Accounting and Corporate Management (2023)
Clausius Scientific Press, Canada

DOI: 10.23977/acccm.2023.051107
ISSN 2523-5788 Vol. 5 Num. 11

# Analysis of the Importance of Enterprise Accounting System from the Perspective of Management

**Yiwei Liu**

*Northwest Minzu University, Lanzhou, Gansu, 730030, China*
*yiwei1999115_acca@163.com*

***Keywords:*** Management Perspective, Corporate Accounting System, Importance Analysis, Questionnaire Survey

***Abstract:*** In order to achieve the goals and missions of business management, it is necessary to accurately measure and evaluate the basis of organizational performance, and determine appropriate performance indicators and evaluation methods to improve the scientificity and accuracy of decision-making. By analyzing the importance of corporate accounting systems from a management perspective, it can help managers understand the operating status of the organization and take corresponding measures to adjust and improve, so as to better recording, processing and reporting financial information to support managers' decision-making and control. Through relevant research on the impact of the Internet on corporate accounting systems, and with the help of the interconnection between management and corporate accounting systems, this article analyzes the important role of accounting systems in corporate management from the perspective of management. This article proposes four important factors to improve the accuracy and transparency of financial information, promote the effective allocation of corporate resources, assist strategic decision-making and risk management, and promote corporate compliance and social responsibility, and draws the following conclusions: Through the questionnaire survey experiment, the comprehensive score of seven department managers on the key factors of the corporate accounting system is about 91.7 points, and the comprehensive score on other factors of the corporate accounting system is about 81.7 points. This shows that the corporate accounting system does play a key role in actual operations and is recognized by the majority of corporate managers.

## 1. Introduction

Corporate accounting systems can provide accurate and timely financial information to help managers make informed decisions. By analyzing the accounting system, we can understand the source, processing and reporting methods of financial information, so as to better understand and apply this information to support decision-making. Therefore, it is very necessary to analyze the importance of corporate accounting systems from a management perspective.

There are many research theories on the analysis of the importance of corporate accounting systems. Based on the *Accounting System for Financial Enterprises*, YUBo expounded the concepts and main contents of rural credit cooperatives, institutions and financial work, and analyzed the impact of institutions on the financial work of rural credit cooperatives [1]. Grzeszczak M aimed to evaluate the implementation of management accounting tools in the management of enterprises in the smart energy sector and conducted in-depth interviews with large enterprises in the energy industry regarding the use of management accounting tools to standardize smart management [2]. In order to accurately understand the development method of modern enterprise accounting ecological construction, Qiu H used the method of survey and analysis to study the accounting information exchange environment. The final research results helped to think about the further improvement of the accounting ecological construction [3]. Jiang H mainly outlined the concepts and basic characteristics of enterprise management, and studied the necessity of enterprise management reform in the accounting system in the Internet era. Finally, he discussed the leadership system implemented by food enterprises [4]. Wang Q required that financial management work be further optimized during the development of modern enterprise financial management work, and proposed that modern enterprise accounting systems were an important foundation and prerequisite for realizing the healthy and stable development of modern enterprises [5]. Analyzing the importance of corporate accounting systems from a management perspective can better understand and apply accounting systems, thereby improving the organization's management effectiveness [6]. The above-mentioned use of various research theoretical methods can effectively improve the enterprise management system, but there is a lack of verification and analysis of some specific experiments.

The explanation of the impact of the Internet on corporate accounting systems is a major focus of this article. In this article, different stakeholders within the organization have different needs and interests for the organization's financial information. The corporate accounting system can help solve the problem of information asymmetry, provide accurate and reliable financial information, and increase the transparency and comparability of information. The final questionnaire experimental results show that this study is relatively accurate in analyzing the importance of corporate accounting systems from a management perspective.

