

Implementation of a procedure manual and its effect on improving company performance: Example of an agricultural company

Mise en place d'un manuel de procédure et son effet sur l'amélioration de la performance de l'entreprise : Exemple d'une société agricole.

- **AUTHOR 1** : OULAICH Jamal,
- **AUTHOR 2** : OULAICH Hassan,

(1): Doctor in economics and management sciences, SIDI MOHAMED BEN ABDELLAH University Faculty of economic and social legal sciences of FES-MOROCCO.

(2): Professor, Office of vocational training and labor promotion (OFPPT) - MOROCCO.



Conflict of interest: The author reports no conflict of interest.

To quote this article: OULAICH. J & OULAICH. H (2024) «
Implementation of a procedure manual and its effect on improving
company performance : Example of an agricultural company»,

IJAME : Volume 02, N° 08 | Pp: 001 – 033.

Submission date: May 2024

Publication date: June 2024



DOI : 10.5281/zenodo.11351068

Copyright © 2024 – IJAME

Abstract

In this research work, local and even international companies form an identity document for each country. The objective is to specify the different strategic concepts used by these companies in order to guarantee a profitability threshold allowing stability for the company in particular and for the economy in general. The procedures manual is an internal control tool, a document that can guide the various operations and activities of the company. This manual has several definitions according to several authors and researchers in the field of management and strategies. Our objective towards the end is to try to validate or vice versa to what extent the procedures manual is considered an inevitable pillar even for SMCs, particularly in the promotion of good organizational control, by determining good practices, procedures and steps to follow to achieve greater efficiency in carrying out activities

Introduction

Generally, companies always seek to maximize their gains and profits, at this level they always seek to employ new concepts and strategies to guarantee this stability. The procedures manual is an internal control tool, a document which aims to guide the various operations and activities of the company. It also makes it possible to supervise and control the entire company, (Ngary S. , 2004) "*It constitutes for it, the concentrate of its organization, its memory capitalizing on individual and collective know-how.*"¹, and according to the (CNCC, 2003) "*Internal Control procedures involve: compliance with management policies, safeguarding of assets, prevention and detection of fraud, accuracy and completeness of accounting records, establishment in timely and stable accounting and financial information.*"², this definition offers a set of characteristics and criteria governing the procedures manual.

The procedures manual is an internal document not to be neglected or exceeded, it is a set of rules, directives and orientations, further from that, it is a determinant of performance, therefore this tool has a set of basic principles to know :

- ❖ Accuracy of the accounting and financial organization.
- ❖ Definition of activities and tasks of each participant.
- ❖ Precision of missions, mode of execution, and responsibilities of each department.
- ❖ Involvement of staff and diffusion of responsibility.

Indeed, all these basic principles have one thing in common, it is about ensuring flexibility and facing operating challenges.

¹Ngary Sow. (2004), *Internal audit and procedures, codex*

²Risk Assessment and Internal Control, para 08, CNCC normative framework,

Goals

The purposes of the tool are well defined, clear, and simple, they intersect with those of internal control, all have one main point, it is to guarantee sustainability by maintaining the performance of the company, these are the following, solen (Ngary S. , 2004):

- ❖ *Explain the terms of application of the different procedures depending on the company's activities.*
- ❖ *Safeguard the company's assets through permanent internal control procedures.*
- ❖ *Promote the harmonization of task execution methods by formalizing them.*
- ❖ *Ensure and train staff.*
- ❖ *Promote the rapid assimilation of company-specific techniques for personnel newly assigned to a workstation.*

The problem and Research hypotheses

The goal of each company is to improve its position in the market, hence increase its gains compared to competitors, and to increase its performance in relation to its environment, especially since this environment is always evolving, complex and uncertain. . Each company is called upon to strengthen its competitiveness, by integrating new variables such as technology into its production process.

In our research work, we will try to analyze, firstly, the company's data. Secondly, we seek to develop a procedures manual. The company's production system raises new challenges for all economic players.

This research work attempts to answer the following problem :

“How can the implementation of a procedures manual guarantee optimal management of processes and therefore improvement in the performance of the agricultural company?”

The aim of this research work is to contribute to the enrichment of previous work. At this level, we define two hypotheses :

- ❖ The formalization of internal control and the development of a procedures manual are adapted to the current needs of this SME, especially those of performance and process rationalization.
- ❖ For the sake of proximity and efficiency, and for progress and flexibility of work, the implementation of this internal control tool is a determinant of the performance objective.

The methodology and approach

In order to evaluate the importance of a procedures manual in the performance of the company. We turned to moderate constructivism since our chosen methodology is participant observation, which consists of the establishment of a procedures manual, the overall objective was to meet the needs of this SME in terms of internal control. For more performance, moreover, the positioning that we like the most for this methodology is interpretivist.

Here we will only interpret our observations through our data collection methods ; said methodology will allow us to respond to the previous problem, given that we worked through a constructivist epistemology.

Because the reality and materialization of the importance of the internal control system is as much constructed by companies which have a subjective, variable point of view and strongly linked to their context, environment and manner of management which necessarily affects said function.

As an approach to the investigation, we used different tools, initially we used a flexible and more inductive analysis procedure which takes reality into account, and which is inspired by acquisitions, facts and the experience of the daily life of the organization of this SME, for this we have developed an evaluation grid following the survey, on the involvement of personnel in the internal control system.

And to properly attack the subject, we carried out a qualitative study based on a **study** of documents, which referred us to the reading of theses, works, research, even laws, and official texts, to be able to properly analyze the internal control system.

Also we have chosen the **historical method** to be based on historical events and to research the sources of the facts or situations studied, their past, evolution and their sequence or development over time, to better understand and assimilate the facts and the situation. Current internal control,

The use of this method is justified by the fact that to assimilate and understand the internal control process and the current functional structure and its positive and negative aspects,

It is useful to take a look into the past, conceive the complexities of managerial achievements, and all the steps taken and efforts made to overcome said complexities in order to prove the effectiveness of internal control.

