THE IMPORTANCE OF MONITORING THE REALIZATION OF INCOME AND COSTS IN THE MANAGEMENT AND BUSINESS OF AGRICULTURAL ENTERPRISES IN RELATION TO THE INTRODUCED FORMS OF INTERNAL-CONTROL MECHANISMS

Biljana Bjelica*, Ognjen Bakmaz, Dragan Vukasović

*1,2,3High School of Service Business East Sarajevo, 71350 Sokolac, Cara Lazara bb., Bosnia and Herzegovina

Summary: Monitoring the formation of total income and total costs is of great importance for the practical operation of a large number of agricultural enterprises. The actual improvement of business decision-making in agricultural enterprises can be connected with the introduced forms of internal control mechanisms in the processes of regular business in agricultural enterprises. This was the basis of the research in this study. For the purposes of this study, the authors performed two two-way ANOVA analyses, one for the purpose of obtaining real data on the movement of income, and the other for determining the results of the operations of agricultural enterprises in relation to the occurrence of total operating costs in the business period of one business year. In both cases, we obtained results indicating that the formation of income and expenses indicates the existence of significance at the level of p<0.05, for large and small agricultural enterprises and established forms of internal control mechanisms. In addition, the authors found that the highest total revenues, regardless of whether they are large or medium-sized enterprises, are achieved when internal control is implemented as a form of internal control mechanism, and the lowest revenues are achieved by large and medium-sized enterprises when internal audit is implemented as a form of internal control. Regarding costs, the results indicate that there is a statistically significant influence of one of the three forms of implemented control mechanisms on the occurrence of costs, while there is no influence of the size of the agricultural enterprise on the realization of costs in business.

Keywords: management, realization of income, expenditure.

*1Corresponding Author. Email:ognjen@vub.edu.ba
INTRODUCTION

Establishing monitoring of the formation of total income and total costs is of great importance for the practical operation of a large number of agricultural enterprises [1-4].

The actual improvement of the business decisions made by the top management in the business of agricultural enterprises can be connected with the introduced forms of internal control mechanisms [5-7] and that in the processes of regular business.

In order to be able to realistically monitor the realization of income in the business of agricultural enterprises, it is necessary to discover some form of legality in the behavior.

One of the ways to properly reveal the legality of observations related to the acquisition of income in business is to use one of the forms of establishing internal control mechanisms in the processes of regular business decision-making [8-11].

In addition, for the proper functioning and management of the business of agricultural enterprises, it is necessary to properly monitor the costs in their amount, the total amount of business expenses incurred during the period of business, etc. [12-15].

Such an observation is the basis for achieving successful operations of a large number of companies, which is of great importance for developing countries that want to achieve optimal operations in the long term [16-18].

DESCRIPTION OF THE METHODOLOGY IN MONITORING THE REALIZATION OF INCOME AND COSTS OF AGRICULTURAL ENTERPRISES IN RELATION TO THE INTRODUCED FORMS OF INTERNAL-CONTROL MECHANISMS IN BUSINESS PROCESSES

The research was conducted in 139 agricultural enterprises in the period January-February 2023. For the purposes of research in the study, the authors observed 22 large and 117 small agricultural enterprises in relation to the realized income and expenses that were disclosed in the last business year, i.e. which were achieved on 31.12.2021, in relation to the introduced forms of internal control mechanisms.

The top management is guaranteed anonymity, as well as the fact that no general information about the company will be disclosed, which can connect the data obtained from the company's final accounts for the last business year with the name of the company.

The authors undertook to use the obtained data for scientific purposes and not to disclose the company's general information.

All amounts of income and expenses are put in a comparative relationship with the mechanism of the introduced form of internal-control form of business in the mentioned companies.

DETERMINATION OF DIFFERENCES OF ACHIEVED INCOME AND THE APPLICATION OF INTERNAL-CONTROL MECHANISMS IN THE BUSINESS OF AGRICULTURAL ENTERPRISES

Determining the differences in realized incomes and the application of internal control mechanisms in the operations of agricultural enterprises was the first part of the conducted research.
The obtained results are presented by the author in Table 1. They reflect the processed data based on classic statistical processing through two-way ANOVA analysis, based on the realized income and the realized form of control introduced in the company’s operations.

Table 1. Dependent variables revenue, tests of between-subject effects

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
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<td>41431730.484</td>
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<td>.000</td>
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<tr>
<td>Intercept</td>
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<td>24798067.206</td>
<td>46.471</td>
<td>.000</td>
</tr>
<tr>
<td>Form of enterprise/internal control</td>
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<td>2</td>
<td>6509817.387</td>
<td>12.199</td>
<td>.000</td>
</tr>
<tr>
<td>mechanism</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Error</td>
<td>145145135.132</td>
<td>129</td>
<td>533621.820</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
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<td>139</td>
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<td></td>
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<tr>
<td>Corrected Total</td>
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<td>138</td>
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</tbody>
</table>

Source: Authors’ calculations

THE EXISTENCE OF DIFFERENCES IN REGARDS TO ACHIEVED COSTS AND THE APPLICATION OF INTERNAL-CONTROL MECHANISMS IN THE BUSINESS OF AGRICULTURAL ENTERPRISES

The existence and determination of differences in the amount of total realized costs in relation to the application of internal control mechanisms in the operations of agricultural enterprises represented the second part of the research. They reflected the presentation of the processed data through classical statistical processing through two-way ANOVA analysis of costs in relation to the introduced forms of internal control mechanisms in the company’s operations.

The obtained results are presented by the authors in Table 2.

