

ACCOUNTING PROCEDURES DIGITAL TRANSFORMATION FOR BUSINESS PROCESSES IMPROVEMENT

Abstract. The article researches the impact of the digitalization and digital transformation process on the construction of functional management systems of modern enterprises. The article materials consider new information opportunities for business models building and business processes organization. Approaches to the improvement of operational processes and their optimization are substantiated. The evidence is given that the possible way to implement digitalization in certain areas may be: the concept (strategy), staff training and education, the new technologies implementation. It is defined that the implementation of the digital transformation of the business model can take place in stages at the level of its individual elements or components. It is supposed reasonable to use a system-oriented approach to management, which is based on understanding the object of management as a whole, the need for internal and external communication links, i.e., a set of related management methods and tools in the enterprise and its structural units. System-oriented management of the digitalization process in the article is considered to involve the business processes transformation. Such processes should be based on perfect digital strategy planning. Important components are the feasibility assessment of practical digital initiatives implementation, monitoring of promising areas of action, forecasting the expected effect of digitalization and comparison of innovative initiatives. The application of a systematic approach to the management of the digitalization process is justified at certain stages, which will allow in a certain sequence and order to get the maximum effect and ensure the achievement of goals and acceptable results. The main stages of system-oriented management of the business processes digitalization process are offered, as well as the main groups of factors of influence (external

and internal) on the digitalization implementation process are determined.

Key words: system-oriented management, accounting information, digitalization, digitization, business processes, digital transformation,

Formulation of the problem

Significant changes in the present, which occur in the modern information environment, cover a wide variety of spheres of society life. Modern realities of domestic enterprises functioning increasingly motivate them to move to a new level of management and organization of business processes. With the increase of technological capacity and volume of information, it becomes clear that the main direction of transformation is digitalization, which plays an important role both in the functioning of enterprises and in the development of the economy as a whole.

The impact of the digital transformation on the activities and functioning of enterprises is significant, and today most enterprises are forced to switch to technologies that they did not plan to implement for some time, and thus change and revise their strategic priorities. In the long run, those companies will survive that will be able to use tools that will allow them to be flexible, mobile, respond quickly to change, best control, regulate, organize and optimally improve business processes. Today, digitalization has affected every branch of business to one degree or another, and this is just the beginning. The crisis caused by the pandemic has proved that not only the future of business depends

on the transition to digital technologies, but also the current is at stake, if you do not act quickly. Therefore, the implementation of digitalization will help reduce the negative impact of the crisis, and can be a driving force for improving business processes. If the activity of the enterprise is aimed at success and development, then accepting the challenges of the modern market environment, such enterprises will be able to become successful and competitive, and this will be facilitated by the digital transformation.

Relevance of the chosen topic

Traditional methods and models of doing business today need a significant transformation. Today, radical changes can be observed in the system of forecasting events, planning the conditions of service needs – business, life, work, leisure and more. Therefore, the creation of effective management systems should be focused on the optimization of business processes through the use of the latest information technology (IT), in particular, and the use of digital technologies (digital), which are designed to ensure economic feasibility and attractiveness of consumption.

Analysis of recent research and publications

The impact of the digitalization and digital transformation process on the enterprises functioning, business models building, and business processes organization has recently attracted the attention of both domestic and foreign scientists. Scientific references interpret several approaches to the essence of the “digitalization” concept. A significant contribution to the substantiation of the conceptual apparatus belongs to the following researchers: Zhosan H., Bahatska K., Heidor A., perspectives and prerequisites for the implementation of digital transformation in the accounting process are highlighted in the works of Shyshkova N. L., Vysochan O. S., Hrytseliak U. I., Nazarova K. A., Moiseienko O. M., the main factors of influence, as well as the stages of improvement of business processes and business models based on digitalization are given in the researches of Trushliakova A. B., Husieva O. Yu., Lehominova S. V., Lisova R. M., Natorina A. O., Hudz’ O. Ye., Fediunin S. A., Shcherbyna V. V., Shalmo D. Wilmson K.

In the work of Zhosan H. [1] the approaches to the interpretation of the concept of digitalization, as well as the main directions and areas of digitalization, key aspects of digital transformation are given. In addition, the author researches the level of digitalization in Ukraine by individual factors (during 2015–2019): knowledge, technological environment, openness to the future.

Domestic researchers Bahatska K., Heidor A. [2] researching scientific approaches to interpretation clarify the concepts of “digitalization” and “digital transformation” in the system of related concepts and formulate a sequence of stages of digital transformation of business.

Nazarova K. A., Moiseienko O. M. [5] investigate the main directions of digitalization of accounting procedures and identify problematic issues that arise in the implementation of digital technologies for accounting purposes at Ukrainian enterprises. They also point out the main directions of accounting procedures digitalization on the example of documenting transactions for accounting purposes.