To better give credibility to our research, we used an **interview technique** through the scheduling of small discussions with the sample chosen within the framework of this study, which is justified by the fact of doing exploratory interviews with each member of this sample in order to gather and collect information and intelligence from them.

We also established a **questionnaire** , and internal control **analysis grids** , consists of asking, in writing, to the same personnel, a set of questions always linked to the subject of the work at each level of responsibility.

Indeed these acts allowed us to assimilate more, they broadened our understandings, our hypotheses and observations, and to consult the computer supports which are useful to our work, we used the Internet, the easiest and most useful Tools. Accessible everywhere, but with objectivity and reliability and using conference reports and original documents.

Direct observation allowed us to directly observe things relevant to the analysis of internal control, also through the facts that we made while we were investigating, so we carried out a technical study of direct observation in parallel.

For the data analysis, it was firstly to understand the methodology applied to be able to detect the risks to which the company is exposed, to have more information on internal control, the procedures manual and on the organization of the activity in general, we distributed questionnaires to a sample.

Thus, the PESTEL analysis (see the tables below) and the SWOT matrix (see the tables below), helped to better analyze and understand all the risk areas or sides to be entrusted with more importance, and to be more mentioned in the procedures manual.

After carrying out our analysis, we proposed recommendations allowing the company's various activities to be carried out well, these were presented in the form of a procedures manual concerning each cycle.

I. Contributions and benefits of the procedures manual.

1.1 Generalities

Standardization of content is not proposed by law, each company makes its models based on different repositories bringing together a set of suggestions and best practices based on a wealth of cumulative experience.

1.1.1 Components

Table 1: component of a procedure manual

<u>Components</u>	<u>Descriptions</u>
The composition of the cartridge	<ul style="list-style-type: none"> ➤ The name of the company. ➤ The code and name of the cycle. ➤ The page number, and the total number. ➤ The update date. ➤ The designation of the procedure studied. ➤ The version and classification number of the procedure. <p style="text-align: center;">The system must be codified,</p>
Detailed description of the procedure	<ul style="list-style-type: none"> ➤ The definition of the position concerned, ➤ The nature of the work and checks carried out by each participant, ➤ A well-detailed description of the procedures performed. ➤ Support documents must be filed regularly. ➤ The files issued to the bodies must be composed regularly.
Flowcharts.	<p>These are diagrams, which represent the stages of the procedure, and giving a vision of all the documents and information circulating between the actors participating in carrying out the procedures;</p>
The principles of updating the manual	<p>The procedure manual is modified according to economic developments, and changes over time, also thanks to the progress that is made in the practices used in the field.</p>

The update.	This principle is the most important among many others, because it is the latter which represents a guarantee towards the sustainability of the company's activity, provided that it meets the criterion of exhaustiveness.
Diffusion.	The procedures manual must be distributed in as many copies to all the bodies concerned, ensuring that all are involved.
The backup principles of the procedures manual.	Accessibility and availability must be the first conditions for the existence of a procedure manual, in relation to employees.
Principle of archiving.	<p>Since each department must have a complete copy of the procedures manual by obligation, and since there are always updates at this level, the old manuals must be kept in a band or in a specific folder.</p> <p>The usefulness of this principle is to be secure in the event of any control or monitoring, and even at the time of research on data or old operations carried out within the framework of previous procedures.</p>
Principle of consultation	This principle further confirms the need for easy accessibility of the manual procedural tool, i.e. the power to consult it at any time by the actors.
The electronic version	This involves having computer support, PDF or Word in a non-editable version, to be installed and stored in a specific hard drive directory with stakeholders and especially the company's managers.

Source: by the author

1.1.2 *Functions of the procedures manual.*

The procedures manual has several functions, namely:

Table 2: tools of a procedure manual

<u>Tools</u>	<u>Descriptions</u>
Management tool.	The procedures manual is a tool intended for defining the modalities of execution of activities, by determining the acts and tasks of each actor and participant in the procedures, also, it is a support allowing to understand and undertake control procedures which concerns the use of goods and funds registered with the company's assets.
Planning tool.	It is a tool for properly planning the use and allocation of goods which are made available to services, through standards to be set, and which are used in the development of the budget and its division into programs. annual activities.
Communication tool	The procedures manual includes a set of codes and standards to facilitate and make communication easier and more efficient.
Training tool.	This tool is intended for newly recruited people to facilitate their learning, and the mastery of tasks and responsibilities as quickly as possible, through the provision of always accessible answers to their questions. This saves time and increases efficiency in terms of achieving the company's objectives.
Management information tool.	The procedures manual is a management information tool because directors and managers can better analyze the information.

Source : by the author

1.1.3 The need and importance of procedure manual.

Table 3 : the importance of a procedure manual

Compared to the CI:	It allows you to have an idea of the risk areas and the points representing the origin of malfunction, therefore it is more security in the company's CI system
In relation to users :	It represents a description of the tasks, a practical work guide, a breviary facilitating the return to work in the event of turnover.
In relation to the listeners :	The procedures manual means the existence of a formalized internal control system, it also guarantees rapid and better knowledge, in addition, a well-designed and regularly developed procedures manual means that the control system is effective, and therefore this guarantees the fact that the operations are weak. ³

Source : by the author

1.1.4 Relationship with risk management.

Risk management goes through several stages, starting with their determination, then reframing the intervention and implementing a few actions as part of maintaining the right level of CI,

First of all, what is a risk ! There are several definitions concerning this subject, one among many others is that of (frédéric bernard) "*Risk is the probability that an event will appear and have an unfavorable impact on the monitoring and/or achievement of objectives and/or on the assets of the the company, this event must be potential and its potential for realization must be evaluated.* »⁴

Generally, two orders can be the potential sources or the threats to be anticipated as one of the risks, which is random and which is due to man either voluntarily or not, these risks must be the object a synthesized graphic representation as a first step,

Risks are classified by sector and activity, in addition, They can have a direct or indirect nature.

