

# Exploration of finance sharing development model in digital transformation

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**Abstract:** The advent of digitalization has led to social changes. The upgrading of internal systems and the optimization of organizational structure of enterprises are inseparable from the support of talents. Different from accountants, financial personnel need to improve their professional quality, data thinking and data analysis ability. Financial sharing service is an innovation of financial management mode, which is different from the traditional management mode. Its essence is to realize the standardization and simplification of financial processing flow through a series of cooperation under the promotion of information network technology. The continuous application of financial sharing in digital transformation can greatly improve the digital level and production efficiency of enterprises, and also play an obvious role in optimizing and promoting the all-round business and organizational construction of the whole company. Based on relevant scientific and theoretical knowledge, this paper puts forward the path of financial sharing service transformation and upgrading under the background of digital transformation. I hope this paper can help related enterprises to solve the difficulties and efficiency reduction in the construction of the current financial sharing service center to a certain extent.

## 1. Introduction

The financial shared service model is born out of the shared service model and is an integral part of the shared service model. Digital transformation means redefining the business through digital technology represented by computers, involving calculation, storage, transmission and interaction, etc., completely online internally, adapting to various changes externally, fully realizing automation and intelligence without manual intervention from the front end to the back end, and finally creating value [1].

In China, nearly half of large companies have begun to implement the operation mode of financial shared service center, which has promoted the optimization of processes covering all business fields of the company and brought obvious benefits to enterprises [2]. The definition of post tasks in the sharing center is becoming clearer and clearer, and the development trend of post virtualization. Therefore, enterprises should explore the digital transformation of their own finance, and promote the financial work function to change from "bookkeeper" to "digital nervous system" and from value protection to value creation.

## 2. Significance of financial sharing model

Based on the theory of scale economy and resource allocation, with the expansion of financial accounting scale, the cost of unit financial accounting will continue to decrease. In the initial stage of construction, the principle of cost-effectiveness should be followed to maximize the investment value. In the application system being used, whether it is applicable to the existing business should be fully evaluated. With the successful implementation of the financial sharing management model, the financial accounting process will be more standardized and systematic [3-4]. For low added value and complicated financial accounting work, we should consider outsourcing labor services to achieve great savings in operating costs. The upgrading and transformation of financial sharing mode should continuously meet the needs of different customers and avoid a "one size fits all" approach.

Using information technology and the Internet, the overall planning of enterprise information systems and data standards, cross-border integration of business systems and financial systems. Implement process reengineering, break the boundaries of legal person organization and business financial data barriers, dynamically link financial logic and business logic with the concept of cross-border integration, and build a standardized management process that adapts to the digital age. Through digital means, the financial data of various departments and subsidiaries of the enterprise can be interconnected, so that financial organizations can achieve coordinated and unified development with management. In the context of the "intelligent" era, let the financial data be simple and simple. Therefore, it is an inevitable choice for enterprises to realize financial digital transformation. Moreover, the digital transformation of finance can also promote the transformation of financial personnel, thus forming a financial team with strong professional skills and high comprehensive literacy.

Under the background of the digital age, the traditional finance sharing service center needs to be transformed into a new financial sharing center, from the earliest simple "accounting factory" to the mainstream "data aggregation" to realize the transformation from "service" to "management and control" [5]. To this end, people hope to realize the value of financial decision-making to management and control through the effective integration of finance and business. In this way, on the basis of realizing the synchronization of business and accounting data, the behavior of reimbursement and reimbursement is cancelled, and the transaction transparency, process automation and data truthfulness are realized.

### **3. Some problems under the traditional financial management mode**

#### **3.1. Uncontrolled business risk**

The financial sharing center can collect the business of subsidiaries and branches and centralize it on the sharing platform. Under the traditional management mode, the group's inspection of advance payment is not reasonable and still needs manual operation. Compared with information systems, it is prone to inaccurate reconciliation and slow operation, thus slowing down the inspection process [6-7].

From the perspective of business personnel, it is necessary to know the progress of financial accounting in time in order to control the project as a whole. However, in actual work, after the financial personnel carry out accounting treatment and payment, the progress information cannot be synchronized with the business personnel. Because different financial management departments handle things differently, there is no unified standard for accounting data information of the group, so it is difficult to exchange data information, resulting in management omissions and blind spots, which leads to the reduction of financial management efficiency of enterprises [8].

