

A Balanced Scorecard and Economic Security of Companies

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Abstract: The article describes the main methods of forming economic security of a firm using different statistical values. Particular attention is paid to the concept of a balanced scorecard, known in Russia and abroad. Economic security is analyzed as an interdisciplinary concept used at many levels of the economy. A solution to a number of management issues is offered in the context of economic security research firm.

Key words: Economy • Scorecard • Efficiency • Human capital • Quality of life

INTRODUCTION

Currently, economic security issues become important for several reasons. First, there is increased competition due to the development of the world market. This increases the amount of information load on people and increases the likelihood of new financial crises. All this dictates the need to ensure a safe environment for people's lives.

On the other hand the theme of economic security is not a new topic. At all times and in all economic studies, the researchers sought to answer the question about the causes of poor or rich society and the country. Suffice it to recall the famous work of Adam Smith. Of course, a stable and fairly prosperous society-this is the reason and also the result of high economic security. On the other hand there is no rich country without rich companies.

Thus, under the analysis of economic security accumulated potential of economic theory and new horizons relevant economic research are combined.

Secondly, economic security is an interdisciplinary concept many areas of economic research are integrated here. For example, the investment attractiveness of the area or the company's competitiveness. Innovative development is also a factor of economic security [1].

Thirdly, economic security is a system concept and involves the formation of economic policy and building relationships between elements of the system. For example, the economic security of the university as a scientific organization involves the formation of

relationships with companies in the region. Training is conducted according to state standards and market requirements through the implementation of joint projects.

Fourth, economic security includes questions about "failures" of the market and "failures" of the state. The challenge is to develop an effective, mixed, controlled, civilized, fair, market economy. In such an economy should use market mechanisms where poor governance. Government intervention should be applied where there is no market-based instruments work. All laws and social norms certainly [2].

The Main Part: Under the economic security means ensuring of research object (households, firms, territory, region, country) economic resources (financial, personnel, infrastructure, institutions, technology, information) to a stable and balanced socio-economic development without compromising that of future generations [3].

A large role in the study of economic security and practical significance are indicators of economic security or economic policy indicators. With the help of these indicators plans and programs are defined, strategies are formed management tools are selected. For example, consider the concept of "Edward Deming Cycle PDCA". There are certain indicators allow you to plan, operate, monitor and improve production activities [4].

Of course, economic security must be commercial and low cost and social indicators. Ultimately integral indicator of economic security-is the quality of life of the population. You can also consider the notion of

"Abraham Maslow's Pyramid." If all members of society have the opportunity to meet all of their needs and to the territory of sufficient economic resources, it is economically safe area or enterprise.

Here and there is a required set of indicators. For example, housing, goods, food, infrastructure, social benefits, cultural development, employment. One of the indicators of the European standard of living the number of vehicles per one family. Index Information Society includes the number of computers per one family.

You can cite the various rankings of consulting agencies. For example, "Expert RA" and its calculation of investment risk and investment potentials in the regions. Also "Economic barometer" and the results of analysis of the municipalities.

Famous international ratings are also indicators of economic security. For example, the Human Development Index. First, a set of parameters, determining economic policies in education, health, employment, economic efficiency. Second, this method of calculation and the means by which performance in a comparable amount.

Accordingly, it is important to monitor the ratings of countries and compare them. This will identify effective tools for socio-economic policy for use in the domestic economy. This thesis applies to the territory of any size. Only a system of economic security of such territory will have its own peculiarities.

In this context, indicators of economic security are also a marketing tool territory. Investments will be made in this area, where for many years maintained a high level of economic security.

Need to use different types of statistical values: absolute, relative, dynamic. This will enable a more objective view of the economic security of the territory (country, region, industry, enterprise). For example, the Russian high absolute performance (sixth highest GDP in the world) and low relative performance (fifty-eighth largest GDP per capita in the world). Low reading and the quality of the economic structure. In the Russian-dominated sectors with low innovation and value-added component. It is also possible to compare countries on indicators of change or the average value indicators.

You can output the minimum threshold and the maximum allowable. This is because the need to monitor the savings. If one component is made, it is necessary to adjust economic policies and resources on another indicator. Thus, indicators of economic security is a guide to action.

Consider the example of a methodology for assessing the economic security of the territory. Measured and improved growth rates of key indicators site in a specific sequence. In the first place individual investments and foreign residents in the development of the territory and then-value added and profit companies then-production capacity, then-labor productivity, then-income, then-population. It uses an interdisciplinary concept: economics, statistics, economic geography, sociology, economics firm, marketing areas, the theory of state and law, macroeconomics.

The university economists in preparing managers need to take advantage of economic security research as a central theme in the various training courses. On an example of economic security can prepare bachelors able to apply techniques for the analysis of various problems. Here you can use and the potential economic security as a complex concept, which consists of many levels. It turns out a kind of three-dimensional matrix. First Party-different areas of scientific research. The second aspect-the study of various levels of the economy. Third party-the study of various problems of economics and management.

