

Risk Control and Preventive Measures in Enterprise Accounting Management

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Abstract: In the context of frequent flow of domestic and foreign funds and enormous market pressure, risk control has become an important part of enterprise accounting management work. Although China has established an effective market system to cope with various risks, the survival and development of enterprises themselves will still be impacted by external factors under this system. Based on this, enterprises must establish effective risk control systems and strengthen accounting management to reduce enterprise risks and enterprise losses, further to ensure the stable development of the enterprise.

1. Risk Types in Enterprise Accounting Management

1.1 Investment Risk

In the market economy system, the environment of enterprise accounting management plays a restrictive role in their financial decisions. In order to ensure the rationality of enterprise investment activities, it is necessary to combine accounting management results with the financial decisions of enterprises, in order to prevent and reduce various risks. In general, some enterprises will first formulate and analyze investment plans when conducting project investments, in order to ensure the reliability of relevant data. However, in the actual investment process, some companies did not invest according to the enterprises' regulations, nor did they optimize and adjust investment plans according to the characteristics of the enterprise or industry, resulting in investment risks for the enterprise.

1.2 Fundraising Risk

While continuously expanding the scale, due to their own funding limitations, many enterprises can only hope for various fundraising methods, hoping to achieve good business results and lay a solid foundation for the overall development of the enterprise. Fundraising risk is an unavoidable situation in the process of enterprise fundraising. No matter how a company raises funds, there is no 100% success rate. Partners will consider whether this project can bring benefits. Financial management can improve the external economic conditions of the enterprise, but it cannot maximize the overall interests of the enterprise. When facing fundraising risks, sufficient attention should be paid to conducting research from a scientific and reasonable perspective, responding to fundraising risks in a scientific manner, enhancing the core competitiveness of enterprises in the

market, and improving according to appropriate strategies to achieve better results[1].

1.3 Fund Retrieval Risk

In the process of enterprise investment and project cooperation, it is inevitable to encounter some problems, such as large capital investment, which makes it difficult to withdraw funds within the specified period. This is a common problem of difficulty in fund retrieval in enterprises and a risk influencing factor in enterprise accounting management. For example, if a company collaborates more with another company, “mutual borrowing” becomes a way of capital turnover and flow. However, because in some enterprises, the fund lending contract is not complete, for their own interests, trust and other factors, the lending process will gradually be simplified. If the partners are unable to repay the loan within the specified time, the lending enterprise will face difficulties in capital turnover. At the same time, the financial management of enterprises cannot be scientifically standardized, and in the long run, there will be a risk of fund retrieval.

2. Risk Control Issues in Enterprise Accounting Management

2.1 Financial Managers Lack Awareness of Risk Control and Management

The most important reason for the emergence of risk control factors in enterprise accounting management activities is the lack of risk control and management awareness among financial management workers themselves, as well as weak risk prevention awareness, which will have a certain impact on the risk control in accounting management.

Accounting procedures and rules are a set of “systematic, complete, and sustainable” internal financial and management control procedures that involve various departments and personnel of the enterprise. Therefore, it is necessary to continuously enhance the awareness of accounting risk prevention among financial management personnel, so as to achieve the goal of “upgrading” and “enhancing”. However, currently, some financial management personnel in enterprises cannot independently cultivate sufficient awareness of accounting risk control due to factors such as their insufficient levels of professional abilities, knowledge, and cultural environment, nor can they form systematic financial planning, risk assessment, and data analysis process steps.

2.2 The Implementation Goals of Financial Work are Unclear

Enterprise financial management work should be carried out in accordance with the enterprise’s development strategies and financial management plans. However, currently, some enterprises in China have unclear financial management implementation goals, unclear positioning, overly general process steps, and insufficient content and completeness in accounting management risk control. Which not only has a significant impact on the effectiveness and timeliness of enterprise financial management and accounting risk control, but also has a significant impact on the stability of other business activities. For enterprises, “no benefit, no getting up early.” Therefore, developing and fully implementing excellent financial management and risk control goals is not only an important requirement for enterprises to effectively reduce financial risk factors, but also a comprehensive execution basis for improving the quality of accounting management work. In modern society, improving the accuracy and rationality of enterprises’ financial management goals can better achieve the control of financial risks and comprehensive improvement of management effectiveness, thus laying a better foundation for the stable, green, and healthy development of the enterprises’ economy.

3. Risk Control and Preventive Measures in Enterprise Accounting Management

3.1 Enhancing Risk Control Awareness

The awareness of financial management personnel in controlling financial risks is very important in Chinese enterprises. As the backbone of an enterprise, managers' risk prevention awareness and management ability are the decisive factors to determining the success of the enterprise. Therefore, improving the awareness of enterprise risk prevention is particularly important, which requires enterprise management personnel to be familiar with the importance of financial management and common risks in enterprise financial management, in order to provide necessary financial support for enterprise financial management work. At the same time, it has also played a certain driving role in enterprise accounting management, enabling accounting personnel to better grasp the flow of funds in the enterprise, better preparing financial reports, and better reflecting the business situation of the enterprise.

3.2 Clarifying the Development Goals of Enterprise Financial Management Work

At present, in the increasingly fierce competition in China's socioeconomic market, social enterprises must comprehensively define their accounting management and financial business objectives during the operation and growth stages, and adopt diversified and multifaceted financial management implementation measures from the perspective of formulating and comprehensively implementing strategic development goals based on financial risk assessment information, thus a complete risk warning mechanism can be built to continuously familiarizing with fund management information, and relying on professional risk control systems, the enterprises are able to better cope with financial crises[2]. In addition, the setting and execution of financial service management objectives for enterprises is also an important direction for risk evaluation and control in financial management. The self-development of financial services can not only comprehensively improve the overall level of accounting management and risk control, but also guide enterprises to set more clear development goals, thereby achieving effective improvement and strengthening of internal financial management and risk management quality. Therefore, in the process of determining the development goals of financial management, enterprises can introduce a group of accounting experts with innovative and advanced development awareness to adapt to the development trend of human resources in today's society, improve the production and sales business processes related to the enterprise, and move towards the goals of enterprise accounting management and risk control, so that the economic and accounting management work of the enterprise can maximize its benefits, and we have also made contributions and efforts to build a sound risk control system.

4. Conclusion

To sum up, in the increasingly fierce market competition, no matter which management or operation method, as it gradually expands the scale of economic development, it will inevitably face various financial management risks. Through adopting scientific and reasonable methods, the effectiveness of financial risk control activities in enterprise accounting management work can be gradually strengthened and improved, therefore the enterprises can operate in a long-term, healthy, and stable way, and also it can help enterprises to enhance its ability to resist financial risks. Promoting the reform and optimization of accounting management activities can further enhance the effectiveness of enterprise financial control. In addition, under the influence of the economic era, enterprises also have a comprehensive financial risk control system, which can not only achieve long-term stable financial management work, but also help enterprises improve their core

competitiveness in the economic market environment, make their competitive position in the market more stable, and make necessary efforts for future development and financial operation management processes.

References

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