

# Analysis on Financial Management Mode of Enterprise Group Under Modern Management Situation

Xuexiu Li

Yunnan Technology and Business University, Kunming 650000, China

21756880@qq.com

**Abstract.** with the continuous advancement and development of economic globalization, the world has become more and more closely connected with the public. Under the impact of the huge market, the competition among enterprises has become increasingly fierce. Only by continuously improving the core competitiveness of enterprises, strengthening the financial management of enterprises, and improving the ability of operation and management, can enterprises continuously improve their competitiveness in the market. This paper makes an in-depth analysis of the financial management mode of enterprises under the modern management mode. In order to further help enterprises, resist the economic risks and financial crises faced by enterprises, corresponding reform plans and measures are proposed.

**Keywords:** modern management form; Enterprise groups; The financial management.

## 1. Significance and Development Characteristics of Financial Management of Enterprise Groups

The operation of the financial management mode of an enterprise group effectively guarantees whether the capital of the enterprise can be distributed fairly [1]. In the general financial management mode, can according to the laws of the market economy activities and the development of the enterprise itself situation, the development trend of own enterprise assets targeted logical analysis, and according to the development of enterprise structure and the related factors of production of the enterprise a detailed comprehensive exploration, its daily operating funds can stable operation of the enterprise group. At the same time, the effective implementation of financial management also relates to whether the enterprise can develop in the future. Financial management will comprehensively sort out and evaluate the expenditure and flow of funds in the process of operation and production, and establish corresponding prevention mechanism for the risks that have appeared or may appear, so as to improve the emergency capacity and operational efficiency of enterprises.

The development characteristics of enterprise group financial management are mainly reflected in the following three aspects: first, the deepening of modern management mode makes the relevant contents of enterprise group financial management mode more and more diverse and complex. China's enterprises in the market economic turmoil of the market environment in the development of more difficult. In order to stabilize China's market economic environment, the government has implemented a series of market regulation competition mechanisms in recent years, and introduced relevant economic policies to escort the development of some small and micro enterprises in China [2]. All the above measures restrict the rapid development of large enterprise groups to some extent. Therefore, in order to more effectively deal with the impact of market economy, enterprise groups in the financial management module content also began to show the trend of diversified development and characteristics. Secondly, the financial management content of enterprise groups has also begun to expand its business scope in terms of objectives. Under the setting of multiple departments, it not only maintains the normal operation of enterprises, but also promotes the all-round development of enterprises. Finally, it is also adapt to the market economy development mode of financial management. Due to the deepening of the market economy environment, the financial management mode of enterprise groups has also changed from the traditional closed to open management. Gradually integrated with the overall environment of market economy development [3]. The following is the financial management model of enterprise group, as shown in figure 1.

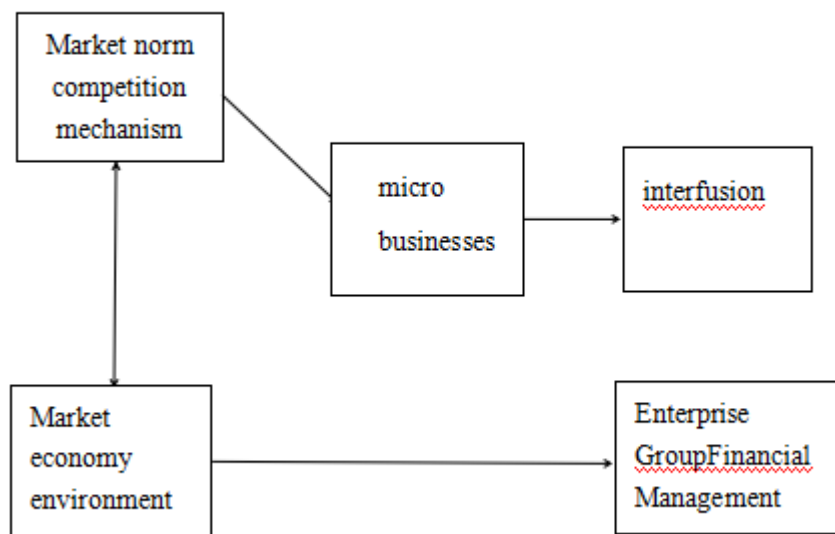


Fig 1. The Financial Management Mode of the Enterprise Group

## 2. Reform Measures of Financial Management Mode of Enterprise Groups Under Economic Globalization

### 2.1 Decentralized Enterprise Group Financial Management Model

China's enterprise types and business models are more extensive, and for enterprise collectivization, the financial management model is also different. In general, for cross-regional and large enterprise groups, the financial management mode of decentralized enterprise groups is more suitable for enterprise groups providing targeted services [4]. Through the application of this management mode, enterprise groups can not only make independent choice of their business decisions, but also use their independent economic rights to conduct production and operation and other related activities according to the relevant needs of regional services. Although the company's ability to manage and control subsidiaries is relatively reduced, it ensures that subsidiaries of enterprise groups can have independent management rights. The following is presented in the form of chart, as shown in Table 1. For example, Lenovo adopts this decentralized enterprise group financial management mode for operation. Lenovo subsidiaries scattered in different regions can carry out targeted promotion and marketing according to their local mass consumption patterns and consumption characteristics, and promote and develop the company's sales level according to local conditions. Not only that, in the right place, a subsidiary of internal management in the process of operation, can according to the salary standard of different regions to choose whether to employ, and according to the internal structure of the company system construction, such as sales of inspire staff enthusiasm and improve the staff's working attitude, and improve the core competitiveness of the company in the market.

