

# Research on the Impact of Financial Management Measures based on Industrial Policy Innovation on Economic Benefits of State-owned Enterprises

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**Abstract.** With the development of China's socialist market economy and the advancement of the reform of state-owned enterprises, higher and higher requirements are put forward for the financial management mode of state-owned enterprises. Under the new situation, there are still many problems in the financial management of state-owned enterprises. Certain measures must be taken to innovate financial management in order to create more benefits for enterprises. Managers of state-owned enterprises must pay attention to the dynamic changes in the market, grasp the characteristics of the market, seize development opportunities and reduce development risks. The innovation of enterprise financial management mode is the key to enhance the competitiveness of enterprises in the market and the important premise to ensure the sustainable development of enterprises. This paper analyzes the impact of financial management measures on the economic benefits of state-owned enterprises from the perspective of industrial policy innovation. In order to ensure that enterprises can maintain their own operation direction in the new situation, and achieve the purpose of improving the market competitiveness of enterprises.

**Keywords:** Financial management, State-owned enterprises, Economic benefit.

## 1. Introduction

Financial management refers to the management of asset purchase, capital accommodation, cash flow in operation and profit distribution under a certain overall objective [1]. Enterprise financial management includes comprehensive management of enterprise organizational structure, department setup, human resources, internal control, etc. The internal control of enterprises and the utilization of human resources are closely related to the efficiency of enterprise financial management. State-owned enterprises have improved their financial management level to a certain extent with the help of foreign advanced financial management theories and management methods. However, there are still many problems in the management of enterprises [2]. Financial management is an integral part of enterprise management. It is a financial management work that organizes enterprise financial activities and deals with financial relations according to financial laws and regulations and the principles of financial management. With the rapid development of state-owned enterprises in recent years, financial management plays a very critical role in the development of enterprises. With the gradual entry of enterprise management into the era of information, technology and modernization, financial management also needs to seek innovative ways to keep pace with the times [3]. The innovation of enterprise financial management mode is the key to enhance the competitiveness of enterprises in the market and is also an important prerequisite to ensure the sustainable development of enterprises. Under the new situation, the development of state-owned enterprises is facing numerous competitions and challenges. How should enterprises adapt to the development environment and needs under the new situation and gain a place in the highly competitive market is a problem that enterprises must seriously consider and deeply explore [4].

The financial management of the enterprise makes the operation efficiency of the enterprise continuously enhance, sets up a clear goal for the development of the enterprise, explores the working potential of each employee in the details of internal control, and promotes the financial operation of the enterprise to be clearer and more reasonable [5]. Enterprise managers must pay attention to the dynamic changes of the market, grasp the characteristics of the market, seize the

development opportunities and reduce the development risks. State-owned enterprises are facing increasing competition and challenges, but their management strategies and concepts are still relatively backward [6]. Judging from the current situation, there are widespread financial problems within the enterprise, which seriously affect the normal operation and development of the enterprise. Therefore, under the background of the new era, if enterprises want to gain a firm foothold in the market and obtain good development, it cannot be separated from the innovation of enterprise financial management mode. In order to make enterprises have a place in the international market, we must strengthen the innovation of enterprise financial management and improve various management modes that hinder the development of enterprises so as to promote the steady development of enterprises under the new situation [7]. Based on the actual market environment, this paper analyzes the problems in the process of financial management innovation and practice faced by enterprises. So as to ensure that enterprises can comprehensively improve the efficiency of enterprise financial management under the new situation on the basis of maintaining their own operation direction and achieve the purpose of enhancing the market competitiveness of enterprises.

## **2. The Current Situation of Financial Management in State-owned Enterprises**

### **2.1 The Enforcement of Internal Financial Supervision is not Enough**

From a macro point of view, the main function of enterprise financial management is to maintain the normal internal operation of the enterprise. The integration of economic resources is the core power of the enterprise's future development, and the ability to coordinate the relationship between development and capital is the top priority of the enterprise's long-term development. Limited by its corporate governance structure and organizational structure, the state-owned enterprise's financial management lacks effective and reasonable authority in the operation of the enterprise. The innovation of enterprise financial management is the management way that enterprises introduce new ideas in the management background. The core issue of enterprise financial management innovation is to promote the comprehensive competitiveness of enterprises and improve the overall economic benefits of enterprises. As it is difficult to carry out effective and standardized supervision of other departments within the state-owned enterprises, the financial management of enterprises can only become formalism [8]. Enterprise financial management can clearly define the development direction of the enterprise. Only when the enterprise implements financial management can it carry out other economic activities. The lack of scientific and perfect supervision mechanism in the financial internal audit department of state-owned enterprises will seriously restrict the healthy development of financial management. The internal phenomena such as unclear powers and responsibilities and imperfect assessment system will seriously restrict the work efficiency and quality. Through the implementation of financial management, we can give full play to the role of enterprise rules and regulations, mobilize the enthusiasm of staff, and improve the economic benefits of the enterprise.