Examples of direct risks : This type of risk is predefined by (darsa), with a schematization and presentation in 13 major risk classes.

³The need and importance of a procedure manual, made by(Nous-mêmes.)

⁴Frédéric Bernard, Rémi Gayraud and Laurent Rousseau. (2013). *internal control: fight against fraud* , publisher MAXIMA, 4th edition

Table 4: types of risks

<u>Kind</u>	<u>Description</u>
Geopolitical risks	Risks linked to the general environment of the company outside its national borders, e.g.: international presence, presence of customers, suppliers, industrial or commercial partners, etc.
Economic risks	The risks identified after analyzing and taking into account the economic environment, e.g.: inflation, economic situation, changes in market demand, social environments, etc.
Strategic risks	These are the risks which represent the heart of the problem, e.g. risk of inconsistency.
Financial risks	Have a financial nature, directly affects the financial capacity of the company illiquidity risk , exchange rate risk, credit risk, etc.
Operational risks	Are risks linked to the company's current activity, e.g.: IT risks, social risks
Industrial risks	Are risks generated during manufacturing or processing.
Legal risks	Are part of operational risks, mainly covering contractual issues e.g. risk of non-compliance....
IT risks	It is a dimension of the IT structure, which is now important to daily activity;
Human resources risks	Social risks: (control of turnover, social climate, skills management, etc.)
Image and/or reputation risk	Are high-level issues, only concern large companies
“ Knowledge management” risk or (knowledge management)	it affects the evolution of the knowledge and know-how of the organization, for an effectiveness of the activity
Integrity risk	It is an ultimate individual risk, which can lead to a kind of discrimination, non-respect, theft and insult.... and this can affect the sustainability of the company. Ex: library risk, ...
Other risks : multiple sources of risks not to be neglected	The last family of classes brings together a whole series of risks, this type, perhaps too specifically marked,

Source : by the author

1.2 Practical aspect

1.2.1 microeconomic analysis

It is a microenvironment of the company made up of several stakeholders, the main ones of which are customers, subcontractors, suppliers and competitors, these actors determine the degree of development of the activity, but also two kinds analysis play a very essential role at this level, it is organizational analysis and financial analysis.

In this part of analysis we will present the different internal factors which have an influence on the life of the company, on the detection of risks and can help to provide more understanding in order to implement the procedures manual,

All based on a questionnaire including as many questions on different levels, distributed to managers.

We will present the results only on the internal axis using the SWOT matrix, which can be defined as “ *A multidimensional strategic analysis tool* :

- *SWOT analysis makes it possible to determine the internal factors of a company (strengths and weaknesses) and the external factors relating to the environment in which it operates (opportunities and threats),*

- *on the other hand, this tool makes it possible to sort the identity factors and bring them out according to the expected impact, which can be positive (strengths and opportunities) or negative (weaknesses and threats).* » (speth), after illustrating the points in common between the approaches given by game theory, Adam Smith, the 80/90 rule and freemium.

Table 5 : the internal analysis SWOT matrix.

STRENGTHS	<ul style="list-style-type: none"> ❖ Diverse clientele ❖ Leaders are interested in the economic environment ❖ The company is flexible in terms of payment terms for its customers, ❖ A multitude of suppliers. ❖ Quality monitoring compared to that offered by the rest of the market. ❖ Relationships with local suppliers equal the following advantages (possibility of a lower price proposal, simplicity of exchange, better management of road conditions, shorter supply chain, etc.) ❖ Good monitoring of delivery times. ❖ There is enormous versatility, an employee to do so many tasks. ❖ To welcome customers, there is an entire space reserved for new customers wishing to benefit from an irrigation system, and for marketing, an entire counter is reserved for customers. (Average physical and telephone reception).
WEAKNESSES	<ul style="list-style-type: none"> ❖ Business turnover is not broken down by customer segments ❖ There is no monitoring to measure customer satisfaction, needs or loyalty. ❖ Dependence on the majority of suppliers. ❖ The majority of suppliers do not grant more payment terms. ❖ The cost estimate is not regular. ❖ No importance given to calculating inventory optimization or profitability rates. ❖ Energy costs are calculated for accounting purposes but not for analysis or comparison. ❖ No division of customers into segments (e.g. luxury customers and normal customers.) ❖ The positions are not identified, there is no job description, no recruitment procedure, or choice of interns. ❖ No training for employees. ❖ Lack of mechanisms intended to monitor salary developments.

	<ul style="list-style-type: none"> ❖ Average verification of magazines, offices and work equipment ? ❖ The calculation of financial indicators is almost absent (breakeven point, financial profitability), ❖ The dashboards are not formalized or distributed to employees. ❖ Average cash flow, investment capacity and equity. ❖ Due to the size of the company, it does not yet have an accountant, but only an accounting department.
--	---

Source : by the author

1.2.2 Analysis of the external environment.

The external environment is everything that surrounds a system, it is the macro environment, which brings together all the factors that have an impact on the organization but which come from outside.

In this part of analysis we will present the different external factors which have an impact on the life of the company, on the detection of risks and can help to provide more understanding in order to put in place a procedures manual gradually. as you measure,

Always based on the same questionnaire including as many questions on different levels, distributed to managers.

