system;
 - the principle of generality of methodological approaches, which is based on the premise that economic systems are characterized by common patterns and phenomena associated with the characteristics of the national economy of the Russian Federation as a whole;
 - the principle of consistency and continuity of planning and analytical calculations, based, firstly, on the mutual linkage of operational, current, medium-term and long-term plans, and secondly, on the continuity of planned calculations, which allows management entities to timely identify negative deviations from the predicted situation and make appropriate adjustments;
 - the principle of variance based on the presence of several scenarios (pessimistic, optimistic, optimal) in the construction of budgets and predictive models;
 - the principle of the development of industrial relations, suggesting that when calculating the potential growth or slowdown in di -
 - in the dynamics of the financial development of the corporation, qualitatively new rounds in the planning period should be taken into account.
- The special principles directly related to the organization of planned work in each particular corporation include the following:
 - the principle of individuality, which means that, despite the commonality of the main development trends, each economic entity still has individual characteristics that should be taken into account in budgets;
 - the principle of balance based on an adequate combination of parameters and indicators by balancing the goals of growth in production efficiency and financial resources to achieve them;
 - the principle of adaptability, which assumes that the organizational and management systems of a corporation change under the influence of economic processes, adapting to the prevailing conditions, which in turn implies compliance with the principle of adequacy;
 - the principle of adequacy, based on making appropriate changes to the state-controlled conditions for the implementation of the forms and methods of managing the economy in each individual

industry and in the national economic complex as a whole.

- It should be noted that at the present stage, corporations face both organizational and methodological problems in the implementation of financial planning and control.
- Most senior managers are not morally ready to form any kind of innovation at a fast pace, especially if they are associated with difficulties in the field of personal management, namely the lack of highly qualified budgeting specialists, as well as developed software packages. However, the author is firmly convinced of the expediency, timeliness and justification of the process of introducing a budgeting system in the corporate sector of the Russian economy and shares the position of economists regarding its complexity. The main implementation steps are as follows:
- study of internal and external documentation of the company, its structure and interaction of departments, management accounting mechanisms, etc.;
- search for the least painful ways to involve the company's management team in the budgeting process;
- development of a budgeting implementation plan (all further actions will be determined by the implementation plan);
- revision of old or development of new internal standards;
- creation of an information base for budgeting, which provides for the development of new reports on departments that are close to the specifics of the companies' activities;
- creation of new or reorganization of old units to carry out the budgeting process;
- development or acquisition of software and its installation on the internal network of the enterprise;
- training.
- Special attention, in the author's opinion, requires the fact that budgeting does not replace the system of strategic, operational and business planning of production. Corporations can use a system of various plans for various levels of production activity.
- Budgets are financial plans that differ in purpose, content, scope and methods of development from other types of plans. The financial plan ensures the interconnection of indicators of the resource potential of the corporation, the efficiency of their use, taking into account the possible influence of uncertainty factors.
- It is expedient to draw up budgets both for structural divisions and for the corporation as a whole. The budgets of departments are reduced to a single budget of the corporation, which is called the main, main, head or consolidated. In domestic economic science and in legal documents there is no clearly regulated list of budgets. However, it is generally accepted that the preparation of the main budget of the corporation involves the consistent preparation of operating and financial budgets. Budgets
- this is a system of documents that reflects aspects of activities in the process of fulfilling the corporation's mission and includes the following groups of budgets [2]:
- by functional purpose: balance of property; income and cost budget; cash flow budget; operating budget (production and sales);
- 2) in relation to the level of integration of management information: the budget of the primary

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accounting center; consolidated budget; depending on the time interval: strategic budget; operating budget; depending on the stage of the budget process: planned budget; actual (executed) budget.

For the effective management of the finances of a corporate structure, it is advisable to make a forecast of the implementation of budgets (with the frequency necessary in each individual case to obtain reliable information). This forecast is justified from the standpoint of awareness during the reporting period about the impact of political, economic, technological, environmental and other events not provided for by the budget on its key indicators. If necessary, the financial service and management decide to adjust the annual budgets as a whole or their individual items.

Thus, financial control is the basis of general managerial control and is carried out on the basis of receiving financial statements from each unit in standard forms. Financial control covers all aspects of the life of a corporation - production, marketing and management itself, includes budgets, profitability analysis, analysis of relative indicators, return on investment, etc.

So, one of the main problems associated with the activities of corporations is the management of their finances, which is explained by the specifics of this form of business organization. Reallocation of financial

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