### **2.2 Enterprise's Ability to Prevent Financial Risks is not High**

In today's highly developed market economy and global economy, the popularization of science and technology, the worldwide information sharing and commodity circulation all make it necessary for enterprises to innovate their financial management mode. One of the important components of risk prevention and control for state-owned enterprises is financial risk prevention and control. Enterprises will encounter various financial risks in the process of operation and production, such as investment risks, capital flow risks, etc. The scope of financial management of state-owned enterprises is relatively wide, involving all aspects of enterprise management, because the management of enterprises is related to the use of funds, financial management affects the interests of enterprises and the income of employees [9]. State-owned enterprises do not pay enough attention to risk prevention and control, lack scientific and reasonable analysis, and there are too many uncertain influencing factors in the market, which cause enterprises to be not strong enough to prevent and resist these investment risks [10]. Therefore, good financial management is

conducive to improving the enthusiasm of employees, thus improving work efficiency and ensuring enterprises to obtain more profits. The level of financial management is closely related to the development of the enterprise. In order to fully realize the stability of the internal working environment of the enterprise under the new situation.

### **2.3 The Professional Quality of Financial Personnel Needs to be Improved**

Judging from the current situation, the lack of rich financial management knowledge and practical financial experience among financial personnel in state-owned enterprises has seriously hindered the development and progress of state-owned enterprises. The methods and contents of financial management are also different. The specific modes and methods of financial management should be determined according to the specific conditions of different enterprise natures, different enterprise operating environments, operating objectives and management systems. Under the background of the new era and the rapid development of information technology, there is a lack of passion to learn new financial knowledge, which makes it impossible to fully play its role in financial management [11]. As far as the definition of knowledge economy is concerned, it belongs to a sustainable development economy. It requires enterprises to apply more information technology in the process of management, pay attention to mastering and applying decision support systems in business decision-making, and rearrange or completely update the operation procedures. At present, the state-owned enterprises do not pay enough attention to the continuing education of financial personnel and do not provide the corresponding environment and guarantee conditions for financial personnel to enhance their professional knowledge. Enterprises must pay due attention to financial management, allocate funds rationally, and optimize the structure of fund use to maximize the effectiveness of funds.

## **3. Innovation Approach of Financial Management in State-owned Enterprises based on Innovation of Industrial Policy**

### **3.1 Formulate and Perfect a Reasonable Financial Management System**

The establishment of a scientific, reasonable and comprehensive financial management system is the basic premise and guarantee condition for the financial management of state-owned enterprises in the new era. Enterprise financial management is the springboard to promote the economic leap of the enterprise, making the internal control of the enterprise clearer and achieving the best state in terms of order and efficiency. As the manager of the state-owned enterprise, an effective financial management system should be established according to the actual operation of the enterprise to ensure the normal operation of the enterprise. Enterprises should deeply understand the macro and micro connotation essence of financial management in manager management, and combine the innovation of financial management with economic globalization and economic informatization. The internal departments and organizations of the enterprise should clearly define their respective responsibilities and rights, so as to effectively cultivate employees' sense of responsibility. Comprehensive economic strength is all the economic strength and development potential, as well as economic status and influence in the region. If only one of the variables is considered to replace the original two variables in order to reduce the dimension, it is obviously not ideal. Because no matter which variable is considered to be retained, a large amount of information contained in another variable will be lost. Each group after grouping represents a structure respectively, but this structure is represented by an unobservable invisible comprehensive variable. Figure 1 shows the multivariate analysis process in financial analysis and management.