We will present the results only from the external axis using the PESTEL model (political, economic, socio-cultural, technological and legal) which *“Allows the manager to highlight the macroeconomic variables to take into account in the growth and development of his organization which are potential and whose degree of achievement remains relatively just probable and uncertain. Then, it will be able to initiate the conceptualization of scenarios which are based on these uncertain variables in order to predict and predict the future as best as possible and to make the right decisions for tomorrow today*⁵. The macroeconomic variables of the company are:

⁵Thomas Del Marmol . (2015). *“ The PESTEL model, Analyzing your environment to better anticipate political, economic, socio-cultural , technological and legal variables ”*. Publisher: 50minutes.fr

Table 6: PESTEL model.

Policies	Economical
<ul style="list-style-type: none"> ❖ Leaders are interested in new policies regarding Morocco's green agricultural strategy. 	<ul style="list-style-type: none"> ❖ + Growing market shares, although they are low compared to the resources provided. ❖ - Internationalization in recent months has become a center of interest, but the Company has neither the experience nor the certifications to encourage foreigners to import the desired articles to them,
Sociocultural	Legal
<ul style="list-style-type: none"> ❖ - No division of customers into segments (e.g.: luxury customers and normal customers.) 	<ul style="list-style-type: none"> ❖ + There is regulatory and legislative monitoring regarding the company's services. ❖ - No monitoring of legislation and regulations regarding the commercial aspect.

Source: by the author

The two types of analysis allow risks to be properly assessed, which can be considered as a pillar for the implementation of a procedures manual,

We will try to take everything that has a minus sign, threats and everything that is weak, while making a risk classification by Darsa, Jean-David.

Table 7: risk classification.

Geopolitical risks	<p>For suppliers, the company has independence with the majority of suppliers, although the majority of suppliers do not grant more payment deadlines,</p> <p>And for customers, there is no division of customers into segments (eg: luxury customers and normal customers.) although it is possible and accessible,</p> <p>In addition, there is no monitoring of legislation and regulations regarding the commercial aspect.</p>
Strategic risks	<p>The company does not have a sheet that includes the strategy to follow, so there is a random point at this level.</p> <p>Internationalization in recent months has become a center of interest, but the company has neither the experience nor the certifications to encourage foreigners to import the desired items to them, so a strategy must be created to bring together the necessary conditions to to achieve this objective.</p>
Financial risks	<p>The company does not consider the calculations of financial indicators as a determinant of performance,</p> <p>Which can lead to a lack of liquidity, or difficulty with cash flow.</p>
Operational risks	<p>The positions are not well identified, there is no job description, no recruitment procedures, or choice of interns, which can lead to poor performance or poorly done tasks.</p> <p>The counter may not always be cleaned and well filed because there is no regular control or checking of magazines, desks, even, work equipment and transport equipment can be damaged over time and risk of do not exceed the shelf life.</p> <p>Inventory evaluation and profitability are done randomly, with a total lack of calculation of inventory optimization or profitability rates.</p>
IT risks	<p>IT tools need well-informed and competent staff, and a provision for monitoring salary developments, so that the right man is in the right place.</p>
Image and/or reputation risk	<p>When the company does not monitor its competitive position, there is a risk that its competitors will take over the entire market, and therefore a smaller image of the company,</p> <p>The domestic market only knows the best</p>

Source: by the author

1.2.3 Evaluation of internal control.

The way in which the company operates is not explained, no measures determining the course of business and anticipating difficulties are taken, the company is not well structured, and the monetary evaluation of risks is not at all made in the accounting statements or in the inventory.

In short, internal control in this SME does not exist in an official and known way, and the procedures are not formalized and disseminated, but it is just applied from experience,

And for this we have made a process analysis grid and separation of functions and job descriptions, to know the different missions that are carried out, describe the responsibilities of the different actors and operators, and to highlight the different processes concerning the the most important cycles in the activity of this SME.

Through interviews and the distribution of questionnaires on the members of the chosen sample, and the use of memorandum techniques as a narrative description, and the flow chart to group the information in the procedure manuals.

So that we can carry out the first step of the CI system evaluation process concerning the entry of procedures, so that we can carry out the other steps concerning conformity tests, preliminary evaluation, permanence tests, and the final evaluation of the IC.

2 The establishment of a procedures manual for each cycle.

2.1 Sales-customer cycle.

It is a very important cycle, in terms of the creation of added value, its stakeholders allow us to fully understand the needs of customers, and they take care of adapting the offer to the demand, detecting and controlling the risks linked to the sales transaction.

In addition, it is up to them to seek customer loyalty, to maintain good relations with them, through having an open mind on the environment and on the competitors' offer, but again, it is it is up to them to constantly demand from superiors the level of quality proposed and provided.

• Particularity lies in:

- ❖ The enormous frequency of operations.
- ❖ Complex accounting entry of its operations.
- ❖ Each sale has its own characteristics and specificities.
- ❖ His operations are risky

Control objective.

- ❖ Check compliance and sufficiency of the separation of functions.
- ❖ Check for completeness, and ensure that any sales are recorded and correctly captured.
- ❖ Verify the existence, and ensure that any recorded sales are real.
- ❖ Check the correct valuation and correct recording of assets.

- ❖ Check the correct valuation and recording of sales in the correct period.
- ❖ Ensure and verify that all credits plus all sales are applied, totalized and centralized.

Procedures manual.

In this part we will present the tasks necessary in this circuit.

- ❖ Negotiating with customers, entering or receiving orders and scheduling deliveries.

This mission normally concerns the sales department, all of these orders are recorded in an order tracking notebook, and based on the deadlines set by customers and the availability of the products ordered, deliveries are scheduled.

Considering the size of this SME which does not have an entire sales department:

- Direct orders, which are placed on the counter, are given to the storekeeper.
- Indirect orders, which are made by telephone, are entrusted to the manager

(Manager) and the management assistant.

Any proposed commercial reduction must first be authorized by one of the directors.

