

# **Analysis of the credit risk of financial development of Internet based on large data**

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**Abstract.** Cost accounting experience with hitherto unknown change, this change is mainly reflected in two aspects: one is the cost accounting techniques and methods are constantly updated, the accounting computerization has been or is being replaced the manual bookkeeping, and in the establishment of the internal network (Internet) cases, real time reporting possible. The two is the application scope of cost accounting of the continuous expansion of industry, the traditional focus on cost control is not such as hospitals, computer manufacturers, air-lines and so on cost control has put more effort. In fact, whether in banks, fast-food chains, professional organizations or government agencies, cost control has become indispensable. Correlation study on the development trend of cost accounting and the Countermeasures in the paper.

## **1. Introduction**

Innovation change source of cost accounting in manufacturing enterprise environment change and management theory and methods. Change which arises from the external environment. Changes in the external environment of enterprises is mainly reflected in the following 4 aspects: 1, the majority of products have a demand for, resulting in an increasingly competitive market; 2, product diversification of demand, customers are increasingly demanding on product quality; 3, the international division of labor is increasingly close, competition has become fierce cruel; 4, new technology, new technology become a common practice of innovation. Changes in the external environment more manufacturing environment not only requires the enterprise is different from the past, is also calling for the innovation of the management theory and method.

## **2. The impact of the new manufacturing environment on cost accounting**

Flexible manufacturing system (FMS): refers to the use of robots and material handling system controlled by the computer, to combine the computer program of machine tools of various independent production, it is good flexibility in product manufacturing procedure. The maximum benefits of using FMS, can be engaged in the diversification of production, to solve the product diversification, refinement of the demand.

Computer aided design (CAD), computer aided engineering (CAE) and computer aided manufacturing (CAM) system. Computer aided system, not only improves the function of the computer, and for the manufacturers to provide a more broad space for development. The use of computer aided system can reduce the labor cost, save time and improve the work efficiency.

Manufacturing resource planning (MRP II): is the computer management information system refers to the manufacturing industry by. The current epidemic of material requirement planning (MRP I) is the predecessor of MRP ii. MRP II is helpful to the management authority of investment timely, effective and production decision management.

2.4, computer integrated manufacturing system (CIM): refers to the computer as the core, combined with FMS, CAD, CAE, and CAM all the new technology system, in order to manufacturing procedure of forming automatic unmanned management, implementation of the factory.

In the face of enterprises in the new manufacturing environment impact, cost accounting techniques and methods of traditional if continue to use, will cause:

(1) The product cost calculation is not correct. Because in the new manufacturing environment, robots and computer aided production system has replaced the manual in some jobs, artificial cost proportion from traditional manufacturing environment 20% - 40% down to less than 5% now. But the manufacturing cost increase and diversify, the allocation standard if using artificial hours has been difficult to reflect all the costs of the products.

(2) Cost control may be generated and behavior. The traditional cost accounting, budget into discrepancy report and actual performance, cost and standards to be the actual comparison. In the new manufacturing environment, the control system will have the function of anti-behavior. For example, in order to obtain the efficiency difference of advantageous, may cause the enterprise one-sided pursuit of mass production, resulting in increased inventory. In addition, in order to obtain a favorable price difference, raw materials purchasing department may purchase of low quality, or bulk purchase, cause quality problems or material the backlog of inventory and so on.

In view of the traditional cost accounting is not adapted to the new manufacturing environment situation, America accounting scholars put forward the activity-based costing (Activity-Based Costing, ABC), enterprise ABC method in the United States, Japan and Western Europe, especially the high-tech enterprises in the fierce competition and labor cost is very low, it has been widely applied. The ABC method is that all operations that occur for the production of a product, such as the calculation method of quality inspection, machine repair and customer service assigns a cost in product cost to. This method compared with the traditional cost calculation method is more precise, more accurate cost data. The ABC method will manufacture cost according to the work don't separately to different cost base, then respectively by distributing the standard cost pool their allocation of manufacturing expense. Based on activity-based costing, ABC method and development of activity based management (Activity Based Management, ABM). Simply put, ABM is based on ABC, the use of cost information, help managers identify value-added but resource consuming operation. The ABC method and the cost information can also prompt managers to re-design the whole value chain activities to save the enterprise resources.

