

# *On the Application of Green Financial Management in Financial Management*

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**Keywords:** Enterprise financial management, green financial management, application method

**Abstract:** With the growth of social economy and the improvement of people's living standards, the speed of human development is also faster and faster, which has exacerbated the deterioration of the environment and the shortage of resources to a certain extent, especially the harm brought by the development of industry and manufacturing to the human living environment, which makes people pay more and more attention to this problem. Therefore, in the environment where everyone advocates low-carbon and environmental protection, people also put forward the green management concept and method of green financial management for the financial department of enterprises, so as to promote the development of green financial management from the side. This paper briefly introduces the concept of green financial management and analyzes its application in enterprise financial management.

## 1. Introduction

1 Concept and content of green financial management

### 1.1 Green Financial Management Concept

The so-called green financial management means that in the process of enterprise production activities, the factors of environment and resources should be considered in the fund-raising, project investment, product income and income distribution of enterprises, so as to make the income of enterprises consistent with the social and environmental benefits, and take the road of sustainable enterprise economy. It is very different from the traditional financial management concept. The traditional financial management mainly pursues the economic benefits of enterprises, while the green financial management takes full account of the benefits of social resources and environmental benefits on this basis, and emphasizes the consistency and unity of the value of enterprise economic activities and social natural reproduction activities[1].

Green financial management takes the road of sustainable development. By controlling the production and operation activities of enterprises, the production activities of enterprises are beneficial to the production and operation of enterprises, the regeneration and development of social resources and environmental resources. Green financial management takes into account the benefits of enterprises, environment and society, and tries to maximize the interests of each party.

## 1.2 Contents of Green Financial Management

The content of enterprise green financial management mainly includes several aspects related to capital: increase the development and investment of enterprise green projects, such as making use of social natural resources, saving enterprise production costs, or protecting social ecological environment and realizing the green projects of enterprise low-carbon economy; Strengthen the operation and management of enterprise green funds, so that the operation of enterprise funds is conducive to the management and development of enterprise green projects; The income from business activities of enterprises should be distributed green, the proportion of investment in green projects and green public welfare funds should be increased, and many enterprises should be attracted to invest in green projects, so that the green economy of enterprises can develop continuously and in the long run.

## 2 Significance and Function of Enterprise Green Financial Management

Firstly, the concept of green financial management came into being with the continuous strengthening of the public's awareness of environmental protection and the increasingly fierce market competition. It enables enterprises to obtain green benefits through operating green projects, and then guide enterprises to take the road of green sustainable development, which plays a role in promoting the regeneration of social natural resources and the protection of natural environment. If this goes on for a long time, enterprises can not only obtain the benefits of green economy, but also develop in the long run, so that enterprises can adapt to the development and progress of modern society, and provide guarantee for enterprises to occupy an important position in market competition.

Secondly, enterprise green financial management is not only conducive to the green and sustainable development of the enterprise itself, but also can obtain the recognition of the public and the support of the government[2]. In the era of legal society and democracy and freedom, if enterprises want to continue to develop and grow, they should not only create enterprise wealth, but also obtain the trust of the public, and establish a corresponding good corporate image and reputation. Enterprises consume social natural resources and destroy the natural environment in production and economic activities. Therefore, they have the obligation to develop energy-saving green projects, save natural resources, strengthen environmental protection and governance, and leave a legacy to our future generations.

### 3 Current situation and problems of enterprise green financial management application

Green financial management is developed with the development of the times. At present, the proportion of green financial management in the application of enterprise financial management is not high. Enterprises still have some problems in promoting the application of green financial management.

## 3.1 Poor Regulation Effect of Market Economy

Market economy is a competition mode based on the pursuit of self-reliance and economic interests, and the definition and division of property rights of social resources are vague and uncertain. This makes the individual contradiction between natural resources and enterprises. In this case, if enterprises carry out green financial management, it will undoubtedly increase their production costs and reduce their production profits. In this way, the development of enterprises will lag behind their competitors in a short period of time. Therefore, we can see that in the case of unclear property rights of natural resources, the effect of market economy regulation is not very good.