- ❖ Delivery of goods.
 - Delivery notes relating to direct orders, which are made over the counter, are established by the warehouse worker.
 - Delivery notes relating to indirect orders, which are made by telephone, are established by the management assistant.
 - Delivery notes are recorded in three to five pre-numbered copies:
 - The first copy remains within the customer's reach, he may request up to 3 copies.
 - The second copy is sent to for invoicing.
 - The last copy remains with the storekeeper, to be recorded in the notebook to update the stock.

- ❖ Billing.

After making the delivery, the executive assistant establishes the invoice based on the second copy of the delivery note, the invoice is established by using an application intended for this purpose.

- The first copy is the one addressed to the customer.
- The second copy is the one given to the accounting department.

- The third copy is archived.

The amounts are collected by the invoicing manager, whether the storekeeper (who collects the amounts from cash sales) or the management assistant who collects the amounts from all sales by check,

The credit period granted to customers is authorized by the manager.

- ❖ Recording of customer invoices (accounting).

The accounting department receives a copy of the invoice and another of the delivery note, to do:

- An arithmetic check to verify the accuracy of calculations, for example in terms of VAT, the amounts communicated, etc.

- Then, record the sales transaction in the sales journal.

- Keep the second copy of the invoice.

- Discard the third copy of the invoice and the second copy of the delivery note, to avoid re-importation.

- ❖ monitoring and recording customer payments.

Normally this is the responsibility of the financial department, but given that this is the case for an SME.

It is the manager who takes care of the recovery of customer debts, he must be informed regularly of the factors created whose amounts are not settled, to follow the deadlines, claim and educate customers to pay their debts.

Customer sales cycle procedure

STE: CDASI	Customer sales cycle procedure	PVCC	
Operator/Speaker.	Description of the task.	Written on : 07/15/19	Revised : 01/09/19
		supports to use	
- Storekeeper. - Storekeeper, manager.	Transaction - Direct orders, which are made at the counter. - Indirect orders which are made by telephone or email.	Tariff, commercial application (stores and prices). Purchase order,	
- Storekeeper. -Storekeeper, manager.	Establishing a delivery note - Delivery notes relating to direct orders, and which are made on the counter, - Delivery notes relating to indirect orders, which are made by telephone.	Delivery notes (record in three pre- numbered copies).	
- the executive assistant.	Billing - establishment of the invoice based on the second copy of the delivery note, the invoice is established by using the application intended for this purpose.	Purchase order. The delivery note. The bill.	
- An accountant.	Accounting, recording of customer invoices. - Record the sales transaction in the sales journal.	The invoice (detailed, ICE, IF.... General information).	
- Leader. - an accountant.	Monitoring and recording customer payments. - Collection of customer debts. - Settlement accounting.	The bill. The timeline. ⁶	

Source: by the author

2.1.2 Purchasing-supplier cycle.

It is a cycle no less important than the previous one, where all the operations are located that allow the company to have the goods and services necessary to continue its activity,

Its particularity lies in:

- The search to optimize price, quality, costs, and deadlines.
- Budgeting (contribution to forecasting expenses).

⁶Macroeconomic variables of society, work done by(Nous-mêmes.)

- Help with the internal expression of needs.
- Assistance in the correct selection of suppliers (price-quality ratio).
- Close relationship with the environment, analyze developments, request new developments, identify proposals for adaptation.
- Takes care of purchasing marketing.

- **Control objectives.**

- ❖ Check that the functional separations are sufficient.
- ❖ Ensure and verify that all purchases are entered and recorded.
- ❖ Check for existence, i.e. verified that all credit invoices recorded correspond to actual purchases.
- ❖ Ensure and verify that all recorded purchases are properly valued.
- ❖ Check the registration in the correct period.
- ❖ Ensure that all charges, purchases and all related products are compatible, and are totalized and centralized.

- Procedures manual

In this part we will present the successive tasks that are necessary in this circuit, based on the work of(Laurent HERVE)

- ❖ The revival of demand.

This first step concerns all operations related to the issuance and sending of calls for tenders and purchase orders.

Normally done by the purchasing department or supply department, but CDASI is an SME, therefore, generally the manager who relaunches these orders, but it is possible that the management assistant takes care of that, in case there is a circumstance, but manager authorization is necessary.

- ❖ Receipt of goods

This step is reserved for the warehousing service, it is mainly a physical check to check the quality and quantity of the items delivered by the supplier (compliance), the storekeeper gives his agreement if the goods respect the principle of conformity, otherwise a special voucher stipulating this is completed, and a complaint to the management assistant is necessary.

- ❖ Storage (store).

Once the merchandise is checked, the warehouse worker adds it to the stock, and all entries and exits of merchandise can only be made on the basis of vouchers and written in the

counter voucher, because rotating inventories are made in the warehouse. year, accompanied by a periodic physical inventory, any discrepancy observed between the results of this inventory, and the results of the stock management application is, as far as possible, explained.

❖ Recording of supplier invoices (accounting).

The executive assistant must:

- Check the authorization of the purchase by the manager.
- Receive confirmation from the storekeeper, relating to the physical inspection.
- Take out the purchase order and the corresponding receipt slip to compare them

with the invoice,

- Send invoices to the accounting department,

The accounting department must:

- Check the various calculations (multiplication, additions, VAT, etc.)
- Initial this invoice and give it an accounting allocation number, after (ensuring

that the various checks have been carried out).

- Scan the invoices, and mention it as payment.
- The latter is to be charged to the purchases journal.

❖ Payment of supplier invoices.

The company makes its payment either by check or in cash,

- The check books are kept in the manager's safe.
- The checks are prepared by the manager, and periodically presents them

accompanied by supporting documents to the accounting department.

- Any crossed out or canceled check is destroyed by the manager, in order to avoid its reuse.