Table. 1 types of enterprises and characteristics of enterprise collectivization

form of business enterprise	targeted service	Weighted type
enterprise incorporated into enterprise groups	stand on one's own	centralized management

### 2.2 Centralized Enterprise Group Financial Management Mode

Centralized type enterprise group financial management mode is suitable for large enterprise group, especially for large enterprises across the region, through the use of the financial management mode,

can the enterprise's corporation of its own, the enterprise to enterprise's operating profits and financing between the activities of related rights, such as concentration, the direct management and implement corporation, effective implementation of the unified and standardized management of company funds. However, with the development of centralized management mode, there are certain restrictions in the development process of the branch companies under the head office. Before the operation or promotion activities, the head office should ask for instructions and confirmation. Therefore, while improving the overall financial management of the head office, it affects the timely decision-making of the branch to a certain extent. For example, state grid corporation of China is a typical application of centralized enterprise group financial management mode. Right effective concentration from the head office, can be targeted to help the state grid in material, manpower and capital allocation process, to maximize resource utilization, and realize the centralized and unified management of regional electric power company, meet the demand of China's regional residents huge basis, greatly promoted the prosperity of our country electric power industry development.

### 2.3 Financial Management Mode Combining Decentralization and Centralization

The financial management mode combining decentralization and centralization has higher requirements for the management ability and level of enterprise groups. Due to the complexity and diversity of its management mode, it is difficult to operate and apply it in practice. However, the financial management mode that combines decentralization and centralization can not only effectively guarantee the free and independent decision-making rights of subsidiaries, but also guarantee that the head office of an enterprise group has the right to control the actual control of its branches. The two financial management modes are integrated and restricted each other, which makes the multi-level management form play a great role in the enterprise. For example, the financial management mode of decentralization and centralization is adopted by China radio, film and television administration of the state administration of radio, film and television (sarft) -- China radio, film and television group corporation. Because of the uniqueness and non-replicability of CGN in its own system structure. Therefore, enterprises need to make flexible use of their own production experience mode to strengthen the development of subsidiaries and improve the degree of dependence of subsidiaries on the parent company while centralized financial management. The following figure is the construction diagram of decentralization and centralization, as shown in figure 2.

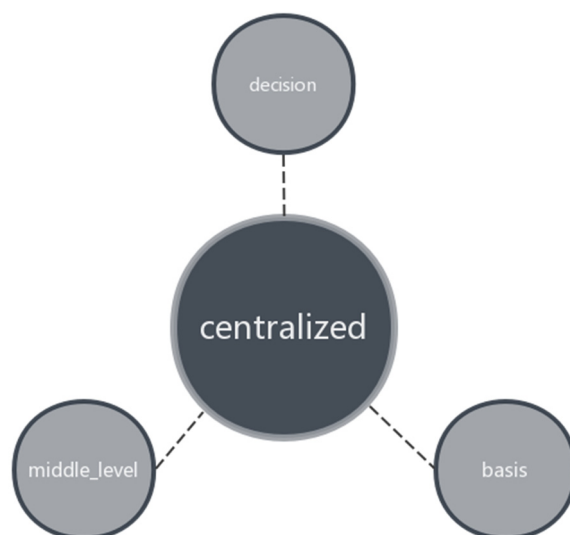


Fig. 2 Construction Diagram of decentralization and centralization

### 3. Analysis and Comparison of New Financial Management Modes in Modern Management

With the continuous progress and development of the enterprise, the enterprise group has its own financial management mode of recognition and attention. However, in the initial stage of development and establishment, in order to ensure the centralization of power, some Chinese enterprises often adopt centralized management mode to effectively control the capital of enterprises, so as to help enterprises quickly enter the market and step into the normal production and sales process. But in the development and expansion of enterprises continuously in the market environment, the main body of the company's decision making and management and so on related content is no longer a company's supreme leader, the future development direction of the essence in the hands of employees, if still use the centralization management pattern, not only can appear the related issues, such as diversifying more will cause the shackles of enterprise development, is unfavorable to the benign development of the enterprise.

Therefore, in order to help enterprises adapt to the development needs of the market environment, enterprises need to change the centralized management mode into decentralized management mode in the later stage of development. However, in the process of management mode transformation, we should also pay attention to many problems in the mode, pay attention to the differences between different members of the enterprise's operation mode and business objectives, and minimize the contradictions between the two. It can be seen that enterprises have different development characteristics in different development stages. Only by selecting targeted management modes according to their own development needs, can different management modes play an important role in enterprises. Only in this way, can ensure the stability of enterprise capital flow development direction and development trend close to success.

### 4. The Conclusion

Economic globalization and the continuous development and innovation of market economic integration make China's market economy present a complex and diverse development situation, in order to further improve the competitiveness of Chinese enterprises in the market. Only by constantly upgrading and optimizing the financial management mode of the enterprise group can it constantly adapt to the development needs of the enterprise. Although each financial management mode still has a certain development space, but as long as the actual development of enterprises based on in-depth research and analysis, take effective measures for management, can promote the long-term sustainable development of enterprises.

### References

- [1]. weiping. wang Analysis on financial management mode of enterprise groups under modern management situation [J]. Productivity research, no.285 (04):156-160.
- [2]. shuyang. Chen Analysis on financial management mode of enterprise groups under modern management situation [J]. Mall modernization, 2017(18):133-134.
- [3]. tingting. li Analysis on financial management mode of enterprise groups under modern management situation [J]. Business managers, 2017(07):123.
- [4]. lijun. Li Research on the financial management mode of private enterprises under the new economic situation [J]. Tax payment, 2018, No.199(19):99.