

Research on the Application of Financial Management in Enterprise Management

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Abstract: With the rapid development of China's overall economy, China's current macroeconomic structure is gradually changing. In this economic situation, in the process of development and operation, enterprises need to use the current enterprise management mode to constantly improve and optimize, so as to guarantee the share of enterprises in the industrial market and improve the economic benefits of enterprises. Enterprise management method is one of the most important components in the enterprise management process, which has a decisive influence on the competitiveness of enterprises in the industrial market. Therefore, in the process of development, according to the economic development background of the current market, enterprises should organically combine the current enterprise development level with the advanced enterprise management concept, and then comprehensively improve the internal management level of enterprises. This paper mainly takes the enterprise financial management as the research topic, analyzes the current financial management problems existing in the enterprise management, and discusses the application strategy of the financial management in the enterprise management.

1. Introduction

At present, financial management has become the core of enterprise development, and its constructive influence can promote the sustainable growth of the current economy. However, due to the problems of backward economic management concept and low management level at the present stage, the sustainable development of Chinese enterprises is seriously restricted. Chinese enterprises should deeply explore the concept of financial management and value utilization, and according to their own actual situation, develop effective, scientific and reasonable financial management plans, so as to improve the operating efficiency of enterprises.

2. Concept of financial management and enterprise management

2.1 Concept of financial management

The concept of financial management refers to the integration of funds, and financial activities are conducted on the basis of money. Financial management aims to control and manage the flow of funds through a scientific and reasonable way, so as to ensure the effective use of funds [1]. It not only requires enterprises to comply with laws and regulations, but also requires enterprises to take

effective measures to implement financial management to improve the economic benefits of enterprises. Financial management is the foundation of enterprise development, which involves not only budgeting, but also financial decision-making and control. The effect and quality of governance directly determine the level of corporate governance, and the level of corporate governance affects the strategic development of corporate performance. Therefore, in the process of governance, enterprises must combine the actual needs and daily management with financial management. Management activities to formulate the corresponding system and norms, to form an effective mandatory and standardized financial management behavior.

2.2 Concept of enterprise operation and management

Operation and management refers to the formulation of appropriate management modes and methods on the basis of professional synthesis of the current situation and the development situation of the enterprise management, and carry out targeted innovation and reform, optimize and adjust the industrial structure and management strategy of the enterprise, and improve the quality and efficiency of enterprise management. Therefore, the core task of enterprise management is to ensure the effective allocation and integration of resources to achieve the best economic benefits, which requires effective and high-quality management measures under the condition of limited resources to achieve the ultimate goal [2]. In recent years, financial management has become the core part of enterprise management, and is gradually replace the traditional financial management mode, in order to improve the efficiency and competitiveness of the enterprise, mainly including issuing shares, loans, pay interest loans, fund management, etc., to ensure the normal implementation of the enterprise management function and financial operation.

3. Important value analysis of financial management in enterprise management

In general, the financial management belongs to the national level control measures, the initial application of the management is to control inflation, with the development of The Times, the significance of financial management more rich, application scope is more widely, in the current enterprise, financial management has achieved significant effect of practical application, its important value is mainly reflected in the following aspects.

3.1 Improve the management effect

Enterprise transformation is a complex process, but also a long-term process, in the transformation process, enterprises may encounter various operational problems, leading to operational risks, lead the financial losses of the enterprise, limit the development of the enterprise, directly affect the final effect of the transformation, which is also the main resistance of enterprise development. Adopt a scientific financial management mode, can effectively control the operational risks, and comply with the relevant policies and regulations of the government, to ensure the normal operation of the enterprise[3]. In addition, it is necessary to actively obtain external support to ensure that the enterprise can maintain a good development situation, and can quickly respond to various operational challenges, make full use of enterprise resources, integrate market information, so as to optimize the industrial structure and achieve high-quality transformation. Therefore, taking into consideration enterprise management and development. The smooth operation of financial management is very needed, which has a very positive impact on the operation of the enterprise, and the management must pay special attention to it.

3.2 Improve the level of enterprise management

As society continues to evolve, the social and economic landscape is also changing. At present, the pace of market economy development has slowed down, and enterprises must strive to stabilize their position and avoid short-term issues. To achieve this, enterprises must adopt a long-term perspective and optimize their management strategies. Through effective planning and the implementation of measures aimed at improving their management capabilities, enterprises can truly achieve their goals. Financial management is dynamic and flexible, through the application of this work, we can conduct a comprehensive and dynamic analysis of the current market environment, accurately grasp the market risk, predict the financial situation, timely take effective measures, effectively avoid various risks, so as to make a more scientific and reasonable management decision. Developing a strong sense of identity towards financial management is crucial to establishing the correct attitude and effectively utilizing financial management techniques. With this correct attitude, financial management can play a key role in achieving the expected goals of the company's development. Enterprises should use all kinds of financial management technologies and methods scientifically and reasonably, to provide a platform for the application of advanced information technology and methods, and to realize the real centralized financial management. Through the implementation of centralized financial management, we can maintain a high level of development of financial information[4]. Enterprises must recognize the importance of optimizing financial management through the integration and analysis of financial information. They should also strengthen communication and collaboration with other departments to ensure that financial management information is disseminated promptly, efficiently, and accurately to each department. This would help managers and every employee understand the actual financial management situation and provide valuable information support for decision-making. Additionally, all information transmission must be carried out within the enterprise to prevent information leakage and loss.

