

# The Existing Problems and Countermeasures of Financial Management in State Owned Enterprises

Li Xiaoyun

Guangdong University of Petrochemical Technology, The School of Economics and Management, Maoming, Guangdong, China

**Abstract.** With the continuous development of our country's market economy, it has become a trend to implement financial management in state-owned enterprises. However, many problems have been found in the actual implementation process, which has brought obstacles to economic development, and it is necessary to take effective measures to improve the level of accounting and informationization. Financial management is an important management method for financial enterprises. With the rapid development of my country's economy, the pace of reform of state-owned enterprises is accelerating. However, there are still many problems in the financial management of state-owned enterprises, which lead to the distortion of accounting information and the increase of financial risks. Therefore, measures must be taken to improve the accounting level of the financial department of state-owned enterprises.

**Keywords:** *Financial Management, State owned Enterprises, Problems and Countermeasures*

## I. INTRODUCTION

**First of all, from the perspective of accounting, the financial management of state-owned enterprises is not perfect.** First of all, China's state-owned enterprises have serious accounting problems. Most state-owned enterprises have financial management problems in bank deposits and loans. In addition, some state-owned enterprises mistakenly use the bank acceptance bill when conducting bank acceptance bill business, which leads to difficulties in capital turnover of enterprises, problems in capital lending between financial institutions, and unreasonable business practices and non-standard transactions in some state-owned enterprises. Secondly, the phenomenon of accounting information distortion is still very serious. First of all, some state-owned banks use untrue accounting methods and methods to conduct accounting, resulting in data errors and information distortion in financial statements. Secondly, the financial management system of most state-owned enterprises in China is relatively weak.

The lack of unified and standardized standards in financial management makes some banks lack strict control over the implementation of accounting system. In addition, there are many problems in the actual business operation of state-owned banks, such as: poor internal management, nonstandard business handling, and information communication mechanism to be improved. Due to the lack of unified understanding and standardized management system to restrain and guide the financial situation in China. Finally, from the perspective of risk prevention, most state-owned banks in China have weak risk awareness in their daily business. Some banks focus on the pursuit of profits. Another part of the banks pay too much attention to risk prevention and control measures and process management. The problems in these two aspects will lead to the aggravation of financial risks. Financial management is facing many new challenges and opportunities. At the same time, the financial industry has put forward higher requirements for

financial management: improving the efficiency of capital allocation, improving the corporate governance structure and optimizing the ability of resource allocation. These requirements not only have an impact on economic development, but also put forward new challenges and opportunities for enterprise financial management.

In view of the above problems, it is necessary to increase investment in financial management, strengthen supervision on information, data and financial conditions, and improve financial market supervision mechanism and relevant laws and regulations. Therefore, effective measures should be taken to strengthen the efficiency of financial accounting and the level of informatization of state-owned enterprises. At the same time, establish and improve the risk prevention mechanism and relevant laws and regulations, so as to effectively enhance the competitiveness and influence of financial enterprises, prevent and resolve risks. Strengthen the efficiency and informatization level of centralized management of funds and centralized allocation of assets of state-owned enterprises. Establish and improve the capital allocation and management decision-making mechanism of state-owned enterprises to improve the quality of financial accounting information and processing efficiency of state-owned enterprises

In the accounting work, it is necessary to do a good job in the audit work and strengthen the application level of information technology. First of all, we should reasonably determine the accounting objects and clearly divide the responsibilities and authorities of accounting. Do a good job in basic financial work according to the regulations and requirements of basic accounting work, and strictly implement financial discipline. Then, according to the internal management system requirements and budget of the enterprise, formulate financial reports and accounting statements that conform to the actual situation of the enterprise. Finally, we should pay attention to the supervision and inspection of data quality and information authenticity. The basic work and audit work shall be carried out in strict accordance with the procedures specified in the system, and the unqualified behaviors shall be rectified to ensure the authenticity and reliability of the accounting data.

## II. THE PROPOSED METHODOLOGY

**First of all, we should give full play to the functional responsibilities of the business department in the audit process,** and supervise, inspect and verify through the auditors and reviewers; Secondly, we should ensure that the financial accounting results are true and reliable, and there is no false information. Finally, we should attach importance to the integrity and accuracy of the data submitted to ensure that all data are accurate and reliable. In the process of actual operation, the following points should also be paid attention to: First, strengthen accounting post management measures and execution and strengthen business skills training. Second, strengthen the internal control system and supervision and

inspection efforts to effectively supervise and assess, and timely find problems and solve rectification problems. Third, we should adhere to the principle of seeking truth from facts and the principle of fairness and openness to strengthen the moral quality education of financial and accounting personnel, taking honesty as the root. Secondly, we should pay attention to the development of accounting information construction in the accounting process.