Table 2. Dependent variables—expenses, tests of between-subject effects

<table>
<thead>
<tr>
<th>Source</th>
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<tr>
<td>Form of enterprise/internal control</td>
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<tr>
<td>Error</td>
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<tr>
<td>Total</td>
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</table>

Source: Authors’ calculations
DISCUSSION

Based on the presentation of the obtained results in Table 1, a presentation of the results of the research regarding the ratio of realized income and the form of introduced internal controls in the operations of agricultural enterprises is given. The obtained results of the two-way ANOVA analysis have values of \( f=42.060; f=46.471; f=12.199 \). In addition, Table 1 shows the existence of obtained values \( p<0.005 \).

The results presented in this way point to the existence of statistical significance between the form of introduced internal control mechanisms and the income generated by agricultural enterprises.

Apart from that, it can be pointed out that there is an influence of the size of the company, as well as the influence of the form of implemented internal control mechanisms and the interaction between the internal control mechanism and the size of the company. The highest total revenues, regardless of whether they are large or medium-sized enterprises, are achieved when internal control is implemented as a form of internal control mechanism, and the lowest revenues are achieved by large and medium-sized enterprises when internal audit is implemented as a form of internal control.

Based on the presentation of the obtained results in Table 2, a presentation of the research results regarding the relationship between the realized costs and the applied forms of internal controls introduced in the operations of agricultural enterprises is given. The obtained results of the two-way ANOVA analysis have values of \( f=2.998; f=81.082; f=17.344 \). In addition, Table 2 shows the existence of obtained values \( p<0.005 \).

The results presented in this way point to the existence of statistical significance between the form of introduced internal control mechanisms and the realization of costs in agricultural enterprises.

We emphasize that medium-sized agricultural enterprises have the most costs when internal control is implemented as an internal control mechanism.

Large enterprises have the highest costs when there is a combination of internal control, internal audit and financial management and control in the operations of agricultural enterprises.

The results indicate that there is a statistically significant influence of one of the three forms of implemented control mechanisms on the occurrence of costs, while there is no influence of the size of the agricultural enterprise on the realization of costs in business.

CONCLUSION

The author's research in the study shows that there is great importance that top management should devote to practical application in connection with the realization of income and expenses in the business of agricultural enterprises. The introduced form of internal control mechanisms affects the realization of both income and expenses in the processes of regular business in agricultural enterprises based on the obtained results, which are visible in Table 1-2. The first conclusion would be that the form of the introduced internal control mechanism can affect the different realization of both income and expenses because in both cases all three forms of control gave results where the obtained value was \( p<0.005 \), which points to the existence of statistical significance in the previously stated conclusion.
Another conclusion would be that the highest total revenues, regardless of whether they are large or medium-sized enterprises, are achieved when internal control is carried out as a form of internal control mechanism, and the lowest revenues are achieved by large and medium-sized enterprises when internal audit is carried out as a form of internal control. The third conclusion would be that there is a statistically significant influence of one of the three forms of implemented control mechanisms on the occurrence of costs, while there is no influence of the size of the agricultural enterprise on the realization of costs in the operations of agricultural enterprises.

REFERENCES

ZNAČAJ PRAĆENJA OSTVARENJA PRIHODA I TROŠKOVA U UPRAVLJANJU I POSLOVANJU POLJOPRIVREDNIH PREDUZEĆA U ODNOSU NA UVEDENE OBLIKE INTERNO-KONTROLNIH MEHANIZAMA

Ognjen Bakmaz1, Biljana Bjelica2, Dragan Vukasović3

1,2,3Visoka škola za uslužni biznis Istočno Sarajevo, 71350 Sokolac, Cara Lazara bb., Bosna i Hercegovina

Sažetak: Praćenje formiranja ukupnih prihoda i ukupnih troškova od velikog je značaja za praktično poslovanje velikog broja poljoprivrednih preduzeća. Stvarno unapređenje poslovnog odlučivanja u poljoprivrednim preduzećima može se povezati sa uvedenim oblicima mehanizama interne kontrole u procesima redovnog poslovanja poljoprivrednih poduzeća. To je bila osnova istraživanja u ovoj studiji. Za potrebe ovog istraživanja autori su uradili dve dvosmerne ANOVA analize, jednu kako bi dobili stvarne podatke o kretanju prihoda, a drugu kako bi utvrdili rezultate poslovanja poljoprivrednih preduzeća u odnosu na formiranje ukupnih troškova poslovanja u poslovnom periodu od jedne poslovne godine. U oba slučaja dobili smo rezultate koji ukazuju da se formiranje prihoda i rashoda ostvaruje uz postojanje statističke značajnosti na nivou p<0,05, za velika i mala poljoprivredna preduzeća i uspostavljene oblike interno-kontrolnih mehanizama. Osim toga, autori su utvrdili da se najveći ukupni prihodi, bez obzira radi li se radi o velikim ili srednjim preduzećima, ostvaruju uvođenjem interne kontrole kao oblika uvedenog interno-kontrolnog mehanizma, a najniže prihode ostvaruju velika i srednja preduzeća, odnosno velika preduzeća kada je uspostavljena interna revizija kao oblik interne kontrole.
Što se tiče troškova, rezultati pokazuju da postoji statistički značajan uticaj jednog od tri oblika implementiranih kontrolnih mehanizama na nastanak troškova, kao i to da nepostoji uticaj veličine poljoprivrednog poduzeća na ostvarenje troškova u poslovanju.

**Ključne reči:** Menadžment, stvaranje prihoda, rashodi.

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