- Checks must always be crossed, with the exception of a certain number, signed in advance, and given to the company's carriers, this intended for urgent purchases from suppliers,

When the check is signed:

- Its registration in the bank journal is necessary.
- Its complaint and its transmission to the manager is also necessary, who will

finally send it.⁷

⁷Laurent HERVE, Philippe PEUCH-LESTADE, Gabriel de VILLEPIN. (2015). " *The practice of auditing and internal control, approach and performance of a financial audit*" , Publisher: Gualino, lextenso éditions.

Table 9: Supplier purchasing cycle procedure

STE: CDASI Purchasing-supplier cycle PCAF procedure .			
Operator/Speaker	Description of the task.	Written on: 07/15/19	Revised: 01/09/19
		supports to use	
- Leader. Or - Executive assistant.	Relaunch of the request (purchase request, quote, purchase order) - Issuing and sending calls for tender (request for price quote) and purchase orders.	- Estimate - Purchase order.	
- Storekeeper - Storekeeper	Receipt of goods. - Physical control to verify the quality and quantity of items delivered by the supplier (compliance), Storage (store). - Once the merchandise is checked, the storekeeper adds it to stock.	- Purchase order. - Receipt. - Good to have.	
- The executive assistant - An accountant	Preparing supplier invoices. - Receive confirmation from the storekeeper, relating to the physical inspection. - Take out the purchase order and the corresponding receipt slip to compare them with the invoice, - Verification and posting to the purchases journal.	- Table monitoring turnover (disbursement and collection). - Schedule table. - Purchase order - Receipt - The bill - The bill	
- Storekeeper or management assistant - The assistant From management. - Leader. - An accountant.	Payment of supplier invoices and debts. Either : - Cash payment, - Payment by check. - Recording in the bank journal.	- Good in paid mode. - Table followed by turnover. - Bill paid. - Good in paid mode - Bill paid.	

Source : by the author

- Cash flow cycle.

It is a cycle intended mainly to monitor the company's cash flow and to monitor its optimization, the most important operations of which are :

- Taking funds by transfer, check or cash.
- Payments by cash, or checks and bank transfers.

It is in relation with the other cycles of activity, because It has a role of ending the operations initiated, at the level of the other cycles.

- Control objective.

Ensure that all cash transactions are recorded quickly and correctly by the accounting department, and no violations exist at this level.

- Assistance in establishing cash flow forecasts.
- Control receipts and disbursements.
- Ensure and control bank and cash assets.
- Assistance in the proper accounting of cash and banking operations.
- Assistance with the analysis and instruction of fund transfer accounts.
- The risks of revenue misappropriation are zero or minimal.

But the main objectives of this cycle are to ensure liquidity management and risk control.

- Procedures manual.

In this part we will discuss the different missions of the treasury department, always taking into account the size of this SME, namely :

- ❖ Collections ;

For counter transactions :

- Collections are recorded exhaustively, either in delivery notes or in counter vouchers, hidden and detailed, (either paid in cash or by check.
- Receipts of advances are recorded, and claimed from management assistance or directly from the manager.
- Collections relating to the payment of the balance or part of the balance are carried out by the management assistant or the manager.

For other operations (by checks or transfers, etc.):

- The assistant manager or the manager takes care of check receipts and records them exhaustively in the binders.
- The management assistant and the manager take care of the receipt of advances and record them.
- Collections relating to payment by check or transfer of the balance or part of the balance are handled by the management assistant or the manager.

❖ Disbursements.

- For all types of disbursements, registration and authorization from Superior is necessary, except for those of fuel but they must be accompanied by good proof, to be given to the assistant manager.

- For all types of disbursements by check or transfers, registration and authorization from Superior is necessary,

❖ Control of cash and bank assets.

Cash on hand (this part of control is the storekeeper's mission):

A cash count is carried out twice a day, starting from the base amount in cash, and at the end of the day.

Bank balances (this part is reserved for the executive assistant):

Through remote consultation of the account, it must reduce the base amount and verify the equality between the sum of the transfers and the added amount.

❖ Assistance in the proper accounting of cash and banking operations.

❖ Assistance with the analysis and instruction of fund transfer accounts.

Table 10: Cash cycle procedure

STE: CDASI		Cash cycle procedure	PCT	
Operator/Speaker.	Description of the task.		Written on: 07/15/2019	Revised on: 01/09/2019
			supports to use	
<ul style="list-style-type: none"> - Storekeeper. - Storekeeper, assistant manager or manager. - Storekeeper - The executive assistant. 	<p>Collections.</p> <ul style="list-style-type: none"> - Recipes. - Collection of advances. - Advances on project financing, and other collections, - Collections relating to the payment of the balance or part of the balance. 		<ul style="list-style-type: none"> - Counter voucher (hidden, detailed). - Good in advance. - Customer journal. - ledgerbog 	
<ul style="list-style-type: none"> - Storekeeper - Executive assistant or manager. 	<p>Disbursements.</p> <ul style="list-style-type: none"> - Usual fees. - Disbursements by check or transfers...., 		<ul style="list-style-type: none"> - Delivery (collection) note. - Bill - Receipt. - Entrance voucher. 	
<ul style="list-style-type: none"> - Storekeeper. - Executive assistant or manager. 	<p>Control of cash and bank assets.</p> <ul style="list-style-type: none"> - Cash counting twice a day, starting from the base amount in cash, and at the end of the day. - Remote consultation of the bank account, Ex: in the event of non-acceptance of the check. 		<ul style="list-style-type: none"> - Counter voucher. - Entry and exit voucher. - Delivery and receipt note. 	
<ul style="list-style-type: none"> - An accountant. - Manager, executive assistant. 	<p>Accounting for cash and banking operations.</p> <p>Assistance with the analysis and instruction of fund transfer accounts.</p>		<ul style="list-style-type: none"> - Vouchers. - The checks, the accused. - The statement. 	

⁸

Source : by the author

⁸Cash cycle procedure, work done by(Nous-mêmes.)

