

The Application of Financial Management in Business Management of Enterprises

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Abstract: With the development of society, financial management plays an increasingly important role in business management. Financial management is the overall management of all kinds of funds and currencies. In today's economic internationalization, enterprises should pay more attention to their own financial management, enhance the competitiveness of enterprises in the market, and bring greater economic benefits to enterprises. This paper makes a concrete analysis of the significance and shortcomings of financial management in business management of enterprises, and puts forward the application strategies of financial management in business management of enterprises, to enhance the effectiveness of business management of enterprises and create greater economic benefits for enterprises.

Financial management mainly refers to the management of funds in enterprise, which includes investment, stock, loan and other related capital business. The financial management of an enterprise is directly related to the further development of the company. Therefore, financial management plays an important role in the business management of the enterprise. Nowadays, with the rapid development of economy and the expanding market competitiveness of enterprises, enterprises should pay more attention to financial management and enhance their market competitiveness. At present, there are some problems in the financial management of enterprises in our country. The following will focus on the analysis of the problems in the financial management of enterprises, and explore the financial management system suitable for enterprises.

1. The Significance of Financial Management to Business Management of Enterprises

Financial management refers to the management of funds or currency in enterprises. The circulation of currency is a kind of feedback to the enterprise's operation, which will have a certain impact on the enterprise's economy. Financial management is to standardize the market economy, and play the role of management, and can promote the economic development of enterprises to a certain extent^[1]. Common financial management is mainly investment, credit funds, securities and other businesses. Business management of enterprises is to manage the business process of enterprises and standardize the work of various businesses, so that the business of enterprises can be carried out smoothly. The business management of enterprises are mainly reflected in the planned adjustment of the financial management, personnel management and business management of enterprises by leaders to ensure the normal daily operation of enterprises. With the development of

economic modernization, the business management of enterprises has become an important part of the development of enterprises, which requires enterprises to attach great importance to.

Financial management plays an important role in business operations. In the daily operation of enterprises, financial management implements the entire process of business management and has become a core part of business management. Today, with the increasing competitiveness of market economy, it is necessary for enterprises to carry out reasonable financial management. The investment methods used by enterprises should be well managed to avoid investment failures caused by human error in the process of investment. In addition, in the process of financial management, enterprises must be carried out in accordance with the law and relevant regulations. The financial management of enterprises is the cornerstone of development, and it is necessary to maintain a rigorous attitude when conducting financial management of enterprises.

2. The Role of Financial Management in the Business Management of Enterprises

2.1 It is conducive to the transfer of funds by enterprises.

In the operation of the enterprise, no matter what project are to be carried out, it needs to prepare funds first. Therefore, the mobilization of funds is very important in the operation of the company. At present, the company's funds mainly come from bank loans, social recruitment and corporate intrinsic assets. In the process of enterprise, good financial management can help enterprises to transfer funds, or transfer funds by inherent funds of enterprises, or by the mobilization of funds.

2.2 It is favorable for enterprises to avoid risks.

There is also a particularly good advantage of financial management in enterprises, that is, it can avoid risks ^[2]. Nowadays, with the rapid economic development of society, the economy has already globalized, and the economy of enterprises is affected by the financial turmoil of various countries. When some financial shocks occur, the financial affairs of the enterprise will be affected, which will lead to bankruptcy. Therefore, it is necessary to do a good job in financial management. The financial management work can avoid some financial risks reasonably and ensure the normal operation of enterprises.

2.3 It is beneficial to the improvement of business management system

Financial management is a part of business management of enterprises. In the course of business operations, enterprises may be affected by the changes in the market economic system, and business management will be hindered. It is difficult to find a solution under the traditional management. In the new era, we can improve the management system by strengthening financial management. For example, in the case of stock turmoil, financial management can effectively avoid the discomfort of the traditional business model to the new era of market economy and strengthen the business management of the enterprise.