## 2. The Impact of the Internet on Corporate Accounting Systems

The Internet has had a profound impact on corporate accounting systems, making the accounting process more automated, transparent and real-time [7-8]. According to a survey, more than 75% of enterprises have adopted cloud-based accounting software, which has greatly improved the accessibility and security of data; and due to the increase in online transactions, nearly 60% of companies said they need more frequent financial reports to monitor cash flow. In addition, about 70% of accountants said that the Internet has improved work efficiency by enabling them to respond more quickly to client needs and inquiries. The summary of the impact of the Internet on corporate accounting systems is shown in Figure 1.

With the development of Internet technology, accounting information systems are gradually becoming automated and cloud-based, which makes the input, processing and output of accounting data more efficient and accurate. Cloud accounting software, which is frequently used by small and medium-sized enterprises, can be updated in real time and provide enterprises with real-time financial reports [9-10]. Therefore, the automation and cloudification of accounting information systems are the greatest impact of the Internet on corporate accounting systems. Other major impacts are real-time accounting and data analytics, e-commerce and accounting processing, transparency and disclosure, remote working and accounting operations, cybersecurity and accounting data protection, and internationalization and accounting standards.

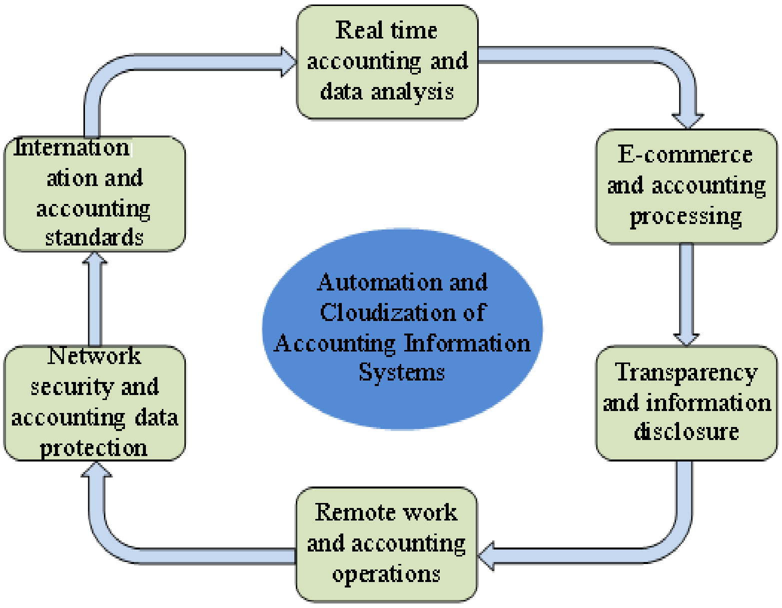


Figure 1: Analysis of the impact of the Internet on corporate accounting systems

Traditional accounting systems are often cyclical, but Internet technology allows accounting to be performed in real time, which provides management with a real-time basis for decision-making [11-12]. At the same time, big data analysis technology also allows companies to conduct in-depth analysis of accounting data to gain more business insights. The rise of e-commerce has resulted in companies needing to process a large number of online transactions, which has posed new challenges to the accounting system, such as how to handle digital currencies and how to identify revenue from online transactions. And the Internet has made information dissemination faster and more extensive, which requires companies to improve the transparency of their financial information to meet the needs of investors and other stakeholders.

## 3. Analysis of the Importance of Corporate Accounting Systems from the Perspective of Management

### 3.1 The Connection between Management and Corporate Accounting Systems

After exploring the impact of the Internet on corporate accounting systems, we next discuss the connection between management and corporate accounting systems, laying the foundation for subsequent analysis of the importance of corporate accounting systems. Management is the study of organizational and management activities, while corporate accounting systems are the rules and procedures used within an organization to record and report financial information [13-14]. Based on this, the relationship between corporate management and corporate accounting systems has been ranked by their importance as shown in Table 1.

As can be seen from Table 1, the corporate accounting system is not only a tool for financial management, but also a key mechanism to achieve effective management and organizational goals. From a management perspective, the accounting system is closely related to corporate management. First, corporate accounting systems provide accurate and timely financial information, which is an important basis for management decisions. Second, accounting systems can accurately track capital flows, costs, and benefits, thereby helping management allocate resources more efficiently. Finally, through the accounting system, enterprises can more accurately identify financial risks and take corresponding management measures. At the same time, transparency, responsibility and compliance are all important organizational behavior factors in management [15-16].