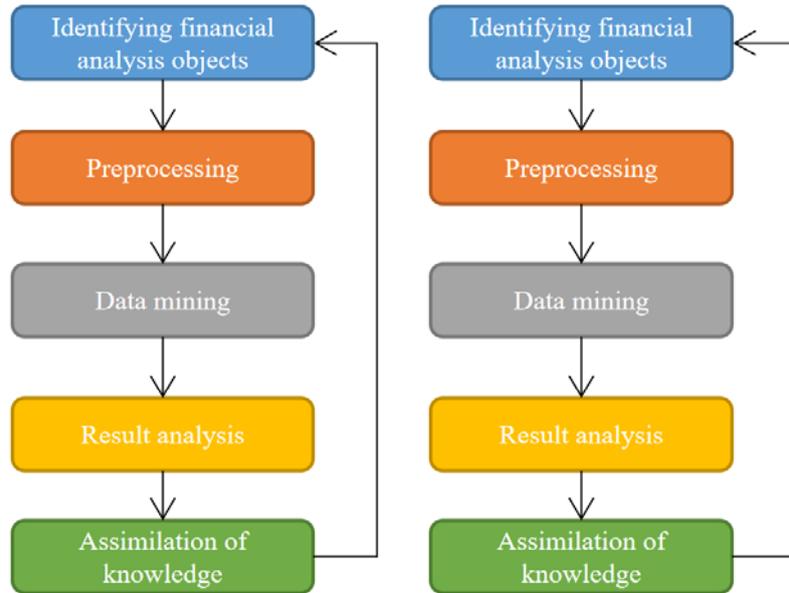


Figure 1. Multivariate analysis process in financial analysis and management

New strategies and management procedures should be established in financial management to make the management organization flexible. The core of an enterprise in the process of operation is to create more profits. With the development and change of the social situation, the degree of economic globalization is deepening. Building a long-term development management mode is the key point that an enterprise needs to consider at all times.

### 3.2 Improving the Risk Prevention Ability of State-owned Enterprises

In order to promote the development of enterprises and improve their competitiveness, the top management of enterprises must attach great importance to financial management and analyze the current problems of enterprises. A good atmosphere is conducive to promoting the innovation of enterprise financial management, which requires the joint efforts of all the staff of the enterprise. First, the leadership and management of the enterprise must have innovative financial management concepts, which can be implemented into the practice of financial management through the efforts of the staff. The traditional organizational structure of enterprises can no longer meet the development needs of the market economy. Facing the fierce competition and unpredictable market, enterprises must actively innovate the organizational structure to effectively optimize it and provide strong support for the stable development of enterprises. The establishment and maintenance of social relations require certain emotional and spiritual support. For example, Table 1 shows the empirical analysis results of enterprise policies and enterprise strategies.

Table 1. Empirical analysis results of corporate policies and strategies

Variable	Scale expansion	International expansion
Enterprise support	0.163	0.177
Enterprise education	0.142	0.128
Enterprise environment	0.142	0.235
Type of economy	0.278	0.232

In order to better analyze the regional economic strength, we will use cluster analysis to classify the economic strength of provinces and cities on the basis of principal component analysis. In this paper, Euclidean distance is used as classification statistic, and the distance between the two samples is expressed as:

$$CPV(k) = \frac{\sum_{j=1}^k \lambda_j}{\sum_{j=1}^m \lambda_j} \quad (1)$$

Since the dimensions of each evaluation may be different, the original data are standardized and converted into dimensionless standardized data. The standardized formula is:

$$F_{ik} = \sum_{j=1}^m q_j x_{ij} \quad (2)$$

In the development of an enterprise, it is bound to be affected by various factors in the market, thus generating various risks. In order to achieve good and healthy development of enterprises, enterprises must innovate and establish a sound risk early warning mechanism. When financial risks occur, enterprises can run the risk early warning mechanism in the first time, thus providing guarantee conditions for data security and reducing economic property losses. The development of enterprises is based on the present and faces the future. Culture is the soft power of enterprise competition, and innovative talents are the driving force of social development today. Talents are the key to competition in today's society. The quality of human resources management in enterprises has become one of the key factors for enterprises to improve their market competitiveness.

### 3.3 Strengthening the Construction of Talent Team

Financial management of enterprises is gradually developing towards informatization and knowledge. Enterprises should improve the degree of informatization, strengthen the management and planning of enterprise costs, and enable enterprises to obtain high recovery with low costs. It is very important for the innovation of financial management in state-owned enterprises in the new era to improve the professional and technical level of accountants in state-owned enterprises and to strengthen the construction of personnel. To ensure a good environment and atmosphere, enterprises should pay attention to the innovation of internal control system, implement internal supervision and management, and promote the innovation of enterprise financial management. Only when enterprises recognize the importance of talents in their development can they strengthen their comprehensive competitiveness. Enterprises can introduce and develop talents as much as possible through different ways. Accounting personnel in state-owned enterprises should abandon the old financial management concepts in the past, keep up with the pace of the times, and look at financial problems from a long-term perspective so as to cultivate financial concepts in the new era.

## 4. Summary

With the increasing complexity of the international environment and the continuous development of economic globalization, in order to maintain a good development trend in the fierce international competition, China's economy must strengthen the innovation of enterprise financial management. The efficient development and implementation of financial management in technological innovation enterprises can improve the financial management ability of enterprises on the basis of improving the utilization rate of funds, which plays a certain role in promoting the long-term development and competitiveness of enterprises. As the development of economic globalization is deepening and China's market economy is facing great changes, enterprises should give top priority to financial management, establish innovative and practical objectives of financial management, and take the innovative and practical models of enterprise financial management in western developed countries as a reference. In the actual implementation of financial management, enterprise financial accountants should start from the industry characteristics of technological innovation enterprises, innovate financial management methods and pay more attention to them. At present, the financial management of state-owned enterprises still has big defects. Managers must combine the actual situation of enterprises, innovate the financial management of enterprises under the situation of global economic integration, and continuously improve the management system.

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