

Research on the Value and Application Strategy of Financial Management in Business Management

Nianyue Chen, Zhaoxin Mao

Hangzhou Business College, Zhejiang University of Industry and Commerce, Hangzhou, Zhejiang, 311500

Keywords: Business Management; Financial Management; Value Orientation; Strategy Choice; Application Suggestion

Abstract: Financial management is an important link in the development of modern enterprise management. It is also the main direction of future business management. If enterprises want to develop for a long time, they must pay attention to financial management in business management, established a scientific financial management concept, combined with the current situation of enterprise development at the present stage, and constantly explore a path suitable for the development of corporate financial management. This paper analyzes the value orientation of corporate financial management and the value orientation of corporate economic and social goals, and then leads to the strategic research of corporate financial management, and analyzes and discusses the application of corporate financial management. Finally, the development suggestions are given in combination with relevant research. The results of this research can effectively expand and expand the application of corporate funds, thus establishing a scientific financial management concept. By combining the current situation of enterprise development at the present stage, we will continue to explore a path suitable for the development of corporate financial management, which will help the company to develop for a long time.

1. Introduction

With the continuous development of the world economy, more and more entrepreneurs or individuals are no longer constrained by savings and investment in some domestic banks, so the daily business of some international banks has become integrated and diversified in international banks. Among the many businesses, the intermediary business and investment banking business are quietly emerging, constantly developing and occupying “half of the international banks”, and the emergence of “financial department stores” and “financial supermarkets” has become the highest and latest achievement in contemporary finance. In recent years, the problem of internal control of enterprises has been plaguing the work of enterprises in financial management. Therefore, it is necessary to constantly improve the theoretical and empirical aspects of strategy construction. However, companies rarely involve financial management. Therefore, the theoretical community and the real industry should consider how to conduct financial management, how to expand the financial channel of financing, and how to allocate these funds reasonably.

At present, China's real economy development level is relatively low. Under the challenge of many external factors, enterprises need to rely on exogenous funds to survive and develop. In this way, there are some problems that need to be considered and solved: how to expand the financial funds channel more effectively, can build a blueprint for strategic choice from many aspects.

2. Value Orientation of Corporate Financial Management

2.1 Value Positioning

In the study of the adaptability of enterprise management, it is necessary to further strengthen the organizational legitimacy of the enterprise. This legitimacy is the degree of satisfaction and recognition of the government and the public to the enterprise, and it does not simply refer to the legitimacy within the legal provisions. By improving the government's satisfaction with the company

and the public's recognition of the company, it can deepen the company's external impression, so that more exogenous resources can be invested in the enterprise, increase costs and develop production.

Through the capital cycle formula $gw-g'$, we can see from three levels that the value of the enterprise is reflected in the specific performance of the production and operation process of the enterprise, including the currency, production and commodity functions of the fund. The sale of finished products and the purchase of raw materials guarantee their normal operation under the condition that the production capacity is reasonable and the funds obtained by Finance are available. In the current economic environment, from a macro perspective, one of the most important tasks of various types of enterprises is to continuously develop market demand. Therefore, the introduction of exogenous funds can help companies expand market demand.

The value orientation under the corporate social goal is composed of the effects obtained by corporate financial management. From the rational allocation of exogenous funds to the research and development of new materials and the re-innovation of the technology, the value orientation of finance under the corporate social goal is composed of the effect of corporate financial management. Therefore, the issue of enhancing the legitimacy of the organization is urgently needed to be solved, but the economy cannot be developed blindly in order to improve the legitimacy of the organization, and the development of the economy must also adapt to the needs of the environment. Low carbon, environmental protection is the last word.

2.2 Analysis of the Difficulty of Value Assessment

With the continuous development of the world economy, more and more entrepreneurs or individuals are no longer restricted to some domestic banks for savings and investment, so the daily business of some international banks has become integrated and diversified in international banks. Among the many businesses, the intermediary business and investment banking business are quietly emerging, constantly developing and occupying "half of the international banks", and the emergence of "financial department stores" and "financial supermarkets" has become the highest and latest achievement in contemporary finance. Since these "outcomes" have considerable subjectivity and arbitrariness, the returns are not stable and the estimates are large. According to the requirements of accounting, the business of financial enterprises is divided into two parts: on-balance-sheet business and off-balance-sheet business.

