THE ROLE OF ACCOUNTING INFORMATION IN HUMAN CAPITAL MANAGEMENT

Ochilov Olmos Ikrom ugli
Associate professor of Tashkent State University of Economics, PhD

Annotation. The article explores the role of accounting information in the effective management of human capital within business entities from both financial and managerial perspectives. It identifies issues in the reporting of human capital information and presents proposals for addressing these problems.
Keywords: information, financial information, accounting, accounting information, human capital, HRA, management accounting.
Annotatsiya. Maqolada xo‘jalik yurituvchi subyektlarda inson kapitalini samarali boshqarishda buxgalteriya axborotining roli ham moliyaviy ham boshqaruv jihatdan ochib berilgan. Inson kapitaliga oid axborotlarni yoritib berishdagi muammolar ko’rsatilgan hamda ularning yechimlari xususida takliflar berilgan.
Kalit so‘zlar: axborot, moliyaviy axborot, buxgalteriya hisobi, buxgalteriya axboroti, inson kapitali, inson resurslari buxgalteriya hisobi, boshqaruv hisobi.
Аннотация. В статье раскрывается роль бухгалтерской информации в эффективном управлении человеческим капиталом в хозяйствующих субъектах как с финансовой, так и с управленческой точки зрения. Выявлены проблемы в освещении информации о человеческом капитале и представлены предложения по их решению.
Ключевые слова: информация, финансовая информация, бухгалтерский учет, бухгалтерская информация, человеческий капитал, учет человеческих ресурсов, управленческий учет.

Introduction. One of the newest aspirations of international management, which is gaining prominence in entrepreneurship, is human capital management. Transformation from human resources management to human capital management is determined by the formation of the latest concept of post-industrial society: the role of information and services in the economy is growing, the essence and nature of capital is changing, production automation and widespread computerisation are taking place, and the accumulated human capital and information are becoming the main competitive advantage of organisations.

Organisations that are aware of the importance of the human factor and skills of employees see them as capital, from the practical point of view of the potential that provides economic value, and statistically these organisations are the most successful and promising in the market. The main point is to present the benefit, the usefulness that employees bring to the organisation. Apart from making the work process happen at all because of them, a great team of employees works to add value to the organisation. Customer goodwill, brand, corporate climate, innovative ways - all these parameters, as we know, are part of the process of adding value to the organisation, and will be obtained by no other direction than the efforts of the employees. From this we can generalise that human capital is beginning to become a new form of value of modern organisations, serving as a reason to reassess the role of a person in an organisation and is the basis for the formation of a modern theory of personnel management, in which the attitude to an employee will be considered as a carrier of potential rather than as a carrier of a resource. The qualities of an employee as a performer are displaced by his/her talent and abilities. Modern principles of human capital management turn out to be the key to strategic competitive advantage of the organisation.

Methods. The study was carried out to examine how accounting information supports the management of human capital within organizations. The research relied on several complementary approaches. First, key international publications, theoretical works and practical guidelines on human capital and accounting were reviewed to identify existing concepts and gaps. This was followed by an examination of real-world practices, where examples from different organizations were compared to observe how information about employees is recorded and used in decision-making. Regulatory documents on accounting were analysed to understand current rules governing the recognition of human-related expenditures. A content review of publicly available corporate reports was also conducted to assess the volume and structure of disclosed information concerning staff development and related investments. Throughout the process, attention was given to the relevance, completeness and managerial value of collected data. The findings from these steps were synthesised to reveal limitations in current reporting approaches and to outline directions for improving the accounting of human capital.

Results. In the process of human capital management, managers give a special role to the collection and grouping of information - the conditions for making rational managerial decisions. An important place in the manager's work is occupied by working with information - this situation has made most scientists consider information as a subject of manager's work.

In particular, managers in successful Western companies spend on average up to 30% of their working time searching for information. Today, they have 60% more information at their disposal than 10 years ago. However, the time taken to make decisions has tripled. The validity of information depends largely on the purpose and content of work.

Management and information are inseparable concepts. Any management process can be represented as an informational interaction of objects that leads to a purposeful change in the functioning of one of them. The interactivity of this interaction (feedback) ensures the adoption of management decisions and forms a closed control loop.

