

# *Probe into Financial Management in Business Administration of Enterprises*

**Xinling Zhang**

*Zhongxi Certified Public Accountants (Special General Partnership), 100071, Beijing, China*

**Keywords:** Enterprise business administration; Financial management; Optimization strategy; Risk management; Modern information technology

**Abstract:** This article expounds the importance of business management in enterprises, especially financial management, as its core link, which plays an irreplaceable role in ensuring the stable operation and sustainable development of enterprises. Based on this background, this article aims to provide useful reference for enterprises to improve financial management through theoretical analysis and practical discussion. In terms of research methods, this article first defines the basic concepts of business administration and financial management, and analyzes the relationship between them in enterprise operation. Then, by deeply exploring the practice of financial management, the main challenges and problems faced by enterprises in the process of financial management are identified and analyzed. On this basis, this article puts forward some strategies and suggestions to optimize the financial management of enterprises. These include strengthening the construction of financial system, improving the quality of financial personnel, strengthening financial risk management, and using modern information technology to improve the efficiency of financial management. Research shows that strengthening financial management is of great significance to enhance the overall competitiveness of enterprises. By implementing the optimization strategy proposed in this article, enterprises can standardize financial behavior, improve management efficiency and reduce risk level.

## **1. Introduction**

In today's complex and changeable market environment, the importance of enterprise business administration is increasingly prominent. As an important part of enterprise management, business administration is related to the daily operation of enterprises, which directly affects the long-term development and competitiveness of enterprises. Among them, financial management, as the core link of business management, plays a decisive role [1]. Financial management involves not only the collection, use and distribution of funds, but also the cost control, risk management and investment decision-making of enterprises [2]. It is the key guarantee for the steady operation of enterprises.

This article chooses "Financial Management in Business Administration" as the research topic, which is based on the deep insight into the current business management practice. In reality, many enterprises have many problems in financial management. For example: inefficient use of funds, ineffective cost control, lack of financial risk management, etc. These problems have seriously restricted the healthy development of enterprises.

The main purpose of this study is to reveal the core position and role of financial management in enterprise business management by systematically analyzing the theory and practice of financial management; This article discusses the problems and challenges in financial management, and puts forward corresponding improvement strategies and suggestions. Specifically, the main issues to be discussed in the study include: the basic theories and methods of financial management, the experience and lessons of enterprises in financial management practice, and how to optimize financial management to enhance the competitiveness and profitability of enterprises. It is of theoretical value and practical significance for this article to explore financial management in depth.

## **2. Theoretical basis of business administration and financial management in enterprises**

### **2.1. Business administration**

As two pillars in the field of enterprise management, business administration and financial management each carry unique and important functions. Business administration is a process of planning, organizing, leading and controlling the overall operation activities of enterprises. It covers marketing, human resource management, production management, strategic management and other aspects, aiming at improving the operational efficiency and market competitiveness of enterprises through scientific management methods and means [3]. The core of business management is to ensure the rational allocation and effective utilization of various resources of enterprises in order to achieve the long-term development goals of enterprises.

### **2.2. Financial management**

Financial management is a part of enterprise management that focuses on capital movement and its management activities. It mainly involves fund raising, investment, operation and distribution. Through financial decision-making, financial planning and financial control, it ensures the liquidity and security of enterprise funds, and at the same time pursues the maximum benefit of funds [4]. The function of financial management is not limited to bookkeeping and report preparation, but more importantly, it provides financial information and suggestions for enterprise decision-making, helping enterprises avoid risks and maximize value.

### **2.3. The relationship between business administration and financial management**

Business administration and financial management depend on each other and promote each other in enterprise operation. Business administration provides a broad application scenario and practical basis for financial management, while financial management provides necessary data support and decision-making basis for business administration. For example, when making enterprise strategy, financial management evaluates the economic feasibility and risk level of different strategic plans through financial analysis, which provides strong support for strategic decision-making. In production management, financial management ensures the economy and efficiency of production activities by means of cost control and budget management [5].