2.1.3 Accounting cycle.

It is a process made up of several stages, allowing accounting information to be transformed into obvious and clear financial statements, it also makes it possible to ensure that receipts and disbursements are correctly recorded.

In addition, it helps to understand and plan expenses, and analyze asset structure....

- **Control objective.**

- Have reasonable assurance that the financial information is reliable and of quality.

- Provide a very formal framework for executing accounting operations.

- Describe the accounting organization.

- Describe all execution procedures under conditions guaranteeing effective internal control.

- Define and determine the responsibilities of the actors at each stage of the document circuit.

- Develop the productivity of staff involved in accounting management.

- **Procedures manual.**

It is a manual which includes a set of rules laid down within a company and allowing accounting to be managed in a clear and precise manner with the aim of being able to define responsibilities and avoid any source of risk.

- ❖ Analysis of transactions and centralization of information and basic documents.

The warehouse worker must request supporting documents for all transactions, after their recovery, (invoices, expense reports, etc.).

The executive assistant must:

- Request supporting documents for all transactions, after their recovery, (invoices, expense reports) plus the keeping of bank statements for the period.

- Monitor and maintain customer files, from quote control to collection control.

- Monitor and maintain supplier files, from order control to payment control,

- Monitor and control dematerialized operations and processing.

- Supervise commercial data archiving procedures including compliance with accounting procedures.

- ❖ Recording, accounting and monitoring of accounting operations (relating to customers and suppliers).

The accountant must ensure recording in the general accounting, and for this, the accountant must:

- Record, control and validate customer-related transactions, including those generated by the application.
- Monitor customer receivables.
- Record and track the trade bills created.
- Analyze the composition of the customer portfolio and monitor its evolution.
- Alert and advise on reducing customer risk.
- Follow up with customers.
- Verify and validate invoices for the purchase of services, goods or acquisition of fixed assets.
- Manage deadlines relating to supplier payments.
- Record financing transactions.
- ❖ Carrying out bank reconciliations, cash accounting.
- Check statements and bank accounts.
- Create a reconciliation report.
- Record adjustment entries following the bank reconciliation.
- ❖ Prepare an unadjusted trial balance.
- ❖ Preparation of adjusting entries.
- Post adjusting entries.
- Spread expenses or income from transactions affecting several accounting years.
- Control tax adjustments.
- ❖ Prepare an adjusted trial balance.
- ❖ Monitoring, preparation and finalization of financial statements.
- ❖ Participation in the performance of the accounting process and the search for secure operations.

Table 11: Accounting cycle procedure

Accounting cycle		
STE: CDASI	Accounting procedure	PCC
Operator/Speaker.	Description of the task.	Written on: 07/15/2019 Revised: 01/09/2019
		supports to use
<ul style="list-style-type: none"> - The storekeeper. - The executive assistant. - The executive assistant. 	<p>Transaction :</p> <p>Analysis of transactions and centralization of information and basic documents</p> <ul style="list-style-type: none"> - Request proof of all transactions, - Monitor and maintain customer and supplier files, from quote control to collection control. 	<ul style="list-style-type: none"> - Bill. - Bank statement. - Supplier journal. - Customer journal.
<ul style="list-style-type: none"> - an accountant 	<p>Recording, accounting and monitoring of accounting operations (relating to customers and suppliers).</p> <ul style="list-style-type: none"> - Record, control and validate operations relating to customers and suppliers, including those generated by the application. 	<ul style="list-style-type: none"> - Bill. - Supplier journal. - Customer journal.
<ul style="list-style-type: none"> - Executive assistant. - An accountant. - Executive assistant. - An accountant. 	<p>Carrying out bank reconciliations, cash accounting. Report to general ledger.</p> <p>Preparation of trial balance.</p> <p>Preparation of financial statements.</p> <p>Preparation for the close of the year (end of the financial year).⁹</p>	<ul style="list-style-type: none"> - Bill. - Supplier journal. - Customer journal.

Source : by the author

⁹Accounting cycle procedure, done by(Nous-mêmes.)

Table 1 1: Works and technical services cycle procedure

STE: CDASI	Works and technical services cycle procedure	PCTST	
Operator/Speaker.	Description of the task.	Written on: 07/15/2019	Revised on: 01/09/2019
		supports to use	
The commercial director, Or The administrative manager	Welcoming customers. The request for the owner's deed, for the justification of assets, as an inevitable condition. Make rates and ceilings known The request for the necessary documentation, after the customer's agreement: Knowledge of all customer requirements.	National map of different parts, Rental deed in case the owner wishes to rent it, or the farm has been rented. Sworn statement. Declaration of withdrawal from existing water point. Deed of commitment explaining that the heirs accept any exploitation and modification of the object.	
Topographic service Study service The commercial director,	Carrying out the personalized study taking into account production constraints and objectives. Preparing the situation (dimensioned plan) Preparation of the network plan, shelter plan, basin plan. Preparation of quotes and test bulletin and catalog.		
The commercial director.	Submission of file. File submission to the DPA, for the holding of a receipt called the file submission receipt, Waiting for the DPA for its inspection to vitrify the bare land and its file study to give prior approval. After this approval it is time to sign the documentation.	Installation contract. Order contract. Investment commitment. Acknowledgment of debt. Deed of delegation of debt. Act of commitment (certification)... Act of commitment to ban the sale of equipment for 5 years.	
The chief installer	The mobilization of specialists in order to compare the estimate and the reality in the field	The list of connection accessories.	

The storekeeper The chief installer or installers	Implementation and installation of projects. Preparing delivery notes. Delivery and installation of equipment	Delivery note. Network plan and calculation note.
the administrative manager	Establishing and sending postmen After the second inspection by the DPA juries to compare the network plan and the calculation note and after the final approval.	The RIB, The bills, Deed of delegation of debt
	Receipt of financing After comparing the quote with the invoices from the DPA	The financing decision. Deed of delegation of debt
The commercial director The administrative manager	Subsidy advance request / FDA The bank's expectation for: The seizure, and sending of the request to the headquarters, the deliberations of the juries, for the acceptance of the granting of the credit. Signing an act of delegation of debt with the bank for the receipt of funds	Written request for financing. Deed of delegation of debt.