The theoretical basis for the transformation of the accounting system in terms of digital modernization is studied by Shyshkova N. L. [3], in particular, the author identified the stages of IT modernization of accounting, measures for their implementation, proposed a management model for the digitalization of accounting.

The development of digitalization in Ukraine, in particular the factors of influence and benefits of implementation is researched by Trushliakova A. B. [6]. Exploring the essence of this concept – digitalization, the author emphasizes that it is important to apply a systematic approach to digital transformation, as well as the distribution of factors influencing the development of this process: macro-, individual factors.

Husieva O. Yu., Lehominova C. V. [7], considering digitalization as one of the tools for improving business processes, determine the three stages by which its effective implementation is performed and is possible: company analysis, goal setting and strategy development, implementation of digital technologies and analysis of the gained results. The authors also note that the in the basis for improving business processes through digitalization there is a plateau of competitive advantages of

the enterprise: a high level of competitiveness, simplification of working with an array of information, cost savings, customer loyalty, a positive attitude to the company's image.

Details of the components of enterprises digital transformation of and their impact on companies business models are covered in the works of Lisova R. M., [10] Natorina A. O [12], features of the use of digitalization as its main competitive advantage, in particular, outlining the prerequisites, opportunities, challenges and problems of digitalization, justification of tasks and activities based on modern digital technologies are outlined by a team of domestic researchers: Hudz' O. Ye., Fediunin S. A., Shcherbyna V. V. [11].

German economists D. Shallmo and K. Wilmsen [13] proposed a certain sequence of digital transformation, in particular, they identified five stages (phases):

Digital Reality – involves analyzing the company's value chain, analyzing requirements and developing a business model.

Digital Ambition – setting goals for digital transformation (in terms of finance, time, size, quality), setting priorities and sizes of the business model.

Digital Potential – analyzing the digital transformation experience, options development and business model simulation, definition of means and tools for the digital transformation implementation.

Digital Fit – evaluation of the developed / improved version of the business model in accordance with the existing one, taking into account the goals, requirements and parameters.

Digital Implementation – completion / perfection, implementation of the business model digital transformation.

However, numerous scientific studies on the development, implementation, directions, tools of digitalization do not fully take into account the specifics of the individual enterprise, production organization, management mechanism in general, because uniqueness is a determining factor in choosing optimal tools to achieve efficiency from the implementation of management decisions focused on digitalization.

Objective and tasks

The objective of the article is to study the impact of digitalization on building business models, to

determine areas for implementation to improve operational processes, to identify the essence of system-oriented management of digitalization and its main stages, to generalize the main groups of factors influencing the digitalization implementation.

Presentation of the main material of the research and the results obtained

The experience of domestic enterprises, which, despite the crisis, are successfully functioning, plan to increase and enlarge production in the future, shows that the main factors that were decisive and necessary to ensure the efficiency of their work were the following: efficiency to respond to new market needs, investment in modern equipment and the latest technologies (automatic control systems), ensuring high quality work on time, safety of personnel and observance of sanitary norms, maximum improvement of production business processes through automation, introduction of digital transformation – digitalization of operational processes, etc..

Digitalization (from English. Digitalization, “digitization”) is a reorganization through digital communication and automation, i.e. the transformation of information into digital form.

Digital transformation of business processes is the introduction of modern information technologies into the business processes of the enterprise. This approach involves not only the installation of modern hardware or software, but also fundamental changes in approaches to management, corporate culture, external and internal communications, etc. As a result, the productivity of employees increases, the efficiency of obtaining information is ensured, monitoring of work performed, control over their implementation, optimization of production processes, saving time, efficiency of management decisions making at different levels of management. Digital technologies used today allow you to organize, structure business processes, accumulate and interpret arrays of information, and ultimately analyze and even generate predictive indicators. The use of modern IT to implement digitalization, such as Big Data or Artificial Intelligence (AI), is aimed at processing and transmitting large flows of information, adaptation to a specific task or job.

But despite the ability of the enterprise to adapt to flexible work models, the transformation

involves continuous improvement, training, transformation, readiness for change and digitalization of operational processes. Given the specifics of the enterprise, the complexity of technical, technological and production process, special attention should be paid to operational processes for the organization of the enterprise work in general through the introduction of digital transformation.

Improving operational processes, as well as their optimization is possible through the introduction of digitalization in certain and possible to implement directions: the concept (strategy), training and education of personnel, the introduction of new technologies.