Consider in more detail a third party. For example, when analyzing the quality, studied economic security market demand for the company's products, consumer product features, reliability and appeal. When analyzing the costs, you can explore the economic security of the firm break even, we can calculate the threshold of profitability [5]. When analyzing financial performance can be analyzed the financial condition of the enterprise and to assess the risks of bankruptcy. Analysis of the process of personnel management will assess the economic security of the system of motivation and its relationship to the performance of the enterprise. In project management can be applied rating methodology for assessing the economic security of the various projects. Investment analysis will connect concepts such as investment attractiveness and economic security. Risk management is a direct link with economic security. Ultimately, the student should know how to provide a high level of economic security in time and raise the value of the company.

In this regard, it is necessary to describe in more detail the methodology economic security management firm based on the balanced scorecard.

The Balanced Scorecard (BSC) or Balanced Score Card (BSC) was developed in 1993 by the Harvard School of Management professor Robert Kaplan and president of consulting firm David Norton. Technique combined

financial analysis of economic security and strategic perspectives of its sustainable development. The technique allows employees owners and management companies to move to the chosen indicators and timely adjustments of the strategy [6].

In the twentieth century the main competitive advantage of any company had the technology, material assets and large scale production. The company's success is the great capital raised profitability indicators, return on assets and profitability of production. The situation has now changed. Now become a major factor intangible assets. Costs of intellectual property (patents, licenses, software, training costs) exceed the cost of equipment and buildings.

Financial indicators of economic security were supplemented by performance indicators personnel management processes and intangible assets. Application of information technology allowed the use of selected indicators over time. The difficulty is to turn into a real strategy ready tool daily activities of each employee.

More than four hundred of the Fortune 500 ForbesTop successfully use BSC to manage their development and growth strategies. This technique is used in the U.S. Department of Defense and Australia, various government financial institutions, the United States and Canada [7].

In the Soviet system of economic management was used analog BSC. Here the financial performance of the individual companies were not major. The first task was considered satisfying the interests of suppliers and consumers. Much attention was paid to human capital. Were developed training programs for professionals and skilled workers. Working day decreased. Increased free time for creative development.

For the system of economic security based on the methodology necessary to investigate the BSC:

- Finance (the interests of shareholders and investors);
- Clients (interests of buyers and suppliers);
- Business processes (the interests of managers);
- Staff (average employee interests).

Each direction-is a set of key performance indicators (KPI) or Key Performance Indicators (KPI). For each company must define its own unique set of indicators. Optimal amount of performance is eight-ten for each process and four-five for each direction [8].

Figures relate to all levels of management. Each employee and supervisor have their performance and they are interconnected. This increases the

transparency and efficiency of the company. Indicators assess each employee's contribution to the strategic performance of the company [9].

Level of economic security can be improved over time. Indicators allow to solve tactical and strategic objectives and submit them to figure out. Then based on the numbers we can build various graphs. This makes the strategy of improving the economic security more visible and understandable.

For the selection of indicators requires a strategy and specific goals. BSC does not define the goal, but helps to achieve them. Work on the development of the mission and strategic goals to better understand your business and identify weaknesses. The company must have an organizational structure with an effective system of management accounting and planning [10].

The set of indicators should be stable, so it can be used in the long term. Results from the implementation is not expected before several months or even years. Experts recommend reconfigure indicators BSC according to external market changes no more than once a year.

Formation parameters passed from the upper to the lower levels of the company. BSC introduction impossible without the active participation of all employees, it is important to follow the fulfillment of traditional planning tools, motivation, organization and control. This will increase the effectiveness of the strategy using the BSC.

During the design and implementation of the BSC is desirable to use the lowest automation. Calculations can be used for a set of simple tables Excel. It is desirable to invite experienced experts for the implementation of the BSC. Participation of line managers and ordinary users BSC is also necessary.

CONCLUSIONS

The concept of economic security is not enough studied in economics. In the literature and practice uses multiple scorecards and rankings of economic security. However, there is still generally not disclosed the relationship between these ratings and the possible policy instruments capable of sustainable economic growth. The fact that the ever-changing socio-economic relations have led to new trends in economic security. On the first place there is the human capital and intangible assets of the firm. In this regard, it is necessary to try to adapt known techniques assessment of intellectual potential of the company to meet the challenges of economic security. Balanced Scorecard meets modern requirements for assessing the economic priorities and allows you to build a long-term strategy of the company.

At the same traditional methods and management techniques are stored and integrated with new indicators of economic security. Analysis takes place in four areas : finance, customers, business processes, staff. Results of the analysis should be part of the overall management system company. Perhaps the use of information systems to automate and simplify the procedures for the analysis. For the implementation of these information systems must be created all the necessary conditions. Plant personnel should be closely associated with the implementation of the strategy based on the balanced scorecard.

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