Table 1: Instructions on the connection between management and corporate accounting systems

| Sort | Contact | Explain |
|---|---|---|
| I | Decision support | Management emphasizes data-driven decision-making |
| II | Resource optimization | Management focuses on how to allocate and use resources most effectively |
| III | Risk management | Management also involves identifying and managing risks |
| IV | Organizational Behavior and Culture | A good accounting system can strengthen corporate culture and values |
| V | Strategic planning | Accounting information provides in-depth understanding of the health status of enterprises |
| VI | Compliance and Social Responsibility | Pay attention to how enterprises comply with legal regulations and assume social responsibility |

After exploring the relationship between management and corporate accounting systems, we continue to analyze the importance of corporate accounting systems from the perspective of management. Materiality analysis can help us better understand and apply the accounting system, thereby improving the management effectiveness of the organization and supporting scientific decision-making, performance evaluation, internal control, and organizational coordination [17-18]. According to relevant research and data, the analysis of the important role of accounting systems in corporate management is shown in Figure 2.

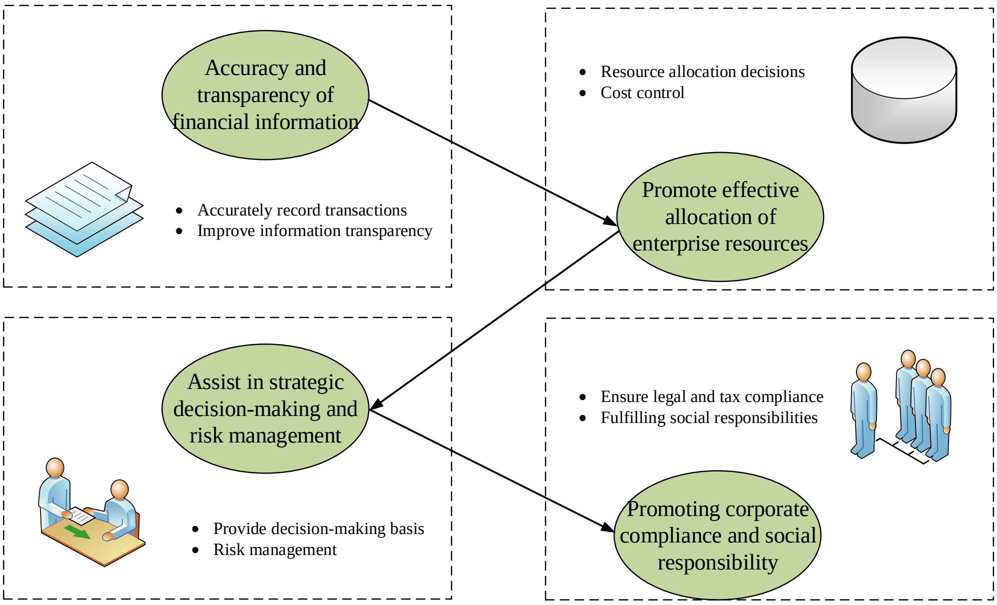


Figure 2: Analysis of the important role of accounting system in enterprise management

To sum up, the corporate accounting system is an important part of corporate management. It can not only help companies with financial management, but also provide a basis for corporate decision-making. From a management perspective, it can improve the accuracy and transparency of financial information, promote the effective allocation of corporate resources, assist strategic decision-making and risk management, and promote corporate compliance and social responsibility. These four points are all factors that enable accounting systems to play a key and important role in corporate management [19-20].

## 3.2 Accuracy and Transparency of Financial Information

By increasing the transparency of financial information, businesses can better communicate with their various departments and teams, thereby promoting cross-departmental coordination and collaboration. With real-time financial reporting, which is necessary for almost every company, various departments can better understand the overall strategic goals and resource allocation of the enterprise, so as to better adjust their work plans and goals. This will not only improve the overall efficiency of the enterprise, but also avoid duplication of resources and waste of resources. Therefore, the role and specific description of the accuracy and transparency of financial information in the corporate accounting system are shown in Table 2.