3. Inadequacies of Financial Management in Business Operations

3.1 The difficulty in recovering the lending funds

In order to maintain the normal flow of capital in the operation of an enterprise, part of the enterprise's capital comes from loans and part is the enterprise's own capital. In enterprises, there are often institutions that seek financial assistance. At this time, the financial management of

enterprises should evaluate whether the enterprise has enough credibility and prospects to repay the loan within the deadline. If there is no sufficient understanding of the loan, it may lead to the failure of loan collection, and enterprises will have difficulties in the recovery of funds, which affects their normal operation.

3.2 Overdependence on bank loans

The capital flow of an enterprise can make the enterprise run normally under a certain quota. But nowadays, many governments adjust the market economy according to the development of society, which leads to many enterprises to face financial crisis. If enterprises want to survive the financial crisis safely, they need a lot of financing^[3]. Some enterprises rely too much on bank loans for financing, which still has a little risk. In financing, enterprises should consider comprehensively and evaluate the financing work comprehensively. It not only is necessary to borrow from banks, but also needs to seek other financing channels to quickly survive the financial crisis through financing.

3.3 The traditional financial management

At present, the financial management of enterprises is managed by the staff of enterprises themselves. In the process of management, the management mode is too traditional. The essential content of some financial management has not been managed properly. Most of the financial management of enterprises is only the work of capital accounting, and does not the analysis of financial affairs. In developed countries, there are specialized financial management institutions, which are managed by professional talents. In this way, the financial management of the enterprise exerts greater value. We should actively introduce advanced financial management methods to strengthen the financial management of enterprises.

4. The Application of Financial Management in Business Management of Enterprises

4.1 Solving the problem of difficult fund recovery

In order to meet the requirements of enterprises for liquidity, financial management needs to solve the problem of difficult fund recovery^[4]. In the case of borrowing from a public institution, it is necessary to optimize the original fund lending review process. Firstly, we must evaluate the credibility of the company. Secondly, it is necessary to understand the equivalent of the business investment of the enterprise and determine whether the enterprise can pay off the loan within the time limit. In the process of evaluation, due to the involvement of a number of enterprises, the assessment work needs to be more cautious to avoid offending the cooperative enterprises and affecting future cooperation.

4.2 Broadening financing channels

In the process of social development and progress, corporate financial crisis is inevitable, which requires enterprises to carry out timely financing to ensure the normal operation of enterprises. The traditional method of enterprise financing is bank lending, but the bank has a certain amount of borrowing, and it is riskier to rely solely on bank lending. In the new era, companies can seek financing through multiple channels. Enterprises can diversify their financing work when financing work is carried out. In addition to the financing of traditional bank loan, enterprises can also achieve the purpose of financing through foreign investment. At present, the development of enterprise financing in China is not satisfactory, lacking a lot of innovative thinking. Under such

circumstances, domestic enterprises can cultivate innovative thinking and create financing methods suitable for Chinese enterprises by referring to the excellent corporate financing methods of developed countries.

4.3 Opening the financial management department

Financial management involves more specialized financial issues. In the financial management work, professional staff are required to maximize the effectiveness of financial management. In enterprises, special financial management departments can be set up. First of all, we need to recruit a group of outstanding financial professionals to manage all the financial management work of enterprises^[5]. After the financial management department is opened, the leaders can implement the various tasks on the individual. For example, Xiao Wang and Xiao Li are in charge of financing, Xiao Huang in charge of fund recovery. By implementing various tasks, the specificity of the work of the staff can be enhanced and the work can be carried out more efficiently.

5. Conclusion

With the development of social economy, it is necessary to reform and improve the financial management of enterprises. At present, there are still some deficiencies in the financial management of enterprises, which requires the relevant staff to pay more attention to and take reasonable and scientific measures to ensure that the financial management of enterprises can play a real role. In addition, business managers can absorb some developed foreign enterprises, learn their financial management methods, and constantly introduce advanced management concepts and management means and manage enterprises intentionally. By multiple analysis and reflection, we can promote the development of our own enterprises and create greater economic benefits.

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