

## Discussion on enterprise finance management refinement

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**Abstract.** Finance management refinement refers to formation of a series of working processes and standards for specific posts and specific economic businesses on the basis of specific businesses. Enterprise finance management refinement can well develop actual value of financial activities of enterprises. The application of finance management refinement in practical affairs of enterprises can greatly improve effects of enterprise finance management and promote the finance department to better serve sustainable development of modern enterprises. This paper sets forth the implication of finance management refinement, analyzes the necessity of finance management refinement and proposes countermeasures to achieve finance management refinement.

### Introduction

To implement enterprise finance management refinement, it is required to not just focus on finance management content refinement, but also achieve refinement of various finance management measures. Currently, enterprise finance management mechanism tends to be refined and meticulous through perfecting the system, including financing, distribution of rights and interests and cost control. So, enterprise finance management as a systematical and normative economic activity not just gives the enterprises with the right of finance management and control, but also connects all economic activities of the enterprise to place enterprise finance management process in modern market economy with flow changes and high risks. This puts forward higher requirements for finance management of modern enterprises. So, enterprise finance management idea also needs to achieve innovative development and form refined finance management system adapting modern market economy.

### Implication of finance management refinement

The outstanding feature of “finance management refinement” is “meticulous”. A whole set of corresponding working processes and standards should be established for each post and each business. The key point of practice is implementation. Finance management scope extends to each production and operation field of enterprises to better exercise financial supervision and management functions of enterprises, expand finance management and service functions of the enterprises, then achieve no loophole in enterprise finance management and develop potential value of finance management activities. In the opinion of the author, refinement is not an idea, but a behavior and all-out pursuit. Finance management refinement should focus on finance management objective to organize and integrate single behaviors in each control link and then generate consistent effective resultant force to achieve the objective. In finance management, all-personnel and all-process control should serve as the principle line of finance management. It is required to strive to gain good finance management effects and sort the management measures which can help enhance financial control and improve finance management ability.

### Necessity of implementing finance management refinement

For enterprise finance management, the fundamental requirement is to provide more detailed, reliable and effective information for enterprise production, operation and management. Finance management refinement can bring more development opportunities for enterprises and can

effectively control finance management risks so as to lay a solid foundation for operating management objective. Since enterprise finance management refinement can vividly reflect operation effects of the enterprise, it can provide sufficient basic information for enterprise management level so that the enterprise can confirm future development direction more rationally according to the above information, adjust the structure and optimize the branches so as to bring better economic benefits for the enterprise. On this basis, the enterprise can apply finance management refinement to drive finance management personnel to better be familiar with production technology process. In this way, finance management work can more effectively assist production and management of the enterprise and give play to positive guiding role for employees to participate in great decisions of the enterprise. Besides, each department can clearly know their production and management objectives and then actively promote reallocation of overall objective of the enterprise.

### **Countermeasures to achieve enterprise finance management refinement**

#### **(I) Guarantee accuracy of enterprise finance information**

Enterprise finance workers should deeply analyze main financial business and finance changes of the company and issue a detailed and accurate financial report in order to make sure financial information they provide can be accurate as far as possible. It is worth mentioning that financial workers must analyze from different perspectives, including operation perspective and financial perspective. Meanwhile, they should take the initiative to make corresponding financial reports, analyze data and timely submit them to the management level so as to more accurately reflect actual operation situation of the enterprise, provide powerful basis for sustainable development of the enterprise and make sure the enterprise develops at the correct direction.

#### **(II) Assist enterprises in implementing innovation management**

In the process of boosting enterprise finance management refinement, enterprise finance management personnel also play very important roles. Finance management workers must fully cognize finance management refinement. In particular, finance supervisors should deeply learn new theories and methods about finance management refinement, implement new management ideas in each post of enterprise finance work and reform the unreasonable mechanism so as to make sure finance management refinement is implemented smoothly. As China's science and technology continues to develop, finance management system of modern enterprises should be continuously perfected. It is required to implement scientific, standard and efficient management on the basis of traditional management. It is required to rationally adjust finance management workers and increase the personnel in charge of preparing budget, the personnel in charge of financial analysis and the personnel in charge of computerization management. On this basis, finance management workers should go deep into each unit of each business, implement specific indexes and requirements of refined management and make accounting, analysis and control become more refined. Meanwhile, enterprise finance management responsibility and systematization should be promoted. Corresponding operation details and management means should be formulated to continuous actual effects of finance management and create better conditions for enterprises to form more rational enterprise management mechanism.