Table 2: Analysis of the role of financial information accuracy and transparency

| Effect | Explain |
|---|---|
| Reduce financial errors | Automatically detect and correct certain common input errors to ensure the accuracy of financial data |
| Improve decision-making efficiency | Accurate and timely financial information can help management make decisions faster |
| Enhance investor confidence | Transparent financial reports can help investors better understand the financial situation of a company |
| Improve corporate reputation | Transparency in reporting can enhance the image and credibility of enterprises in the public eye |

From the function description in Table 2, the above data explanation and the management perspective, we can see that a sound corporate accounting system is crucial to ensuring the accuracy and transparency of financial information. Through an effective accounting system, companies can not only ensure that all financial transactions are accurately recorded, helping to avoid financial fraud and errors, but also display their financial status more transparently, helping to enhance the confidence of investors and stakeholders.

## 3.3 Promote the Effective Allocation of Corporate Resources

From a management perspective, the corporate accounting system is the core tool for the effective allocation of corporate resources. It can help companies conduct more precise strategic planning. Through detailed financial reporting and budget analysis, companies can better understand the flow and use of their resources, allowing them to make more targeted strategic decisions. Through the analysis of historical data, some venture capital companies can identify which business departments or projects have a higher return on investment, thereby allocating more resources to these departments or projects. In addition, accounting systems can also help companies better control costs. Through reasonable cost allocation and control, companies can avoid waste and inefficient use of resources.

In the process of controlling costs, enterprises rely on the internal control and transparency of the accounting system to promote the effective allocation of resources. A sound accounting system can ensure that a company's financial information is accurate and reliable, so that management can make more informed resource allocation decisions based on this information. Since the accuracy and transparency of financial information and the effective allocation of corporate resources are the main key factors of corporate accounting systems from the perspective of management, this article mainly calculates the weight of these two in the entire importance analysis. First, this article calculates the weight proportion of financial information accuracy and transparency factors, as shown in Formula 1 below:

$$p = T_1 \div (T_1 + T_2 + T_3 + T_4) \tag{1}$$

Among them, T1, T2, T3, and T4 respectively represent the analysis of the accuracy and transparency of financial information, effective allocation of corporate resources, strategic decision-making and risk management, and the importance of corporate compliance and social responsibility in corporate accounting systems. The weight proportion of effective allocation of enterprise resources is calculated as shown in Formula 2.

$$q = T_2 \div (T_1 + T_2 + T_3 + T_4) \tag{2}$$

### 3.4 Strategic Decision-making and Risk Management and Corporate Compliance and Social Responsibility

According to a study conducted by the Academy of Management, more than 80% of senior managers said they rely on accounting data such as earnings reports, cash flow statements and balance sheets when formulating long-term strategies. Not only does this data reveal the financial health of a business, it can also help managers identify market trends, assess return on investment and determine which areas of the business have potential for growth. Therefore, a sound accounting system can ensure the accuracy and timeliness of these data, thereby supporting more informed and far-sighted strategic decisions.

From a management perspective, corporate accounting systems also play a significant role in ensuring corporate compliance. Businesses need to comply with various financial and tax regulations, such as International Financial Reporting Standards and U.S. GAAP (Generally Accepted Accounting Principles). Corporate accounting systems can also help companies fulfill their social responsibilities. As environmental, social and governance factors become increasingly important in investment decisions, companies need to provide more information about their social governance performance. A sound accounting system helps businesses accurately measure and report their performance to meet the needs of investors and other stakeholders.