The special position and role of financial management in business administration can not be ignored. It is the "blood circulation system" of enterprise operation, ensuring the smooth flow and rational allocation of funds within the enterprise. Financial management is also the core link of enterprise risk management, which helps enterprises to effectively cope with market changes and uncertainties through risk identification and evaluation [6]. Therefore, strengthening financial management is the key to improve the management level of enterprises, and it is also an important guarantee to ensure the steady development and sustainable competitiveness of enterprises.

### 3. Practice and problem analysis of financial management

In the practice of financial management, each enterprise has formed its own unique financial management practices and experiences according to its own development stage, industry characteristics and market environment. Some enterprises pay attention to the efficient use of funds, and through the establishment of a sound fund management system, centralized management and unified scheduling of funds are realized, which improves the efficiency of the use of funds [7]. Other enterprises have made great efforts in cost control, and effectively reduced their operating costs through refined management and optimized production processes. Many enterprises have accumulated valuable experience in investment decision-making and risk management, which has provided strong support for the steady development of enterprises. In the practice of financial management, the challenges faced by financial management are shown in Table 1.

Table 1 Challenges in Corporate Financial Management Practices

Challenge Category	Specific Challenge Content
Fund Utilization Management	Inefficient use of funds, inflexible fund allocation
Cost Control and Management	Difficulties in cost control, high production costs
Investment Decision-Making	High risks in investment decisions, lack of long-term planning
Risk Management and Prevention	Inadequate risk management system, insufficient risk identification and assessment
Financial Management Informatization	Low level of financial management informatization, data silos
Regulatory Compliance and Adaptation	Rapid changes in financial regulations and policies, difficult adaptation
Multinational Financial Management	High complexity in multinational financial management, currency exchange risks
Finance Talent and Team Building	Shortage of finance talents, urgent need for team quality improvement
Internal Control and Audit Supervision	Inadequate internal control system, insufficient audit supervision
Tax Planning and Compliance Management	Unreasonable tax planning, high risks in compliance management

As shown in Table 1, enterprises are facing many challenges in the practice of financial management, which requires enterprises to strengthen management and control in all aspects and improve the efficiency of financial management and risk prevention and control capabilities. The above problems are related to the imperfect financial management system of enterprises, the low quality of financial personnel and the low level of financial management informatization. The existence of these problems affects the financial management effect of enterprises, and may also have an adverse impact on the long-term development of enterprises. For example, reducing the market competitiveness of enterprises and increasing the operational risks of enterprises. Enterprises need to deeply analyze the causes of these problems and take corresponding measures to solve them in order to improve the financial management level and overall competitiveness of enterprises.

### 4. Optimize corporate financial management strategies

Aiming at the problems existing in financial management analyzed in the previous section, this section puts forward a series of strategies to optimize financial management.

(1) The foundation is to strengthen the construction of the financial system. Enterprises need to formulate and improve financial management systems, establish clear financial management

processes and standards, and ensure the legitimacy and transparency of financial activities. Through institutionalized management means, financial behavior can be effectively standardized, financial risks can be prevented, and the scientificity and effectiveness of financial management can be improved.

(2) Improving the quality of financial personnel is the key. Financial personnel are the direct executors of financial management, and their professional quality and ability directly affect the effect of financial management. Through regular training, assessment and incentive mechanism, the enthusiasm and creativity of financial personnel are stimulated, so that they can better perform their financial management duties.

(3) To ensure financial security is to strengthen financial risk management. Faced with the unavoidable financial risks in enterprise operation, enterprises need to build a sound financial risk management system to identify, evaluate and control risks. By establishing risk early warning, coping strategies and monitoring mechanisms, the occurrence and impact of financial risks can be effectively reduced.

(4) The trend of the times is to use modern information technology to improve the efficiency of financial management. Today, with the rapid development of information technology, financial management is gradually moving towards informationization. Enterprises should actively adopt modern information technologies such as big data, cloud computing and artificial intelligence to improve the efficiency and accuracy of financial management [8]. With the help of information technology, the real-time collection, processing and analysis of financial data are realized, and timely and accurate financial information support is provided for decision-making.

The implementation possibility and expected effect of the above strategies are remarkable, as shown in Table 2. Enterprises should actively adopt these strategies and suggestions and constantly improve and optimize financial management.

