

## BANK TURBO-ANALYSIS

**E.B. Gerasimova**

*Finance Academy under the Government of Russian Federation (Moscow)*

**Key words and phrases:** turbo-analysis; external and internal business environment.

**Abstract:** The paper studies turbo-analysis as the methodology of economic analysis. Turbo-analysis studies the performance of the object of research in constantly changing external and internal business environment and is aimed at revealing the reserves of quality improvement of these activity within the framework of new approaches to planning, coordinating, accounting and control in the organization.

In the modern global world economic systems appear to have some features specific for bio-systems – they tend to self-organization, self-improvement through the overcoming performance crisis. But which element of the economic system makes it possible for the system to act this way? It's a clerk, a manager, and a specialist.

Self-organized economic systems contribute to the new management approach, based on the internal and external business environment analysis. Business processes are not linear any more, they are turbulent. Turbulence (physical process) occurs not only in nature, hydro and aero-dynamic objects, but in economic systems as well. Physicians explain turbulence as a fluid regime characterized by chaotic, stochastic property changes. This includes low momentum diffusion, high momentum convection, and rapid variation of pressure and velocity in space and time. The concept of turbulent and laminar (ordered) flows was suggested in 1883 by English physician J.R. Reynolds (1828–1896) while studying flows in a wind tunnel. At very low speeds the flow is laminar, i.e., the flow is smooth (though it may involve vortices on a large scale). As the speed increases, at some point the transition is made to turbulent flow. In turbulent flow, unsteady vortices appear on many scales and interact with each other.

Studying business processes easy to see that they are turbulent mainly. Managing turbulent processes in a turbulent environment is mostly like prediction. Managers need to answer different questions. What processes impact the economic behavior of individuals and corporations in the situation of permanent economic transformations? What are the factors that influence economic performance especially when traditional economic methods couldn't forecast changes? What destroys outwardly stable business? What prevent managers of corporations from gaining competitive advantages and favourable market situation?

One of the most effective tools of corporate self-improvement is economic analysis. Management and finance becomes very complex and comprehensive field, although personnel are extremely specialized as well. Being well educated and highly experienced in their specific theme managers are expected to help their corporation to be stable and what is more self-improved. The only way to respond to these expectations is to practice economic analysis, widely and deeply, in routine decision-making and in strategic prospects determining.

As naturalist analyst delve into secret forces of the nature of business, study its performance, strives for forecasting changes and improving performance quality. Studying economic systems as if they are bio-systems, self-organized and self-improved, turbulent, analyst could reveal hidden destabilized processes, outline the ways of overcoming crisis not after but before it, and set the direction of future development taking into account vagueness and its impact on the performance results and finance.

What are the conditions of turbulence in modern business? Besides psychological and social aspects they closely related to the flows of information in the company. Since information technologies had widely spread managers faced the new management paradigm. The industrial age manager had taken a firm as a living organism, but the information age manager sees it as the information flow system. Often managers know about the performance of their company from the accounting reports.

Under such conditions there are two main factors of instability of the company. The first is shift of velocity of information flows, the second is heterogeneity of information flows. Information flows velocity shifts occur when the system of collection, systematization and processing of information couldn't provide management with proper fact, useful for the decision-making. As a result data are late or improper in their content. In practice it is usually difficult to find out these causes of turbulence since managers fail in problem statement process while their demands are not obvious for the information system. The heterogeneity of information flows appears

both in horizontal and vertical flows. Data collection and processing take place on each managerial level, but occur unevenly, as a result economic system deforms. In vertical information flows turbulence influences feedback: top-management set a problem, of what lower management levels couldn't ensure the fulfillment, so feedback provides the only accessible information, but not necessary one. More over – some successful managers apprehend current results as being more comfortable than high-flying tasks. Managerial opportunism creates most favourable conditions for the extension of the turbulent processes. Maintaining the balance between descending and ascending information flows could help avoiding it.

The above-stated considerations brought the author to the idea of the new form of economic analysis – turbulent or turbo-analysis. Application of the turbo-analysis concentrates the attention on the studying of conditions and factors of turbulence in business processes and searching opportunities of its overcoming. The commercial bank (as an object) has not been taken at random. Turbulence affects all sectors of economy but banks the most.

Overcoming and using of turbulent phenomena is closely associated with the management system quality, since management system (as the core of economic system) is characterized by order and is responsible for the effectiveness of chaorded business processes.

Turbulence of business processes could also gain some advantages for the company while laminar processes couldn't provide such opportunities. Thus, economic system gets synergetic effect, that can't be predicted or measured during the analysis and management of laminar processes.

This raises the problems of business ethics and social responsibility that are very timely and considerable. Society is interested in the quality of corporate management and related services – financial services, audit, consulting, insurance and so on. That means the society has acknowledged the turbulent character of economic processes, but has difficulties in appraising the situation.

Turbo-analysis aspects are worthy of note. They could help managers to forecast business problems and what is more – to solve them, to correct strategic plans, vision of perspective, credo and even mission.

#### *Список литературы:*

1. Герасимова Е.Б. Феноменология анализа финансовой устойчивости кредитной организации. – М. : Финансы и статистика, 2006. – 392 с.
2. Dee W. Hock. Birth of the Chaordic Age, 1999.

## **ТУРБО-АНАЛИЗ БАНКА**

**Е.Б. Герасимова**

*Финансовая Академия при Правительстве Российской Федерации, г. Москва.*

**Ключевые слова и фразы:** внешняя и внутренняя бизнес-среда; турбо-анализ.

**Аннотация:** Статья посвящена актуальной методологии экономического анализа – турбо-анализу. Турбо-анализ изучает деятельность объекта исследования в непрерывно изменяющейся внешней и внутренней бизнес-среде и направлен на выявление резервов повышения качества этой деятельности в условиях новых подходов к планированию, координации, учету и контролю в организации.