3.3 Reduce enterprise operation risks

Companies face many challenges in their operations, the most important of which is capital risk. Without effective control, these risks can lead to a financial crisis or even bankruptcy. Normally, a company's capital is composed of fixed assets, financial assets and credit assets. Capital is the foundation of enterprise development, and the importance of the three components cannot be ignored. Once any problem occurs in any one of the links, it will lead to a shortage of enterprise funds, which will affect the operation and development of enterprises, and even cause serious consequences. In the decision-making process, through the participation and application of financial management, the market and economic situation can be effectively analyzed to provide the basis for decision-making, find various risks and hidden dangers as soon as possible, and make accurate and scientific strategic decisions. In this way, the enterprise can accurately avoid all kinds of risks and hidden dangers, the risk of the shortage of funds will be greatly reduced, with sufficient funds, the enterprise can maintain a stable development situation. With sufficient funds, the enterprise can maintain stable development, and the important benefits of financial management are obvious.

4. The application countermeasures of financial management in enterprise operation and management

4.1 Establish advanced financial management concepts

If enterprises want to do a good job in financial management, they must establish advanced financial management concept and cash management concept in various financial management and

business. In order to effectively play the role of financial management and reduce the risk of enterprises, enterprises should take a series of measures. To achieve effective financial management and mitigate the risks associated with it, enterprises must first establish a specialized financial management department and corresponding job roles. Hiring professional financial management personnel would ensure that each manager recognizes their responsibilities and effectively achieves the goals of financial management. By comprehensively understanding the enterprise's risk profile in financial management, the financial management team can timely grasp risk prevention and avoidance methods and ensure the normal implementation of financial management and management functions. Secondly, enterprises should regularly train financial managers to improve their professional skills and professionalism. The training content should include financial management knowledge and professional ethics to ensure that they can effectively respond to various operational challenges[5]. For example, financial managers should set up bad debt reserves according to the internal fund recovery rules to ensure that even if the company cannot recover its accounts receivable on time, it will have no adverse impact on other business activities. Financial managers should pay close attention to the capital operation status of the loan company, carefully analyze the capital turnover ratio, debt ratio and other financial ratios, so as to better identify the reasons why the loan company cannot repay the remaining losses on time, and develop a targeted recovery plan to ensure that all accounts receivable can be recovered in time.

4.2 Scientific development of enterprise capital recovery

To ensure the smooth functioning of financial management, enterprises must collect their assets responsibly. While managing financial affairs, the enterprise must also manage the collection of professional capital. The specific approach is as follows: Firstly, the enterprise must establish an asset collection system that enables collection personnel to follow established procedures and standards for capital collection. This system will facilitate the sustainable development of enterprise assets. At the same time, it is necessary to strengthen the analysis and summary of the operation and credit status of cooperative enterprises, select cooperative enterprises scientifically, and reduce the probability of low efficiency of capital recovery. In order to effectively realize the capital recovery, the enterprise shall establish a set of perfect system of capital recovery, clear capital recovery process, and strictly supervise and manage the whole capital use process, to ensure that the capital investment and recovery work according to the expected plan smooth implementation, avoid unreasonable situation, so as to effectively maintain the normal operation and management of the enterprise. Third, in order to ensure the smooth implementation of asset recovery, enterprises should establish a set of perfect risk prediction mechanism, in order to better grasp the changing trend of the financial market, and regularly conduct a comprehensive evaluation of their asset recovery and financial management business, so as to more effectively prevent and avoid the risk of asset recovery[6]. Risks should not be ignored, we should be paid attention to, timely find the risks and problems in the implementation of funds, formulate targeted prevention and resolution countermeasures, reduce the possibility of risk events in the implementation of funds, ensure the smooth implementation of financial management, and avoid financial losses in enterprise management.

4.3 Actively improve the capital structure of enterprises

In order to do a good job in financial management, enterprises must actively improve their capital structure and reduce financial management and corporate governance risks. We can start from the following aspects: first, the government can further improve the implementation of laws and regulations related to enterprise capital, provide guidance and standard requirements for the construction of enterprise capital structure, and realize the macro control of enterprise financial

management. Second, more favorable policy measures can be taken to help companies raise funds, such as increasing investment in foreign economies. This can not only make enterprises improve their capital structure, but also reduce the current employment pressure, so as to promote the development of the social and economic environment. In this way, enterprises can not only improve the capital structure, but also reduce the employment pressure at the present stage, and contribute to the stable development of the society. Second, enterprises should strive to change their management and capital structure, and on this basis, strengthen their relations with social financial institutions to reduce the risk of recapitalization. Third, in order to better support the recapitalization of enterprises, the government and financial institutions must strengthen the supervision of private lending to ensure their legitimacy, safety and sustainability. In fact, private lending has become an effective way for enterprises to reduce the pressure of recapitalization today, but they must be standardized to ensure their long-term sustainability. If not, the risk of an asset restructuring would be even higher.