Table 2 Implementation Possibility and Expected Effects of Strategies to Optimize Corporate Financial Management

Strategy Content	Implementation Possibility	Expected Effects
Strengthen the construction of financial systems	High	Improve the compliance and transparency of financial management, reduce financial risks, and enhance the scientificity and effectiveness of management
Enhance the quality of financial personnel	Medium-High	Elevate the professional level and ethical standards of financial management, stimulate the enthusiasm and creativity of financial personnel, and improve financial management effectiveness
Strengthen financial risk management	High	Establish a comprehensive financial risk management system, reduce the probability and impact of financial risks, and ensure the stable operation of the enterprise
Utilize modern information technology to improve financial management efficiency	High	Achieve efficient processing of financial data and provide timely information support for decision-making.

Note:

Implementation Possibility: Assessed based on factors such as the feasibility of the strategy, corporate resource investment, technological maturity, etc., the possibility of implementing the strategy is rated on a scale of low, medium-low, medium, medium-high, and high [9]. The implementation possibility of the strategies in this table is assessed as medium-high or high, indicating that these strategies have high feasibility in the current environment.

Expected Effects: Describe the positive impacts or improvements that may result from the implementation of the strategy, including improvements in management level, risk reduction,

efficiency enhancement, etc. The expected effects in this table are targeted at specific issues in corporate financial management, aiming to optimize financial management and enhance the overall competitiveness of the enterprise through the implementation of these strategies.

## 5. Conclusions

It is found that financial management plays a vital role in enterprise operation. It is the core link of enterprise capital flow and resource allocation, and also the key to enterprise risk control and decision support. By strengthening the construction of financial system, improving the quality of financial personnel, strengthening financial risk management and improving the efficiency of financial management by using modern information technology, enterprises can significantly improve the level and effect of their financial management and enhance their overall competitiveness. This article emphasizes the basic function of financial system construction, and points out that a sound system is the premise to ensure the standardized and efficient operation of financial management. At the same time, as the direct executor of financial management, the quality and ability of financial personnel have a decisive impact on the effect of financial management. Therefore, improving the quality of financial personnel has become a key link in optimizing financial management. The study also reveals the importance of financial risk management, emphasizing that enterprises should establish a sound risk management system to effectively deal with various potential financial risks. The application of modern information technology in financial management is regarded as an important way to improve management efficiency. Enterprises should actively embrace informationization and use advanced technology to improve the intelligent level of financial management.

With the continuous development of market economy and the increasingly complex enterprise environment, financial management is facing new challenges and opportunities. Future research can pay more attention to the specific application and mechanism of financial management in enterprise strategic management, mergers and acquisitions, transnational operations and other fields.

## References

- [1] Yang C, Yang Y, Cao Y. Innovation method for centralised management and control mode of enterprise financial audit under the background of Industry 4.0[J]. *International Journal of Technology Management*, 2020, 84(3-4): 197-210.
- [2] Huang J. The characteristics of urban soil deposition and financial management of state-owned assets based on big data system[J]. *Arabian Journal of Geosciences*, 2021, 14(14):1-16.
- [3] Chen Lei. Research on the Financial Management of State-owned Enterprises in the Era of the Internet Economy [J]. *Business Economy*, 2018, (11): 131-132.
- [4] Luo Ping. Research on Financial Information Sharing and Optimization of Financial Management [J]. *China Certified Public Accountant*, 2018, (09): 95-98.
- [5] Zhang Huili. Strategies for Enhancing the Financial Management Efficiency of Feed Enterprises from an Informatization Perspective [J]. *China Feed*, 2024(12): 113-116.
- [6] Yang Q, Wang Y, Ren Y. Research on financial risk management model of internet supply chain based on data science [J]. *Cognitive Systems Research*, 2019, 56: 50-55.
- [7] Kosteniuk I B. Modeling of Enterprise Potential for Development of Management Strategies[J]. *Sustainability*, 2020, 87:21-27.
- [8] Liang Yong, Gan Shengdao. Reflections on Online Financial Management in Universities Amidst Epidemic Prevention and Control [J]. *Friends of Accounting*, 2020, (06): 123-127.
- [9] He Fangfang. Analysis of the Financial Management Model of Seed Enterprises from a Value Chain Perspective [J]. *Molecular Plant Breeding*, 2022, 20(2): 611-615.