There are difficulties in estimating cash flow and intangible assets of financial enterprises. The significance of cash flow estimates is an overall assessment of the business. The formula for calculating the free cash flow of a financial enterprise: $\text{free cash flow} = \text{net profit} + \text{non-cash expense} - \text{cash flow required for growth of the balance sheet}$. By looking at the difference model used by banks, it can be concluded that the reserve interest rate directly affects its net profit. Therefore, the country's macro policy has a great impact on the net profit of financial enterprises.

Financial firms have the vulnerability that their value assessment cannot be independent of the external environment. In the financial world, it is always customary to associate a country with a country rating when evaluating a company separately. After the financial crisis in Southeast Asia, the theoretical research community proposed a new concept of "financial vulnerability". In May 1999, IMF and the World Bank implemented a "financial sector assessment plan" to identify the fragility of the financial system. This plan includes macro-prudential indicators and micro-prudential indicators. Afterwards, the European Central Bank and the United States separately studied it.

There are few listed companies in the financial sector, and the development of the capital market is relatively slow. For investors, the large-cap blue-chip stocks and market-based banking stocks in their eyes have the advantage of stable prices and sustained profitability. These bank stocks are listed banks in the more mature securities markets abroad. At present, there are only 10 listed financial enterprises in China, and banks account for half of them. Although the number of listed financial companies in China is relatively small and the scale of assets is relatively small, this does not represent the situation of China's overall financial enterprises. In this environment, China has become imperfect in the development of the securities market.

The measurement of the contribution of human resources to the value of financial enterprises is difficult. Human resources are transformed by the development of information technology (from traditional labor-intensive production methods to technology-intensive production methods that can reduce costs). This transformation has enabled financial companies to invest their money in technology and begin to reduce Staff. In fact, human resources can be said to be one of the many assets of a company, but some characteristics of human resources, for example, the role of human resources is subjectively influenced by individuals, which makes it difficult to assess human resources.

3. Strategies and Applications of Corporate Financial Management

3.1 Strategy Selection

The surplus of the enterprise is manifested through the realization of the economic goals of the enterprise. Product price and cost under the fixed circumstances, only the overall development of the market can improve the maximum value of tr. Strengthening the legitimacy of organizational enterprises is the top priority of strategic choice under corporate social goals. Therefore, in order to improve the legitimacy of the organization, conditions are needed to support it, for example, to establish a good production environment and increase the environmental performance of products. The use of exogenous funds to optimize new product processes or develop new materials is one of the strategic choices under corporate social goals.

Enterprises use enhanced financial management to improve profitability, which is also an effective way for the most fundamental economic organization. Therefore, in order to achieve economic goals and achieve social goals, companies should improve their profitability. Although it is the economic goal and the social goal, the benefit evaluation, in order to better improve the profitability, the economic goal in the comprehensive evaluation mechanism of corporate financial management effect is far more effective than the social goal. After the outbreak of the international financial crisis in 2008, many small and medium-sized enterprises in China were bankrupt due to their own system and the market positioning gap for products. Whether it is resetting small and medium-sized enterprises' fixed assets or introducing high-tech equipment, these measures require a lot of money. The prerequisite for financing is: the optimization of corporate financial management. That is: the whole process of control and management in the process of fund management; the evaluation of the benefits of the use of funds, and the establishment of evaluation mechanisms; the realization of information flow between the various departments of the enterprise, and the establishment of mechanisms.

3.2 Application Analysis

3.2.1 Financial management is the basis of business management

The most indispensable part of the normal development process of enterprises is the funds. Only with sufficient production and operation funds can the enterprise activities be carried out smoothly. Usually, the funds for enterprise development are mainly funds for loans to banks, the funds of the enterprises themselves and the nature of finance. The financing of funds, and the management of corporate funds, involves financial management, so companies must have professional knowledge of financial management knowledge, understand the financial problems of stock financing in today's market economy, for the current national financial policy, the business transaction process must be involved. Enterprise fund management is related to the operation and management of enterprises. Therefore, financial management is the important premise and foundation of business management.

3.2.2 Financial management can guarantee the daily operation of the enterprise

Through the financial management of the enterprise, the daily operation of the enterprise can be guaranteed to proceed normally. Since all production and management work in the enterprise is carried out under the background of the market economy, the market is changing rapidly, as long as

there is a market place. There is competition among enterprises, and with corporate financial management, it can guarantee the smooth development of economic activities of enterprises, and the understanding and analysis of the market by financial management can provide a solid guarantee for the development and growth of enterprises.