#### **3.2. Lack of attention to finance digital transformation**

More and more small and medium-sized enterprises are stuck in the current situation of financial integration brought by financial sharing service centers, instead of considering further digital transformation and obtaining financial management information in a higher dimension. The main reason for this phenomenon is that many enterprises do not have enough funds and time to complete the road of trial and error and reform. Directly under the management of the headquarters organs, the branches can't assess or evaluate their performance, which leads to the indifference of the service consciousness of the staff in the sharing center and the serious style of the organs. They only share the accounting workload and financial data without optimizing and solving the actual problems of the branches. Moreover, the time cost of reform is high, which leads to the insensitivity and neglect of digital transformation and upgrading of most enterprise executives.

#### **3.3. There are data islands**

The advent of digitalization has led to social changes, and the internal system upgrading and organizational structure optimization of enterprises cannot be separated from talent support.

Different from accounting personnel, financial personnel need to improve their professional quality, data thinking and data analysis ability [9]. "Number" and "connection" are two key words of digitalization. Only connection can make numbers related, so enhancing system connection is the most important thing. Manual accounting treatment only depends on human experience judgment, which has certain financial risks, affects the overall business process progress, and may cause complaints and dissatisfaction from internal and external customers. For financial personnel themselves, they can't get rapid growth and training, and their own development channels are limited. As a result, the efficiency of docking external data is reduced, which has an impact on the co-construction and sharing of data ecology.

#### 4. Exploration of finance sharing development model

##### 4.1. Optimize business process management

The establishment of financial sharing center is a process management process of designing, selecting, operating and controlling business processes. Through the standardization of the process, the original complex things are broken down into standard business modules. In the mode of financial sharing, some complicated and repetitive businesses are handled centrally, the implemented policies, workflow and inspection standards are completely unified, the work efficiency is significantly improved, and the information is managed and shared centrally, thus realizing centralized risk control under centralized resource scheduling. The general four-quadrant matrix of finance shared services provides an operable analysis model for identifying whether services are included in shared services, as shown in Figure 1 below:

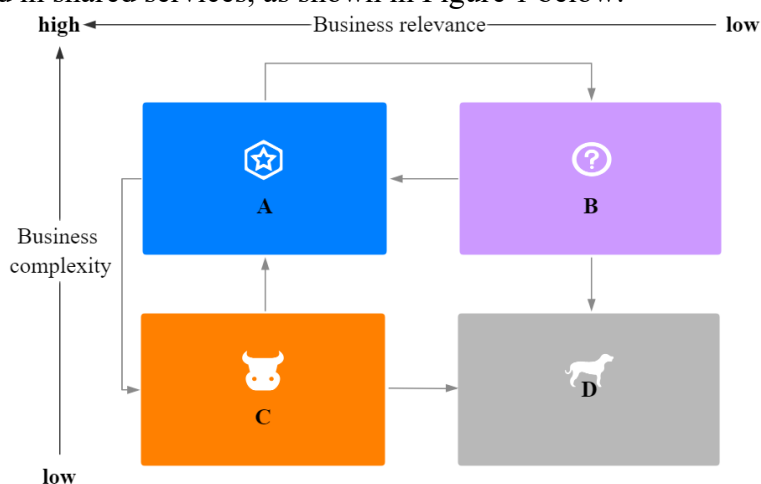


Figure 1 General four-quadrant matrix for financial sharing service

A service with strong business relevance and low complexity. This kind of business has high similarity and low complexity, and does not need too high decision-making ability and empirical judgment. It is a B business with strong business relevance and high complexity. The probability of this kind of business happening in the normal operation of enterprises is very small. C business with weak business relevance and low complexity. This kind of business is ubiquitous, which is not only low in correlation similarity, but also low in complexity and does not need high decision-making and judgment ability to support it. D business with weak business relevance and high complexity. The complexity of this kind of business processing is high, which requires the professional judgment of managers.

The specific optimization is as follows: Collect and split the financial process, and determine the audit rules, process risks and audit concerns of each link; Evaluate business, formulate evaluation standards, and carry out evaluation from the dimensions of customer value and business risk; Reset the process and re-draft the process in combination with the enterprise strategy; Solidify the system and release process, plan the re-established process and embed it into the sharing system; Determine the switching date of the process system to ensure that the changed process will not affect the

business and achieve the optimization iteration of the process.

Maintain basic control over the shared business. The financial sharing platform provides a standard working procedure, which can avoid the deviation of standard implementation between regions and business departments and make more financial data comparable under a unified standard. The financial sharing mode can be automatically generated from information collection, account recording, report output, data analysis and other links, which can avoid the risk of manual recording and processing to a certain extent, make the recording and management of daily and repeated financial data more standardized and fast, thus achieving the financial sharing goal in the era of big data and promoting the long-term development of enterprises.