## 4. Questionnaire Survey Experiment

After completing the analysis of the importance of corporate accounting systems from the perspective of management, in order to evaluate the actual impact of the four important factors, a questionnaire survey experiment was conducted. Before conducting the questionnaire survey experiment, in order to ensure the accuracy of the questionnaire survey results, seven department managers of a certain company were randomly selected and numbered A to G as survey samples to investigate their comprehensive evaluation of the four important factors of the corporate accounting system. The inclusion criteria are: voluntarily participating in the survey; understanding the purpose and significance of the survey. At the same time, to facilitate the experiment, the accuracy and transparency of financial information and the effective allocation of corporate resources are collectively referred to as key factors, and strategic decision-making and risk management, as well as corporate compliance and social responsibility, are referred to as other factors. Then the importance is evaluated and the scores are used for visualization, measured on a scale of 0 to 100. According to its standard, it is assumed that a score of 80 or above meets the requirements. The experimental results are shown in Figure 3.

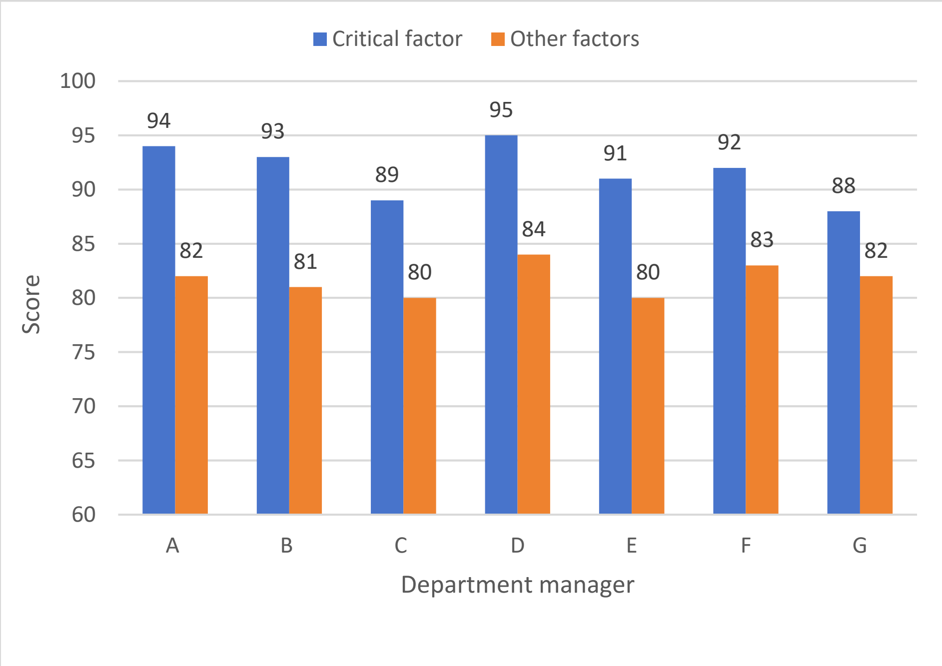


Figure 3: Questionnaire survey results on the evaluation of important factors of corporate accounting systems

Among them, the blue column indicates the importance rating of key factors of the enterprise's accounting system, and the orange column indicates the importance rating of other factors of the enterprise's accounting system. It can be seen that the comprehensive evaluation of the four important factors by the seven department managers is at or above 80 points. Among them, the comprehensive score for the key factors of the corporate accounting system is about 91.7 points, and the comprehensive score for other factors of the corporate accounting system is about 81.7 points. This shows that the analysis of the importance of corporate accounting systems from a management perspective is accurate. At the same time, corporate accounting systems do play a key role in actual operations and are recognized by the majority of corporate managers.

## 5. Conclusions

Modern organizations face increasingly complex business environments and management challenges, and require effective management tools to support decision-making and control. As an important management tool, corporate accounting system can provide financial information to support managers' decision-making and performance evaluation. This article is based on the study of the impact of the Internet on corporate accounting systems, uses the interconnection between management and corporate accounting systems to explore, and concludes that the accounting system plays four important roles in corporate management, and finally uses a questionnaire survey experiment to verify that the importance analysis is relatively accurate. This article hopes that through theoretical and empirical research, it can contribute to the domestic analysis of the importance of corporate accounting systems from a management perspective. Since the sample number of respondents selected for the questionnaire survey is too small, the conclusions proposed in this article still have many flaws and shortcomings, and they will be further refined and improved in future research.