3.2.3 Financial management can enhance the economic benefits of enterprises

For enterprise development, the most important thing is to improve the economic efficiency of the enterprise and promote the further development of the enterprise. All the production, sales and sales of the enterprise are inseparable from the financial management. Only by strengthening the financial management of the enterprise can the enterprise be the funds are used scientifically and reasonably to enhance the economic benefits of the enterprise and to build the corporate brand.

4. Application of Financial Management in Business Management

4.1 Strengthening the Quality of Corporate Financial Management and Budget Work

When strengthening corporate financial management, we must ensure the quality of budget accounting work, improve the accuracy of budget and scientific predictability, improve the supervision of work items and strengthen the budget in the process of selecting and analyzing work objects in corporate financial management. The scientific management of the preparation work must be adjusted in accordance with certain accounting budget procedures in the process of actual financial management budget preparation, and no mistakes in budget data can occur.

It is necessary to determine the important management of corporate financial funds, treat corporate financial management work and budget work in a serious and responsible manner, and ensure the quality of accounting budget tasks, so as to avoid false accounting and short accounts in corporate financial accounting work. Does the phenomenon of accounting, control the effectiveness and fairness of budget work in financial management, accurately calculate and record financial activities with enterprises, and then implement responsibility in relevant functional departments within the enterprise to ensure financial management. Work can be smoothly absorbed, thereby improving the protection of corporate fund management and enhancing the rational use of corporate funds.

It is necessary to improve the management system of financial information in enterprises, so as to realize the refined management of financial information of enterprises. While planning and managing financial and financial information, it is necessary to ensure the principle of identity of financial management work of enterprises and promote the innovation and development of enterprise work forms. This will enable the company's accounting and financial management system to be fundamentally improved.

4.2 Strengthening the Information Construction of Enterprise Financial Management

Improving the information technology construction in corporate financial management is also a concrete manifestation of the application of financial management in business management. With the continuous development of modern technology, most enterprises can also use the most advanced scientific software to carry out today. In the financial management of enterprises, the financial management of modern enterprises is usually based on information technology, which continuously improves the enterprise financial management system, improves the efficiency and effectiveness of accounting data information records, and accurately completes the business management. The efficient work of data and information exchange has established a database of internal accounting and financial information of enterprises, thus ensuring that the whole operation and management of enterprises can be carried out under the means of information technology, and real-time implementation of various organizational links in business management. Monitoring has strengthened the comprehensive management of business operations, increased the possibility of product sales, and further improved the level of corporate financial management.

Through the practical application of financial management in enterprises, enterprises' managers can establish a sense of financial crisis, thus avoiding a series of problems in corporate financial management, and greatly improving the actual development of enterprise financial management through informatization construction. The competitiveness of enterprises has changed the face of enterprise development.

4.3 Strengthen the Professional Quality of Corporate Financial Management Personnel

According to the specific conditions of business management, a financial management department should be set up in the enterprise, and professional financial management personnel should work to strengthen the data collection of enterprise fund management, and implement the adjustment and adjustment of the various departments in the business management. The core problem in the management of a good enterprise is to control the debt situation of the enterprise funds, and to enhance the risk assessment in the business operation, so as to ensure the overall quality of financial management. The important work in current corporate financial management is to improve the professional quality and professional quality of corporate financial management staff. In the financial management work, each accounting financial staff should be educated and cultivated, and the financial management of enterprises should be understood from the ideological perspective. The importance of the financial management staff understands that financial management work is different from other business operations in the enterprise.

It is necessary to improve the structure of corporate financial management system and clarify the duties of corporate financial management personnel, so that the financial management of enterprises can be comprehensively developed, and the phenomenon of unclear awareness of various powers and responsibilities in corporate financial management is avoided. The application in business management, strengthen the professional quality of financial management staff, improve the enthusiasm of employees and labor creativity, so that staff can put more energy into the enterprise financial management work, effectively promote the enterprise The transformation of financial management awareness work has promoted the smooth development of the work of relevant departments and improved the working atmosphere of enterprises. When the professional financial management personnel of the enterprise conduct financial management, when the loan is recovered, a special department shall be established, and the professional financial management personnel shall be responsible for the recovery of the corporate financial loan, produce data financial statements, and improve the effective financial management of the enterprise. .