Concept development is the main and priority task for the successful implementation of operational processes digitalization. The components of this area are: strategy development, action plan and actions development, definition of goals, resources, tools, roadmap development, as well as identification of priority areas for modernization and automation. In the process of developing a concept (strategy) it is necessary to consider all business processes, identify priority areas and anticipate possible risks, obstacles that may arise on the way to successful implementation. The lack of a strategic plan and a clearly defined vision for digital transformation makes it impossible to ensure efficiency in its implementation, as a company needs to understand exactly in which direction to achieve its goals. Digital transformation is, first of all, a long-term project that requires a system-oriented approach, continuous improvement, development taking into account the latest technologies and developments, and in addition, the implementation of such a long-term project should not be “spontaneous” – the costs should not exceed revenues to obtain them. Obtaining the latest software, IT and other developments will not provide the company with the effect of the digital technologies’ implementation, if employees have not received proper training and education.

The area of staff training and education involves the use of both systematic and human-oriented approach to management. For the successful implementation of digital transformation it is necessary to train employees to implement certain changes in work processes, thereby gradually creating conditions for them to develop

certain skills, flexible conditions for decision-making, training in new technologies, gradual development of knowledge and skills, the ability to quickly make management decisions, think creatively, be ready to solve non-standard tasks. The introduction of the latest digitization technologies is only the initial stage. Most often, business leaders and those responsible for change note that the most difficult thing is to adapt employees to updated business processes. Therefore, in this case, the transformation must apply to each employee of the enterprise, so it will be necessary to take a number of measures that will allow employees to learn new processes and technologies. Such measures are trainings, workshops, conferences, educational events, advanced trainings, etc., where the staff acquires the necessary skills to work in updated conditions. In addition, it should be noted that modern technologies are becoming assistants in adaptation: for example, the development of UX design makes the program interface intuitive, and artificial intelligence helps to process data faster and make optimal decisions. In addition, it should be noted that the key to success is also the understanding of all employees of the purpose of change, awareness of the idea that digital transformation is not an option but a requirement of today.

The introduction of new technologies involves, first of all, the abandonment of outdated technologies that actually consume resources and freeze the business in a static state, and this applies to the management process as a whole and its individual components – existing schemes, technologies, tools, methods, sequences, etc. Digital transformation of business processes makes it possible to optimize the work of employees, thereby increasing performance productivity, which will eventually lead them to use time for more important and complex tasks. The introduction and use of modern technologies allow the company not only to adapt to dynamic changes in business, but also to be competitive, flexible and quickly change business processes depending on changing conditions.

It is worth noting that the component of business processes digitalization is digital transformation and automation, which serve the optimal performance of certain functions in the workflow, algorithms and their transfer into digital format. Therefore, the main task of digital

transformation is the introduction of modern technologies to increase productivity, reduce time spent on certain functions and tasks, improve the quality of work and services, etc. In today's business environment, businesses must be primarily focused on developing a digital development strategy. The implementation of the digital transformation of the business model can take place in stages at the level of its individual elements or components. And in this case, it is advisable to use a system-oriented approach to management, which is based on understanding the object of management as a whole, the formation of internal and external communication links, a set of related methods and tools of an enterprise as a whole, and of its individual units.

System-oriented management of the digitalization process involves the transformation of business processes, which should be based on: perfect planning of digital strategy, assessment of the feasibility of practical digital initiatives, identifying promising areas of action, forecasting the expected effect of digitalization, comparing innovative initiatives. It is advisable to apply a systematic approach to the digitalization process management according to certain stages, which allow in a certain sequence and order to get the maximum effect, to ensure the achievement of goals and acceptable results. The main stages of system-oriented management of the business processes digitalization process are shown in (Fig. 1).