### **3. Influence of innovation management theory and method of cost accounting**

With the increasingly fierce market competition, new technology, new technology constantly emerging, management theory and methods are also constantly innovate, greatly promoted the development of cost accounting disciplines and enrich its content. Which have influence on the cost accounting system mainly has the following several:

Just in time system (Just in Time System, JIT). Is a strict demand driven production system, enterprise production and management of each link requires close coordination with, raw materials, finished products, zero force quality, and timely delivered a processing (or sales) link; its purpose is to make the raw materials, work in progress and finished goods and other kinds of loans kept to a minimum level, to achieve "zero inventory" as far as possible, to reduce inventory costs. In the inventory level is very low, accounting personnel to simplify inventory valuation, possibly by pushing down the cost method, which is when the product is completed or sales, down turned calculate production in products, finished products such as cost. Because in the use of JIT enterprise, from raw material column made products consumed time is greatly shortened, and the final inventory becomes very small, so the traditional batch or process costing detailed records of all kinds of necessary loan under suspicion. By the cost-benefit principle, do back detailed precisely on the small amount of inventory, no doubt the loss outweighs the gain. This method will emerge as the times require pushing down the cost.

Total quality management (Total Quality Management, TQM). TQM is the 60 century developed from traditional quality management, with the environment change of the international and domestic market, TQM has become a strategic weapon for enterprise competition, a driven by customer needs and expectations, continuous improvement of product quality management philosophy. The goal of the TQM is the company to pursue product "zero defect" in all aspects of the production, and finally

define quality by customers. TQM to measure and report the performance of employees accounting terms, is to produce the new discipline of the quality of accounting. But due to enhance the quality of the resulting income is difficult to measure, focus on the quality of accounting development is placed in the confirmation, measurement and report on quality cost. Is generally believed that quality cost is composed of 5 parts: (1) the cost of prevention; (2) the cost of inspection; (3) the cost of internal failure; (4) the cost of external failure; (5) external quality assurance cost. In addition. In the case of TQM, the accounting personnel performance measure of non-monetary index standard including product reliability, timeliness of the service the management personnel to improve the quality of the product.

The strategic management (Strategic Management) strategic management, is to focus on the development of enterprise long-term, fundamental issues affecting the decision-making and policy formulation, in order to obtain the competitive advantage in the market, ensure the effective completion of the objectives of the company. Effect of thought of strategic management of cost accounting system are mainly embodied in the strategic cost management (Strategic Cost Management) is proposed. Strategic cost management is the use of cost data and information, and to confirm the optimal strategy can promote the development of competitive advantage. Including the scope of strategic cost management, is still inconclusive, generally includes 3 aspects: (1) the value chain analysis; (2) market positioning; (3) the cost driver analysis. Each contains very rich content.

The benchmark management (Benchmarking Management) and continuous improvement (Continuous Improvement). Combined with the new trend of management method is the reference and continuous improvement. The so-called benchmark is to measure its production activities in the company external or internal optimal performance standards; continuous improvement means that managers are not easy to determine the benchmark, but the continuous improvement process. Japan's Toyota Corporation is to carry out benchmarking and continuous improvement of the typical. Benchmarking and continuous improvement is referred to as the "endless" game. Benchmark management and continuous improvement effect on the cost accounting system is mainly manifested in the managers and accountants to realize cost reduction to learn from the best companies in this industry, at the lowest cost of homogeneous products as a benchmark, to understand their own with the best of the gap, and analyze the reasons, then the implementation of business process reengineering (Reengineering The Corporation) to enhance competitiveness.

The theory of constraints (Theory of Constraints, TOC). According to TOC, each company has at least a bottleneck restricting the development of it, otherwise, no matter what the company set goals will be realized (e.g., profit maximization). Enterprises limited factors usually can be divided into resources, market, policy, 5 kinds of raw materials and logistics. The theory of constraints to the enterprise as a process of a series of chain linked, if the coupling is weak has been strengthened, then the whole chain is strengthened, but if the strengthening the bonds of the other, the chain will not be strengthened. Effect of theory of constraints on the cost accounting system, management personnel and accounting personnel to recognize, in some cases, not blindly focus on cost reduction and cost, have the reverse thinking, to increase the amount of investment in weak links of enterprises ", in order to save money and spend money". If the bottleneck of enterprise to be solved is to update equipment, the introduction of new equipment will occur a large expenditure, but during the next equipment use, comprehensive benefit increase output plus equipment repair cost is reduced for the use efficiency of the equipment increased, and more likely to cover expenses, on the whole, efficiency can be increased, the other one interpretation of this is "the cost - benefit" principle.