### **3.2 Ambiguity of Environmental Measurement**

In the production and operation activities of enterprises, the measurement factors of their operating benefits can be quantified into money, and these measurement factors have a certain internal relationship with each other. However, based on the existing scientific and technological level and calculation ability, it is not possible to determine the proportion and role of environmental factors in the measurement factors of enterprise economy[3]. Therefore, it is difficult to calculate how to quantify environmental factors in enterprise green financial management activities, and we cannot confirm the role of environmental measurement in the comprehensive benefits of enterprise green financial management, How much weight and so on. Therefore, these will be the problems we will study and solve in the future.

3.3 weak green financial management concept of entrepreneurs  
At present, most Chinese enterprises do not have a long-term vision, only pursue the maximization of enterprise economic interests, do not consider the sustainable development and protection of social resources and natural environment, and lack long-term strategic economic strategies and concepts. The lack of deep understanding of the green financial management advocated now leads to the weak concept of green financial management of entrepreneurs, which makes them have a weak awareness of social responsibility and environmental responsibility. It is not conducive to the sustainable development of social economy, but also to the long-term development and progress of enterprises.

## **4. Methods and Measures to Promote Green Financial Management of Enterprises**

For promoting enterprise green financial management, the article can provide some methods and measures, hoping to have some reference.

### **4.1 The Government Shall Strengthen the Support of Green Financial Management**

The government can establish a green tax system similar to environmental tax and low-carbon tax, strengthen the ability of the market to regulate green business activities, strengthen the legal system of green financial management, and clarify the strength and intensity of green financial management, so as to make the financial management of enterprises develop in the direction of green financial management. In addition, for enterprise green projects, the government can promulgate some favorable policies and incentive schemes to support the development and construction of green projects.

### **4.2 Strengthening the Concept of Enterprise Green Financial Management**

For current enterprises, we should strengthen their management concept of green finance and carry out some training and education activities to make the management and financial managers of enterprises deeply realize that the long-term development of enterprises is inseparable from the management of green finance[4]. For the financial management staff of enterprises, we should strengthen the calculation and management of green accounting information, add the measurement of green accounting information to the traditional accounting system, and strengthen the accounting system of green financial management, so that enterprises can more intuitively understand the role and significance of enterprise green financial management.

### **4.3 Strengthening the Construction of Market Green Project Property Rights**

We can strengthen the construction of green product certification standards and property right

certification system in enterprise green projects, improve the relevant information system of green products, lay a good foundation for enterprises to implement green financial management, actively carry out some publicity activities of green products, and formulate plans for project development and investment of relevant green products, Guide social enterprises to operate green products and make them consciously implement green financial management activities. In this way, the establishment of inspection standards for green products and property right system certification is conducive to the penetration of the concept of green financial management into the economic activities of enterprises, the development of green economic activities of enterprises, the continuous expansion and development of the application of green financial management in enterprise financial management, and enable enterprises to establish a green economic value[5].

Conclusion: To sum up, we can see that if enterprises want to take the road of sustainable development, they should carry out green financial management on the enterprise's finance, and strengthen the concept of green financial management of enterprise financial managers, so that enterprises can take the road of mutual harmony, common promotion and development with social economy and natural environment, so as to promote the long-term development and progress of enterprises.

## Conclusion

In the era of advocating high efficiency and energy saving, in order to improve the economic benefits and financial management efficiency of enterprises, major enterprises have put forward the management ideas and ideas of green financial management, so that enterprises can take the road of sustainable development without affecting the environment. Green financial management is a financial management project that integrates enterprise economic benefits and social environmental benefits. Therefore, at present, society and enterprises pay more attention to the introduction and application of green financial management. This paper introduces the management idea and content of green financial management in detail, analyzes the significance and application of green financial management in enterprise financial management, and puts forward some suggestions and methods to promote enterprise green financial management, which provides some help for enterprises to implement green financial management.

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