Information has now become the main resource for socio-economic, technological and technical development of all kinds of organisations. Managers apply information in organisations in order to analyse and solve problematic issues. Any managerial employee first proceeds to the collection, accrual and processing of all information, i.e. the complexity of quantitative and qualitative characteristics about the stages that occur in the organisation's environment and in the organisation itself and contribute to the forcing of ambiguity. Information can be taken into account by managers, decision makers and also contributes to the expansion of their range of interests and knowledge, and can be the basis for making managerial decisions.

The relationship between accounting, management and information is complex: on the one hand, information in management is a 'necessary nutrient', constituting the only prerequisite of the management process, linking the object and the subject of management in order to make a favourable management decision and carry out other actions. On the other hand, information can act as a 'product' of a specific management process, and the acquisition and processing of information is a natural part of this process.

Despite its great importance, information is a dependent and subordinate phenomenon in relation to management. In the management system, a manager has to deal with economic, sociological, scientific, technical information, which is a form of a certain relationship between the manager and the managed. Accordingly, information is a subject of managerial work that solves 3 classes of problems:

- it is a certain form of interaction, dependence of the elements of the system, as well as the interaction of the system with the environment;
- it serves all functions and levels of management - from development and decision making to summarising the results of its implementation;
- it is an appropriate cause that determines the choice of one or another variant of managerial behaviour, puts systems in a state of novelty, ensures the movement of information towards a given goal.

Therefore, taking into account the above-mentioned, an important requirement for effective human capital management is the formation of an information base, in which accounting and management accounting play a decisive role. Data on the creation, use and recreation of human capital play a role in making acceptable decisions by stakeholders with regard to investments in human capital and estimation of probable economic benefits. However, the currently available system of financial reporting indicators makes it impossible to collect reliable data on the human capital of an organisation in the form and volume required to make justified management decisions. In practice, we can see that most organisations do not want to show these assets in their balance sheet, but at the same time, they present them to possible investors.

In our opinion, the formed information base represents the ‘locomotive’ of human capital, the basis or base of sources of knowledge and illusions that can develop new knowledge. It offers it life experience and skills, ways of solving complex and simple problems, training, accumulated and current knowledge, creates and stimulates science, innovations, health support and search for necessary treatment methods, necessary operational information, forecasts and plans, statistics, guidelines and life rules, etc.

In the era of globalisation, the processes of formation and development of the international economy, as well as the informatisation of the international community, place increased demands on organisations and their awareness. A businessman needs the information base of other producers, data on suppliers of raw materials, components and technologies, on potential customers, on prices, on the situation on consumer and financial markets in order to determine his competitive opportunities, competitiveness in business, on the unified economic and political state not only in his country, but also in the modern world, on long-term directions of sustainable development of the economy, on the direction of development of techniques, technologies, science and their probable results, on the legal framework, on the legal framework of the country, on the development of new technologies and technologies, on the development of new technologies. Therefore, the main task of forming the information infrastructure of the state is to create the most necessary conditions for the entrepreneur's access to the information base, which in international practice is usually called business.

It should be noted that the value of any information is determined by the decisions a manager makes as a result of using that information. Consequently, information professionals need to know what types of tasks and functions managers must perform in order to produce useful and relevant information. Clearly, the emphasis given to each area depends on the manager and is particularly dependent on the level of manager in the organisation. There are clear differences in information requirements between a manager at an operational or transactional level such as a transport dispatcher and a manager at a tactical level such as a sales manager or at a strategic level such as a director.

In the current circumstances, human capital becomes an indicator pointing to failures or successes in the functioning of the organisation. In the second half of the 20th century, efforts were made to apply human capital theory at the corporate level. For example, Professor E. Flamholtz in the 1960s recommended the doctrine of human resource accounting HRA, and its emergence was caused by the increased interest in personnel as a key means of modern organisation, possessing a significant latent potential [1].

On the basis of this, the management of human capital of the organisation should be organised on the application of the model of cyclic interdependence of employees' motivation and indicators of economic activity of the organisation. This model is shown in Figure 1.