Source : by the author

Conclusion

Any company, whatever its size, must carry out permanent controls, which can range from a simple figure of information, to a procedure manual which constitutes the first tool in internal control guaranteeing the quality of the organization and information and simplifying risk detection, thereby achieving greater effectiveness, efficiency and business performance.

On the other hand, this work showed us that internal control facilitates the application of an internal audit and represents a basis giving more objectivity concerning the opinions of potential external audits.

This work allowed us to validate the extent to which the procedures manual is considered an inevitable pillar even for SMEs, particularly in promoting good organizational control, by determining good practices, procedures and the steps to follow. Allowing for greater efficiency in carrying out activities. Our research contribution can be explained by the development of the different steps to improve the performance of the company, through audit and control. This manual can be considered as a control tool on the first hand, and as a tool summarizing all the information on the second hand, which will make it possible to reduce the various transaction and information costs.

In addition, we were able to see that internal control plays a very important role in controlling the risks linked to the company's various activities, through the application of procedures taking into account all the major risks that could slow down or prevent the achievement of the strategic objectives of companies, while considering the internal and external environment and even market news.

Indeed, through our internship we have implemented a new tool in terms of contribution to the company culture but partially applied by the staff, since it still exists within companies but it is not formalized nor known among them.

So, we were able to formalize it, develop it and disseminate it to all stakeholders concerned so that it has become an essential tool for the management of this entity.

However, we have noticed that the implementation of these procedure manuals makes it possible to explain the reduction in malfunctions, errors and blockages provided that all the necessary components are provided. It also makes it possible to model processes, clearly define objectives and choose the right actions intended to reduce risks.

In fact, the guarantee of business continuity remains conditional on the establishment of an effective internal control system and the improvement and permanent evaluation of this system.

Bibliography

- Alberto Sillero. (nd). (2003). *Audit and legal review practical guide* . Edition Eska.
- AMF (Financial Markets Authority). (2010). *The internal control system: Reference framework* , .
- B.fain and V. faure. (1948). *The accounting review* , Payot.
- Bellaïche, M. (2015). *100 Questions to understand and act: ISO 9001 quality* (ed. 2nd edition). (afnor, Ed.)
- Cappelletti, L. (2004, May). *The standardization of internal control: outline of the organizational consequences of the financial security law* . Standards and Globalization.
- CNCC. (2003). *Risk Assessment and Internal Control, para 08, CNCC normative framework*,.
- CNCC, lc (2003, July). „Standard 2-301 “ *Risk Assessment and Internal Control* ”, para 08, CNCC normative framework,.
- Committee of sponsoring organizations of the treadway commission. (2013). *Integrated internal control repository*.
- COSO, PP *Integrated internal control framework*. Eyrolles.
- COSO,IFACI Documentary database. (2014). *Integrated internal control framework* .
- D. Gardey (2001), *The typist and the dispatcher* . A history of office workers, 1890-1930, Belin.
- FW Taylor (1957), *The scientific management of companies* , Dunod.
- HCP. (May 2007). “*Morocco 2030 prospects*”.
- Henri-Pierre Maders, Jean Luc Masselin. (2014). *internal risk control*. Finance collection
- H. Savall & V. Zardet (2010), *Mastering hidden costs and performances* . Economica
- IFACI. (2011). *Keys to the implementation and optimization of internal control*. the French Institute of Audit and Internal Control.
- J. Turner & B. Hévin (2006), *The new Dico-NLP: Understanding the words and concepts of NLP* , Paris, InterÉditions .
- Jean-Pierre and WOJTYNA Hans BRANDENBURG, J. (2006). *the process approach (how to)*. organizational edition, 2003. Eyrolles group,.

- Laurent HERVE, PP-L. (2015). *“The practice of auditing and internal control, approach and performance of a financial audit.* (l. é. Gualino, Ed.)
- the OECCA. (1977). the Council of the Order of Chartered Accountants.
- Ministry of Agriculture. (2019). *Agriculture report in figures 2018.*
- M. Boulaire & Y. Rajaud . (2011), *Quickly turn around a company: Practical guide for managers and buyers* - Quality and Performance Book Prize 2008, Ed. Eyrolles.
- M. Gillet and P. Gillet. (2017). *DSCG 5-Management of information systems* . 3rd edition, .Dunod
- Ngary, S. (2004). *Internal audit and procedures, codex.*
- Ngary, S. (2004). *Internal audit and procedures, codex.*
- Green Morocco plan. *The new agricultural strategy in Morocco (green plan): The keys to success.*
- Speth, c. *the SWOT matrix, develop a strategic plan for your business.* (50minutes.fr, Ed.)
- Victeur faure, fb (1948). *Accounting review, legal and technical principles of accounting and statutory auditing.* France, Paris: payot.
- Zied, B. (2006, 07). *Internal control audit and evaluation methodology*
- D. Gardey (2001), *The typist and the expeditionary. A history of office workers , 1890-1930,* Belin.
- FW Taylor (1957), *The scientific management of companies* , Dunod.
- H. Savall & V. Zardet (2010), *Controlling hidden costs and performances* . Ed. Economica
- M. Boulaire & Y. Rajaud (2011), *Quickly turn around a company: Practical guide for managers and buyers* - Quality and Performance Book Prize 2008, Ed. Eyrolles.
- J. Turner & B. Hévin (2006), *The new Dico-NLP: Understanding the words and concepts of NLP* , Paris, Inter Editions.
- M. Gillet and P. Gillet, 3rd edition, *DSCG 5 -Information systems management,* Dunod.