**In the process of carrying out various reforms in state-owned enterprises, it is inevitable that there will be problems of one kind or another.** How to improve the financial management level of state-owned enterprises is particularly important: first, clarify the responsibility and authority and the responsibility system, strengthen the supervision and inspection in the accounting process to improve the quality of accounting; Second, improve various systems, strengthen the awareness of internal control and improve the internal management system and assessment mechanism to improve the external environment of enterprises; Third, do a good job in financial planning to provide support and guarantee for effective risk control so as to improve the financial management level of state-owned enterprises; Fourth, we should strengthen internal supervision and inspection to avoid unreasonable acts to ensure the accuracy and reliability of all kinds of data and clear responsibilities; Fifth, we should strengthen the team building and talent training to promote the quality improvement of financial personnel, the stability of the staff and improve the efficiency and quality of work.

Finally, we need to further play the role of informatization in the supervision system to provide support and guarantee for effective monitoring of financial risks: First, we need to accelerate the pace of informatization construction of state-owned enterprises; Second, speed up the construction of the financial risk monitoring system of state-owned enterprises; Third, actively do a good job in relevant policy research, system optimization and personnel training; Fourth, we should strengthen supervision and improve the effectiveness of supervision. The quality of financial accounting of state-owned enterprises determines whether state-owned enterprises can develop healthily and rapidly, so in a sense, its importance is beyond doubt. From the above analysis, we can see that there are many problems in the field of financial management that need to be solved urgently, so we must take effective measures to solve these problems to improve the level and efficiency of financial accounting. First, we must strengthen the construction of financial risk monitoring system to solve the problems in the existing system.

**In the process of development, state-owned enterprises should strengthen the analysis of capital allocation and utilization to achieve the optimal allocation of funds,** maximize the potential of resources, and provide more employment opportunities for social and economic development. First of all, we must rationally allocate the budget and improve the efficiency of capital utilization. State owned enterprises should formulate detailed budgets according to their own actual conditions. The budget shall include: annual fund demand plan and annual fund budget; Annual working capital use plan; Investment plan for fixed assets and intangible assets; Investment plan for construction in progress and intangible assets; Liquidity and accounts receivable reserve plan, etc. Secondly, the rational use of financial instruments, leverage ratio and other financing activities is one of the effective ways to improve the operating efficiency and capital utilization of state-owned enterprises. Therefore, enterprises should strengthen the analysis of the use of financial instruments. First,

we should control bank loans within a reasonable range by means of controlling loan limits and granting loans within limits. Second, make good use of the financial discount policy to support financial institutions to actively carry out business. Third, we should pay attention to the adjustment of the financing structure, optimize the financing structure and reduce the financing cost. The fourth is to establish a reasonable capital management system, improve the capital operation efficiency and management level of enterprises and prevent risks.

**In order to make state-owned enterprises use financial resources effectively and reasonably, it is very important to establish a sound financial management system.** To achieve financial management, we must do the following: First, state-owned enterprises should determine their own economic development goals according to China's national conditions. Secondly, state-owned enterprises must define their own position and development direction. Thirdly, state-owned enterprises need a reasonable operating mechanism. Finally, state-owned enterprises should have a stable and efficient operation mode to ensure the financial management system and internal supervision system. Only in this way can we ensure the effective operation state of coordination and mutual supervision among various departments within the enterprise. Therefore, state-owned enterprises should improve the construction of various financial systems and internal supervision systems, and strengthen cooperation and exchange between financial institutions.

## CONCLUSION

Financial management plays an important role in the management of modern enterprises. At the same time, the financial management of state-owned enterprises is also concerned by all sectors of society. In order to achieve the financial management goal of state-owned enterprises, we must improve the financial management system under the existing system. First of all, we should further improve our understanding of the importance of financial management, strengthen the training of professional skills of accountants, and cultivate a team of professional accountants. The second is to implement accounting computerization within the scope of state-owned enterprises, which can improve efficiency and accuracy by processing data through computer systems. Finally, we should improve the property right system of state-owned enterprises to maintain and increase the value of state-owned assets. On the basis of the country's increasing investment in state-owned enterprises, the government should give full play to its guiding role, promote the development of the capital market, and inject new impetus and provide new impetus for China's economic transformation .

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