5. Development Recommendations

5.1 Broaden the Financing Channels for Corporate Finance

For the development of corporate financial management, the financing channels of corporate finance are diversified. It is not necessary to make loans to banks. It can also attract investors to invest in enterprises through investment promotion, so as to carry out effective financial financing activities. For some financial financing difficulties encountered in the development process of some enterprises, it is possible to broaden the new financing development channels of enterprises and broaden the financial financing channels of listed companies that require relatively lower types, so as to transform and develop enterprises. Enterprises can also adopt the form of indirect financial financing to allow enterprises and national banks to reach a certain interest consensus, so that banks can work together with enterprises to complete risk sharing and profit win-win, thereby reducing the sharing of corporate financial development and improving the lending type of enterprises. Access to funds. therefore, the Chinese government has introduced some investment promotion policies in favor of international economic development, attracted a large number of international enterprises to invest in the construction of Chinese enterprises, and improved the legal rules and regulations of private lending loans in China, effectively changing the problem of difficult preparation of corporate funds.

5.2 Formulating Corporate Credit Rating Regulations

In order to carry out production and management normally, enterprises must first investigate and understand the situation of their own products, and then investigate and analyze the objects of production and management, fully understand the relationship between financial transactions among enterprises, and develop the economy for the enterprise itself. Benefits, the degree of effect of the enterprise brand itself, ensuring the efficient operation of the capital product chain structure of the enterprise management, and ensuring the quality of the products produced by the enterprise, thus avoiding the risk taking of the enterprise itself and ensuring the security of the enterprise loan Performance, reducing the degree of loss of the company's own property. Then, for the enterprises with financial transactions, the degree of credit rating is divided, and the result of each financial transaction is used as the basis for re-performing financial transactions, thereby avoiding and preventing blind-type sales.

5.3 Improve the Corporate Financial Risk Prediction Mechanism System

The emergence of corporate financial risks will have a very large impact on business management. Therefore, it is necessary to improve the enterprise's own forecasting mechanism system for financial risks. Financial management personnel within the enterprise must enter the market for in-depth in-depth investigation. We will adjust the various aspects of corporate financial financing and financial investment issues. Once we find potential financial risks, we will immediately study the root causes of corporate financial risks and propose effective measures based on the risks. The strategy adjustment method opens up a correct direction for the financial management of enterprises, and effectively avoids financial risks, thus ensuring that the financial management of enterprises can proceed smoothly and promote the effective management of enterprises.

Corporate financial management is the core of business management, and the level of financial management, the quality of management will directly affect the operation and development of enterprises. Enterprises must understand the importance of financial management for business management, and use enterprise financial management reasonably and effectively in the actual operation and management of enterprises, thereby enhancing the economic benefits of enterprises and ensuring the long-term development of enterprises. In the process of business development, it is necessary to constantly improve the financial management work, so that the development of the enterprise can adapt to the needs of the market economy, correspondingly expand the financial financing channels of enterprises, formulate corporate credit assessment regulations, and improve the corporate financial risk prediction mechanism system.

6. Conclusion

In recent years, the issue of internal control of enterprises has been combined with the actual work experience to continuously improve the theoretical and empirical strategies. But companies are rarely involved in financial management. Therefore, the theoretical community and the real industry should consider how to conduct financial management: how to expand the financial channel for financing, and how to allocate these funds reasonably. Financial management is a very important link in the development of modern enterprise management, and it is also the main direction of future business management. If enterprises want to develop for a long time, they must pay attention to financial management in business management and establish science. The financial management concept, combined with the current situation of enterprise development at the current stage, constantly explores a path suitable for the development of corporate financial management.

References

[1] Tao Yuting, Li Yuyu. On the application of financial management in business management [J]. Modern Business, 2014.

- [2] Pang Qingyun. Research on the practical application of financial management in business management [J]. Finance and Economics (Academic Edition), 2015.
- [3] Wu Fengmei, Value Positioning and Strategic Choice of Enterprise Financial Management [J] Finance and Economics, (Academic Edition) 2013
- [4] Ren Jun. Research on the practical application of financial management in business management [J]. Times Finance, 2015.
- [5] Gao Yinchao, Yu Wei, Analysis of the Difficulties in the Choice of Financial Enterprise Value Evaluation Methods [J] Jinan Finance, 2004
- [6] Zhang Wei. Analysis of the application of financial management in business management [J]. China's foreign investment, 2012.
- [7] Min Min. Analysis of the application of financial management in business management [J]. Business Manager, 2012