The above 5 kinds of management theories and methods in China have varying degrees of application. But overall, the enterprise management of our country is still relatively backward, different management theories and methods to implement the cost accounting system, in addition to the target cost, quality cost also barely accident, like pushing down the cost method, strategic cost management and almost No one shows any interest in. Cost accounting systems as a part of enterprise management information system, root depth is leafy, only management, cost accounting to reform and development.

#### 4. Our countermeasure

In the face of the development trend of modern cost accounting, work namely the rise cost method and activity-based management, be just unfolding of strategic cost management, target cost, the popularization and application and so on, to our cost accounting work adapt to the international and domestic market environment and enterprise production environment changes, combined with the situation of our country, the introduction, absorption, digestion and various kinds of new management theory with the method, and summarizes the successful experience of our own, worthy of our consideration. The author thinks, we should take countermeasures is:

##### **4.1 strengthen the research of cost theory, improve the level of cost accounting in China**

To establish the system of accounting theory research method has China characteristics, theoretical researchers must break the shackles of traditional accounting concept, emancipate the mind, the courage to open up new areas of research and research; should be based on the spirit of innovation, and pragmatic attitude and rigorous style of work, in-depth research on enterprise survey, with the actual workers in close cooperation, discover a problem, solve the problem: to carry out a wide range of case analysis, at the same time, from the theory of highly refined, successful experience, theoretical research should be aimed at the practical problems in our cost accounting will be dedicated to theoretical research achievements into productivity. On this basis, pay attention to actual effect, the establishment of assessment, evaluation research of cost accounting theory and incentive mechanism, give full play to the cost of the theoretical research to the guidance function of cost accounting practice.

##### **4.2 Cost accounting should renew the idea, set up the cost (Cost Benefit), cost avoidance (Cost Avoidance) thinking. To give full play to the role of cost accounting**

Long term since, we work in the cost of enterprise performance evaluation, tend to lift as the only standard cost. This is not true in theory, because the cost of only the performance of all kinds of labor that occur within a certain period of time for the cost, cost effectiveness, but not the cost of the product itself can be reflected in the index. Therefore, assessment of the cost of job performance should be evaluated by the relationship between the input and output: one is the input and output less, two is the input output more better, three is the investment growth is slower than the output growth is good, four is the investment reduces faster than the decline in output as well, five is the investment drop, output rises as well. In practice, the one-sided emphasis on cost reduction, the enterprise for the future is bound to dampen spending some synergistic and short term high but necessary expenses of the initiative, which influence the enterprise technical innovation and product upgrading. The past because we fail to understand the cost and benefit idea is correct, resulting in some enterprises often focus on the use of low cost strategy in the competition, while ignoring the use the differentiation strategy. Because the enterprise put into production of new products differences, looking from the short-term often expenses is larger, but in fact the products these new differences can expand market share, and thus get more cost-effective. So, face the future and set up the cost efficiency for thought, make to the enterprise competition strategy.

The core cost avoidance is required to avoid the occurrence of early cost, make the mining lower to preventive development direction of the potential cost. China's traditional cost reduction methods, see confined to the production field in scope; see limited to manufacturing cost from content; see limited to cost control during and after the time. With the development of market economy, the traditional cost reduction methods has been a severe challenge has. Cost avoidance will reduce the cost of view shift the focus to product development, design, procurement, manufacturing, sales stage and using stage; from the content, extended to the entire product life cycle cost, including the cost of producers (development and design cost, manufacturing cost, logistics costs, marketing costs) and consumer cost (use cost, maintenance cost waste disposal costs), nip in the bud; see requirements from aging, for cost control in advance. In short, the cost avoidance based on early withdrawal can be avoided cost. The reform of cost accounting in China should be the specific method of cost avoidance of the idea, and strive to be applied in practice.

The 7 main functions of modern cost accounting is the cost forecasting, cost decision, cost plan, cost control, cost accounting, cost analysis and cost assessment. The cost of decision making is an important part of cost accounting, is playing a central role in cost accounting. It with the cost accounting and other functions are closely linked, cost forecasting is the premise of cost decision, cost decision is the cost of the basis of the plan, cost control is to achieve the established objectives to ensure the cost decision, cost accounting is the final decision whether to achieve the expected goal of testing cost, cost analysis and cost assessment is an effective way to realize the goal of cost decision. Needless to say, the modern cost accounting functions in the final analysis is a kind of behavior function. In behavioral science gradually attention today, enterprises should take the incentive consistent, its core is to create an appropriate incentive environment, fully mobilize the enthusiasm of each employee's enthusiasm and creativity, team work, play the role of cost accounting functions, the realization of common commitment to the overall goals.