## References

*[1] Yu Bo. Discussion on Influence of the Implementation of New "Financial Enterprise Accounting System" by Rural Credit Cooperatives on Financial Work. Economic Management of Foreign Language Science and Technology Journal Database, 2022(9):18-21.*
*[2] Grzeszczak M. Management Accounting System in the Management of an Intelligent Energy Sector Enterprise. Energies, 2022, 15(20):1-17.*
*[3] Qiu H. Development of Accounting Ecology Construction in Modern Enterprise. Journal of environmental protection and ecology, 2019, 20(Spec.A):323-329.*
*[4] Jiang H. Exploration of Accounting System Reform in Food Enterprises - Review of "Food Enterprise Management". Food and Machinery, 2023, 39 (1): 249-250.*
*[5] Wang Q. Exploration of Modern Enterprise Accounting System and Accounting Management Model. Huadong Technology (Comprehensive), 2021, 1 (9): 1-1.*
*[6] Yang Lei. Discussion on the possibility of integrating the accounting systems of enterprises and public institutions in China. China Civil and Commercial Journal, 2021, 2021(01): 170-171.*
*[7] Wu Z. An Exploration of the Existing Problems of Enterprise Asset Restructuring Accounting, the Causes, and Their Countermeasures. Business Economics Research (Baitu), 2022, 5(5):20-24.*
*[8] Fan Xiao'e. Research on the Dual Chain Integration of Foundry Production and Financial Supply Based on Management Accounting System. Special Foundry and Non-ferrous Alloys, 2023, 43 (4): 24-25.*
*[9] Ritchi H, Debora A L. On change management for enterprise accounting system: iterative content analysis for success factors. Jurnal Akuntansi dan Auditing Indonesia, 2020, 24(2):119-129.*
*[10] Zhao Jingdan. Analysis of the Necessity of Strengthening the Accounting Internal Control System of Modern Service Enterprises. Market Weekly Theoretical Edition, 2021, (13): 129-130.*
*[11] Koval L. Formation of the System of Accounting of Certain Activities at the Level of the Enterprise. Economy Finances Management Topical issues of science and practical activity, 2020, 54(4):175-185.*
*[12] Kutsyk P, Koryagin M, Chik M,et al. Development of evaluation the market value of the enterprise in the system of accounting and analytical support. Independent Journal of Management & Production, 2019, 10(7):623-623.*
*[13] Lu Aiguo. Risk Management Strategies for Enterprise Operations Based on Economic Management. Modern Economic Information, 2020, 2020 (02): 5557-5558.*
*[14] Zeng Jiaqi. Further Improvement of Enterprise Management Ability from the Perspective of Management. Enterprise Observer, 2022, 01 (10): 100-102.*
*[15] Qin Dan. Exploration of Enterprise Financial Management Strategies under the New Accounting System. China Small and Medium Enterprises, 2020, 294 (05): 106-107.*
*[16] Chen Chunmei. The Effective Application of Prudence Principle in Financial Accounting Management under the New Accounting System. Chinese Journal of Science and Technology Database (Full Text Edition) Economic Management, 2022, 03 (07): 85-87.*
*[17] Li Xingde, Feng Miao. The Role of the New Accounting System in Enterprise Financial Management. Modernization of Shopping Mall, 2022, 2022 (20): 138-140.*
*[18] Ksendzuk V V, Melnyk I M. Natural capital of an enterprise: accounting and analytical dimension. Problems of Theory and Methodology of Accounting Control and Analysis, 2020, 45(1):33-40.*
*[19] Ovsiuk N V, Maister L A. Features of Moviative and Stimulative Processes in the System of Accounting Ensuring the Enterprise Expenses. Financial and Credit Activity Problems of Theory and Practice, 2018, 1(24):153-162.*
*[20] Hong M. Discussion on Innovation Scheme of State-owned Enterprise Accounting Management System in New Era. Economic Management of Foreign Language Science and Technology Journal Database, 2021, 01(02):172-176.*