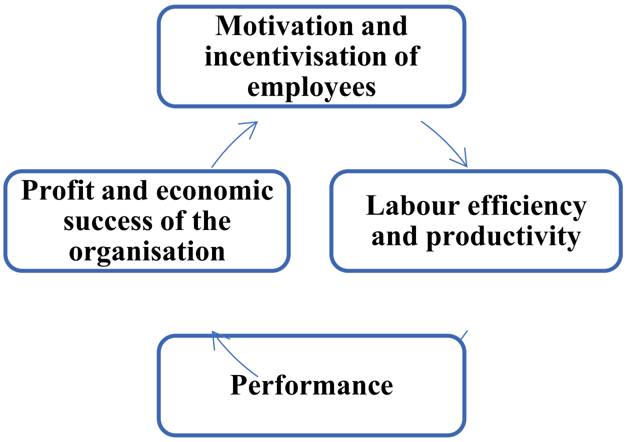

Figure-1. Model of cyclical interdependence of employee incentives and economic performance of the organization[9]

The creation of human capital management mechanisms based on this model facilitates, on the basis of indicators of its application, the actual assessment of human capital in order to determine the economic productivity of the organisation's functioning. The question of how to measure its performance at the level of each employee and the organisation as a whole is extremely important. To manage human capital, it is advisable to stipulate the interrelation of important elements of the management system. For the development of human capital as an important lever and factor for strengthening the economy, it is very important to have a sustainable development.

To create an effective system of informing about investments in the formation, use and recreation of human resources of the organisation is possible through the accounting system, which requires rethinking the importance of accounting information in the general information provision of users regarding investments in human capital [2]:

1. Measures on the organisation of accounting that contribute to ensuring the increase of analytical accounting information of users regarding the creation, application, recreation of human resources of the organisation, in order to approve decisions on the need for further investments in human capital, consist in improving the application of such elements as:

- documentation - the composition of documentary support for the implementation of the noted operations is defined, the list of forms and content of primary documents is established;

[9] Athour's work

- working plan of accounts - definition of synthetic and analytical accounting accounts, the information for which is systematised in certain analytical sections;

- internal reporting - development of forms.

The proposed approach to documenting and displaying in the accounting of business operations regarding the formation, use and recreation of human resources, will systematise information to determine the size of investment in each employee, reliably determine the degree of profitability for such investments, increase analytical information.

2. Taking into account the specificity of business operations carried out by the organisation in relation to employees, the objects of accounting of operations concerning the formation, use and recreation of human resources are allocated.

Conclusion. The findings of this research show that the information generated within the accounting system plays a far more influential role in managing human capital than is usually acknowledged. During the analysis, it became clear that organisations often rely on fragmented or incomplete data when evaluating the outcomes of training, development, or other forms of investment in their employees. As a result, decisions concerning the future of human capital are frequently based on assumptions rather than measurable indicators. Improving the structure of internal reporting, documenting employee-related processes more precisely, and adopting analytical tools that capture long-term benefits can help reduce this gap. When managers gain access to clearer and more coherent information, they are better positioned to understand how human capital contributes to operational stability and strategic growth. Ultimately, strengthening the information base surrounding human resources not only supports more accurate assessment, but also encourages organisations to treat human capital as a genuine driver of value rather than an auxiliary cost.

References

1. Flamholtz E.G. Human Resource Accounting: Advances in Concepts, Methods and Applications the Jossey-Bass management series. - Springer Science & Business Media. - 2012. - 390 p.

2. Руус Й., Пайк С, Фернстем Л. Интеллектуальный капитал: практика управления. - СПб: Высшая школа менеджмента СПбГУ. - 2007.

3. Becker, G. S. Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education. University of Chicago Press, 1993.

4. Kaplan, R. S., & Norton, D. P. Strategy Maps: Converting Intangible Assets into Tangible Outcomes. Harvard Business School Press, 2004.

5. Bontis, N. Intellectual Capital: An Exploratory Study that Develops Measures and Models. Management Decision, 36(2), 1998, pp. 63–76.

6. Sveiby, K. E. The New Organizational Wealth: Managing & Measuring Knowledge-Based Assets. Berrett-Koehler, 1997.