## 4.2. Build a digital platform

Horizontal integration of financial systems, connection of business systems, vertical penetration of sub-enterprises at all levels, promotion of high integration of systems, integration of business financial data, construction of causality between data, and avoidance of data islands. Make full use of OCR optical recognition, RPA process automation, process mining, natural language processing, visualization, machine learning and other emerging technologies to improve processing accuracy, processing efficiency and service capacity, and provide multi-dimensional, real-time and accurate data support for group management decision-making [10]. The structure of finance sharing center is shown in Figure 2:

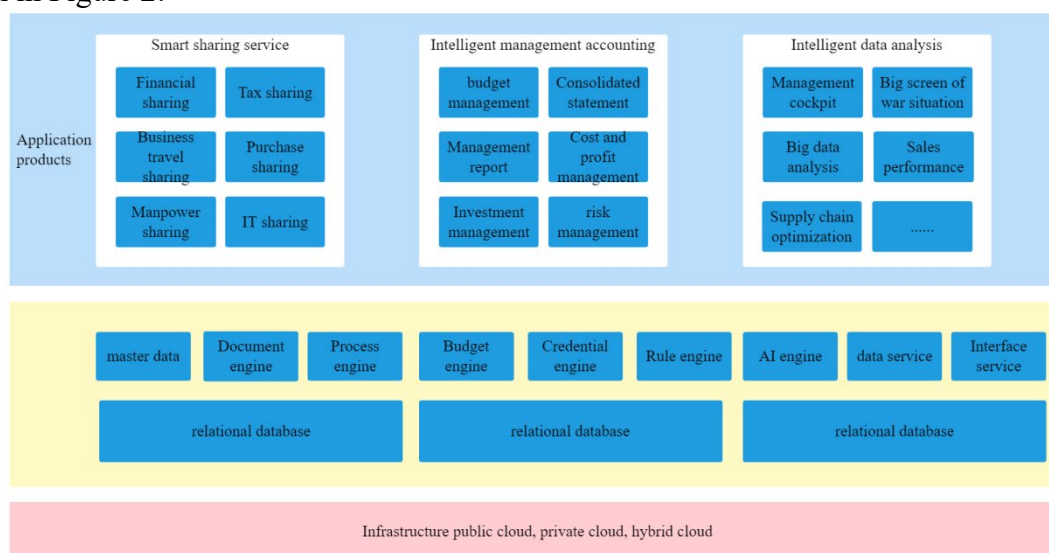


Figure 2 Financial sharing center architecture

Cloud computing is a new type of information technology closely related to enterprises, which plays a very important role in the optimization of enterprise financial management, and also promotes the innovation of financial sharing services and enhances the data computing power of financial sharing services. With the popularization and application of cloud computing technology, the problems of accounting dataization in information storage and security will be properly solved. Identify accounting data categories through data warehouse and data mining technology, analyze relevance, trend, deviation, dispersion degree, rule characteristics and sequence patterns, reorganize and induce reasoning according to application topics, and mine decision support that conforms to the characteristics of enterprises.

## 4.3. Improve the level of financial data processing

Digital technology can promote the improvement of enterprise financial data to some extent. The market information outside the enterprise can also be used by big data technology, thus providing correct financial data support for the comprehensive formulation of long-term strategic planning of enterprises. It can further ensure the efficiency and accuracy of enterprise information collection and information processing while reducing the difficulty of employees' work, and make the traditional accounting function of financial personnel turn to decision-making function. Through the

integration and unification of management system and information system, the standardization and lean of financial management function can be realized.

Advanced and intelligent digital technology is the basic support for the popularization and application of finance sharing platform. The finance sharing platform relies on the core backstage such as SAP, electronic archives, golden tax system, fund management and tax management to support the efficient completion of financial accounting. For example, through interface transformation and data pull-through, real-time interaction and status acquisition with SAP can be carried out to ensure the consistency of accounting and business. Establish the relationship between paper files and electronic files. According to management regulations, the filing time of files can be customized. When inquiring about borrowing, according to the authority and borrowing time, it can effectively control the scope and timeliness of borrowing and standardize file management.

## 5. Conclusions

Under the background of digital age, the traditional finance sharing service center needs to be transformed into a new financial sharing center, from the earliest simple "accounting factory" to the mainstream "data aggregation" to realize the transformation from "service" to "control". From the perspective of business personnel, it is necessary to know the progress of financial accounting in time in order to control the project as a whole. However, in actual work, after the financial personnel carry out accounting treatment and payment, the progress information cannot be synchronized with the business personnel. In the changing economy, enterprises will not be able to form their own capabilities in the trend of global economic integration, and eventually lose their competitive advantage. Those who follow the trend will be unique, making financial management the driving force for enterprises to move forward and the value of financial sharing recognized and accepted.

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