4.4 Continuously expand the financing channels for enterprises

In the financial management of enterprises, financing is a crucial link. In order to better achieve the financial goals, enterprises should actively expand the financing channels, and gradually get rid of the dependence on bank loans. Specifically, companies should realize the importance of expanding financing channels and use it as an effective means to improve financial management. Only through reform and innovation can we break the limitations of traditional financial channels and realize diversified financial services. Second, enterprises should actively expand financing channels, not only rely on the traditional bank loans and financing channels, but also according to the actual situation, constantly expand the foreign investment and other financing channels, in order to effectively solve the current financing difficulties of enterprises in China. Third, enterprises should actively develop indirect financing channels, and bank community of interests, share the financial management and financial risk, effectively transfer financial risk, reduce enterprise financial risk, provide favorable conditions for bank loans, at the same time, the bank can also strengthen the regulation of enterprise financing, to ensure the safety and effectiveness of enterprise financing. By reducing the risk that enterprises will not repay bank loans, a win-win situation will be achieved. Fourth, enterprises can first expand the underdeveloped financial channels and develop high-tech investment projects, which not only strengthens the influence of financial management, but also creates a strong impetus for enterprise transformation and structural improvement. Fifth, enterprises can make full use of relevant national policies to expand financial channels, improve financial channels through various favorable measures, and effectively. Diversified financing methods, to avoid falling into a passive financial model.

4.5 Improve the standard degree of financial budget management

Budget management is crucial to the development of enterprises, therefore, enterprises should strengthen the control of their financial budgets to ensure that they can effectively achieve their financial goals. Therefore, enterprises should take effective measures, including the establishment of a perfect financial budget management mechanism, the implementation of effective financial control, to ensure the effective control of financial revenues and expenditures, and can effectively achieve the effective use of funds, so as to achieve effective financial management goals. Second, enterprises need to effectively guide, evaluate, control and manage their financial and administrative activities through budget management to ensure that all activities are effectively organized. Third, enterprises should improve the budget preparation to ensure the scientific and fair financial budget. Third, enterprises must improve the budget preparation, supplement the guidance and supervision of relevant departments, and implement the evaluation carried out by relevant departments, so as to strengthen

the binding force of financial planning in the whole financial management, and ensure the scientificity and fairness of financial planning[7]. Fourth, enterprises should strictly abide by the financial planning, and any change must be reviewed by a comprehensive budget analysis report and explanation report to ensure its effectiveness. In addition, enterprises should also strengthen the supervision of the implementation of the financial planning, timely find and solve the existing problems, in order to ensure the effective implementation of the planning, and create a good financial management environment.

4.6 Strengthen the informatization construction of financial management

In order to improve the level of financial management, enterprises should strengthen the information construction, and constantly innovate. Specifically, enterprises should use a kinds of financial management technologies and methods scientifically and reasonably, and establish a data-driven ERP system, provide a platform for the application of advanced information technology and methods, and realize the real centralized financial management. Through the implementation of centralized financial management, we can maintain a high level of development of financial information. Second, after the establishment of the information system, enterprises need to regularly update and test the relevant software and hardware to ensure its advanced and correct use. Thirdly, the enterprise must realize the optimal integration and analysis of financial management information, and strengthen the communication and cooperation with other departments to ensure that financial management information can be transmitted to all departments in time, efficiently and accurately, so that managers and every employee can understand the actual situation of financial management, provide information support for management and provide information basis for enterprise decision-making. It should be noted that all information dissemination must be conducted within the enterprise to prevent information leakage and loss. Fourth, in order to improve the level of financial management, the company should vigorously promote information technology, and constantly improve the relevant training, so that managers can better master the information skills, and integrate them into the daily financial work. Fifth, in order to better support the economic benefits of the company, the company can also establish and strengthen the network management of financial management database, in order to better monitor the company's operation status, and realize the comprehensive coordination of financial management.

5. Conclusions

To sum up, Chinese enterprises need to constantly strengthen the financial management mode, and realize comprehensive management and long-term construction and development. With the arrival of the new economic situation, the importance of financial management in enterprise management has become increasingly prominent. In order to ensure the effective implementation of financial management and scientific application, enterprises should adopt advanced financial management concept, scientific and effective implementation of capital recovery, actively expand financial channels, strengthen cooperative credit evaluation, improve the standardization of financial budget management, strengthen the construction of financial management information, to ensure the standardization of financial management, standardization and scientific application of financial management.

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