#### **(III) Promote informatization of enterprise management means**

Currently, enterprise management means refinement is also reflected in application of informatization means to make sure enterprise finance management owns sufficient sensitivity and make sure finance management work can be driven continuously. Once enterprise finance management lacks informatization, it cannot keep pace with era development. Most obviously, it is hard for mass data to normally operate and flow so that information isolated island appears. Meanwhile, the finance department should monitor the production and operation process. Thus, the enterprise should strive to expand the scope to gather finance management information, form relevant procedures of enterprise finance management information collection, sorting, applying and feedback, combine financial information with data information of enterprise network management, sales management, engineering supervision, establish and perfect enterprise finance analysis

database. Therefore, once there is the lack of effective informatization management means, regardless of financial data and other business data, efficient collection, summary, analysis and monitoring cannot be realized, let alone provide decision-making basis for enterprise decision-making level. Based on enterprise informatization management, integrated management can be realized to conduct more timely and accurate modern management of the expenses and cost, and practically accelerate the first response speed for market changes to form a set of more efficient and pragmatic finance management system. Further, more effective and reliable constraint and control mechanism can generate to effectively improve and promote finance management.

#### **(IV) Perfect internal control system**

Firstly, it is required to promote enterprise finance budget refinement. The target profit should be regarded as the main basis to plan the overall budget, decompose it into each department, establish and perfect sub-budgeting work restricting each department. Besides, it is required to strictly control budget enforcement process, consider budget enforcement results, timely correct and adjust budget deviation. Enterprises should control and decompose the overall cost and detail controllable cost to the terminal so as to effectively completely eradicate various wastes, make costs and expenses under control and better serve strategic management on the basis of supervising corresponding expenditure.

Secondly, promote enterprise finance structure refinement. Improving enterprise finance structure is mainly reflected in low cost of comprehensive funds. Besides, financial lever effect of the enterprise is high and the financial risks are appropriate. Enterprises should make sure enterprise finance structure gain dynamic improvement through continuous stick and variable adjustment according to changes of business environment. Enterprises should attach equal importance to cash flow and profits so as to continuously accelerate capital turnover, improve the ability to realize assets, enhance receivables management and collection force and reduce bad debts as far as possible. Companies should pursue rational development schedule according to possible cash flow for existing business, and hold certain quantity of cash so as to meet normal enterprise operation and cope with sudden events. Meanwhile, it is required to further improve fund management ability and make sure enterprise fund has certain liquidity and safety. Enterprises should pay attention to selecting various financial tools and fiancé through the most economical and optimal methods so as to control financing cost. In terms of income increase, enterprises should adopt agreement savings and call deposits to increase interest income, fully grasp cash flow, and strive to accelerate enterprise value maximization and maximization of shareholders' wealth.

Thirdly, promote enterprise cost accounting refinement. Enterprise cost management accounting mainly applies refined operation process. Enterprises should be based on all-personnel and all-process production and management cost to implement budget and management so as to budget waste and loss, and control consummation and cost at the lowest level. Enterprises should discover and effectively prevent possible waste loopholes and management problems through the whole production and management process. It is required to intensify quality comparison, price comparison, bid invitation and bidding during material purchase, select suitable suppliers and reduce procurement cost. Enterprises should enhance all kinds of quota management, control various cost expenditures o enterprise production process, form more complete enterprise cost management control system, realize cost management responsibility system, make each employee undertake corresponding cost management responsibility and form all-personnel common management pattern.

Finally, promote supervision and appraisal refinement. The supervision, audit department and human resource department can jointly set up human resource tram, detail contents of financial supervision and management, enhance finance management responsibility of enterprise management level and make accounting supervision more significant. On this account, it is also required to strictly implement the system of rewards and penalties, closely connect work performance and material benefits, list responsibility index in the appraisal scope and carry out appraisal according to responsibility and power.

#### **(V) Improve refined management quality of enterprise finance management personnel**

High-level finance management personnel lay a great promotion role in implementing enterprise finance management work and even developing the enterprise. So, enterprises must cultivate a large batch of finance and accounting management personnel with high quality and actively implement refined finance management. Thus, it is required to continuously improve ideological and ethical standards of finance and accounting management personnel, enhance their responsibility consciousness, ideological and ethical standards, make them specify their working objective which should be consistent with enterprise management objective. Meanwhile, enterprises should stick to cultivating pragmatic and rigorous working style for finance management personnel so as to give play to the effects of half work with double results. On this basis, finance workers should carefully learn modern finance management methods and impart them to other relevant workers. It is required to reform unreasonable places in finance system to lay a good foundation for driving refinement of enterprise finance management.

#### **Conclusions**

To sum up, the objective of enterprise production and management is to gain corresponding economic benefit, while finance management refinement is an inevitable choice to improve finance management. Enterprises should make all efforts to make finance management refinement go deep into each component of the enterprises so as to broaden time-space scope of finance management work, deeply excavate finance management potential and help enterprises achieve maximization of economic value in production and operating activities.

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