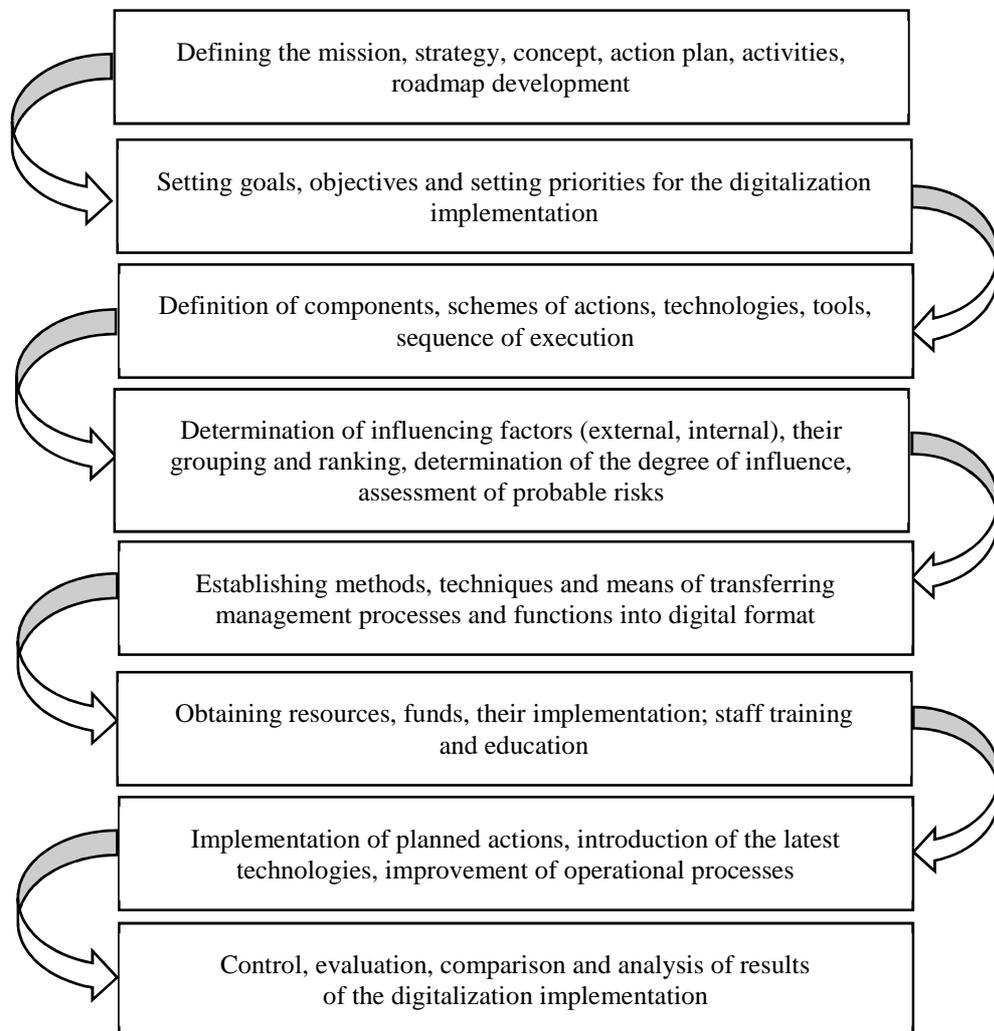


Fig.1. The main stages of system-oriented management of the business processes digitalization process

Particular attention in the system-oriented management of business processes in the

digitalization implementation should be paid to the study of factors influencing this process, the degree

of their impact and forecasting of probable risks. It is the factors of influence that allow to predict to some extent not only the possibility of digitalization implementation, but also the effect that will result from actions, in addition, they allow to identify strengths and weaknesses, opportunities and threats to the enterprise, and it is from positive or negative impact of factors on the company will depend not only the effectiveness of management but also its adaptability to change. Summarizing the probable factors influencing the activities of the enterprise as a whole, as well as their impact on the process of digitalization, it is advisable to divide them into groups: external and internal.

External factors of influence include: change in the legal framework; state policy on support and development of certain activities; appearance of new digital technologies; comprehensive development of the education system; stimulation of research, scientific and technical activities; strengthening international cooperation in education, science and innovation; structural restructuring of the economy in relation to the transition of the economy to the information society, etc..

Internal factors of influence include: improvement of business models; knowledge of a foreign language; tracking new technologies in other countries; creation of new values; planning of digital strategy, product properties; formation of new needs and demands of consumers; use of digital transformation tools, services, platforms, etc.

In addition to identifying impact factors, attention should also be paid to the choice of certain tools that will serve and be used in the process of digital transformation of the business model. Today, the IT market offers a wide range of digital tools that allow new opportunities in the operation and development of business models, to optimize their work, and further gain a significant competitive advantage.

Conclusions and prospects for further research

Digitalization in modern economic activity of enterprises plays an important role in the transformation of business processes, and thanks to digital transformations the company has the ability to quickly and flexibly adapt to change, accelerate

workflows, data integration, improve analytical processes and more. The main advantage of business digitalization is the ability to adapt and reproduce products or services to meet the demands and expectations of consumers. Enterprises are increasingly moving from the “target audience” to the personalization of production, thus providing new competitive advantages and customer loyalty, and further the stability of their business. The digitalization implementation should be considered from the standpoint of a system-oriented approach, which is based on the understanding of the object of management as a whole, the formation of internal and external communication links, a set of related management methods and tools. Management of the digitalization process is based on careful planning, analysis, evaluation in the main areas: concept (strategy), training and education of staff, implementation of new technologies. The use and choice of tools, their capabilities, advantages and disadvantages, which should be used in the process of digital transformation determine the further direction of research.

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