#### **4.3 promote cost accounting computerization**

Using computer technology as the center of the means of information management has become an inevitable trend of the development of the modern cost accounting. Cost accounting work in enterprises take the computer as a means, greatly accelerated the speed of information feedback, enhances the business processing capabilities, for the timely, accurate cost prediction, decision making and accounting, the effective implementation of cost control, cost analysis, comprehensive evaluation, all have important meaning. The practice proved that, the realization of cost accounting computerization is a pressing matter of the moment, is a prerequisite to implement the cost accounting method of the new. However, the current accounting computerization the following problems are existed in application: one is to simply remain in the imitation instead of manual accounting stage, only afterwards reflection, to make scientific decision, predicting and controlling in the thing. It is an enterprise management information system. Procurement, marketing, personnel, accounting and other subsystems mutually segmentation, the organic relationship of the whole enterprise management information system has not yet formed; three is to provide the accounting information system generally only financial accounting information, cannot fully reflect the cost accounting and management accounting information demand. Therefore, in order to promote the further development of computerized accounting, computerized accounting must speed up the transformation from accounting to management accounting information system, the organic integration into the enterprise whole management information system, through the application of computerized, and provide reliable technical support for cost accounting and management accounting.

#### **4.4 learn foreign advanced experience and methods of all, learn widely from others'strong points, use**

Western cost accounting is a long history of the subject full of vigour. Especially with the wide application of JIT, strategic management, benchmarking management, theory of constraints, behavior science, operations research, system engineering and computer science and technology achievements in various cost accounting, formed a new business type cost accounting management emphasis. For example, suitable for China's current actual needs of the majority of enterprises standard cost accounting, cost accounting, the responsibility target cost calculation, quality cost accounting, cost decision, cost prediction and inoculation of nearly ten years JIT and pushing down the cost method, activity-based costing and activity-based management, cost planning, product life cycle cost accounting and strategic cost management etc.. In this regard, we should seriously study according to the situation of China and the specific conditions of different enterprises. Some of the methods can be directly introduced, some methods should be reformed and perfected, some methods can only be used in a few eligible enterprises, or the local absorption method. In short, in order to improve the development of our country's cost accounting, draw lessons from the western theory and method of cost accounting is very necessary. But this learning must have the innovation, and innovation can only be combined with Chinas national conditions, so as to explore and the formation of a set of China characteristics of modern cost accounting system.

#### **4.5 Summarize and perfect and promote the effective cost accounting method in our country**

China's enterprises in long-term practice, accumulated a lot of effective cost accounting experience, such as cost planning phase of the project cost index measuring method, classification management, including economic accounting team, the internal economic accounting system, in fact, is to emphasize the "people-oriented", fully mobilize the broad masses of staff management and cost control active sex, creative, still is an effective method, the modern cost accounting of Handan Iron and steel "simulating market accounting, the cost veto" of experience, as well as Weifang Yaxing Group Limited company to implement the "purchase price management", focus on the cost management from the internal production as the center, extends to the control of the whole process of the production and marketing for. All of these are worth summing up and learning. In short, in recent years the cost of enterprise management in China emerge in an endless stream of fresh experience, made a great contribution to the development of cost management, cost accounting, rich content, is worth accounting academia in-depth study, conscientiously sum up the practical experience, will rise to the theory, to summarize and perfect.

#### **5. Conclusion**

In order to adapt to the development of the modern cost accounting, must improve the cost accounting organization, establish and improve the cost accounting rules and regulations, implement the full range of. The whole process, full management cost, make the decision layer and all departments, units are pay attention to cost, everyone is concerned about cost, improve staff quality and cost conscious. For cost accounting personnel should possess, in addition to accounting occupation moral, not only to understand the accounting and financial management, but also understand the operation and management, especially to be familiar with the production technology, learn how to use value engineering, cost optimization theory and method; at the same time, must be familiar with and master the theory and method of modern cost accounting, to learn the prediction, decision and control learn how to use the computer, information processing. The author thinks: according to the cost accounting responsibilities of staff requirements, some industrial enterprises in our country to be equipped with the cost engineer in the cost position, in order to facilitate cost accounting do a combination of technology and economy, and give full play to the functions of cost accounting.

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