

Analysis on the Application of Management Accounting in Investment and Financing Management

Hanmei Wu

Southwest Jiaotong University Hope college, Financial Management, Sichuan, 610400, China

Keywords: Management accounting; Investment and financing management; Application strategy

Abstract: In the development of social economy, accounting is playing an invaluable role. Management accounting is a detailed section in the development and perfection of modern accounting. As an important branch of accounting, it plays an important role in investment and financing management of enterprise. In the era of rapid development, the factors that affect the development of enterprises, such as competition and risk, are gradually increasing. The traditional forms of management accounting cannot fully meet the needs of development of investment and financing management, and cannot provide a good management for investment and financing management of enterprises. Therefore, it is necessary to strengthen the application of management accounting and analyze its effective application strategy to provide a good guarantee for the investment and financing management of enterprises, improve the management level of enterprises, and promote the sound development of enterprises.

In the development of market economic system of China, the system is more perfect, and market competition is more intense. Therefore, enterprises need to standardize the development direction of the enterprise rationally after considering the development of all aspects of the enterprise comprehensively. In addition, enterprises should improve the scale of development, and continuously improve its competitiveness to occupy a strong advantage and more shares in the fierce market competition, and improve the economic efficiency of enterprises. In economic development, financing and investment are the common measures of enterprises. By raising funds in this way, the stable development of enterprises can be guaranteed. The investment and financing management carried out by enterprises needs to have reliable information, reasonable management methods and scientific decision-making, which is easier to carry out under the coordination of management accounting.

1. Analysis of the Meaning and Characteristics of Management Accounting

1.1 The Meaning of Management Accounting

Management accounting is the product of the development of the new era. It integrates its good ideas with accounting concepts to meet the needs of the current market development. At the same time, the management accounting with management concept is more in line with the needs of the management of the company, and it provides reliable accounting information for enterprise investment and financing management and decision-making, ensuring the scientific and accurate management and decision-making. Management accounting carries out scientific analysis through relevant management concepts, accounting related information, data and market conditions of the enterprise, and analyzes and predicts future development of market and economic situation of enterprise.

1.2 The Characteristic of Management Accounting

Management accounting plays an important role in all aspects of enterprise management, especially in the investment and financing management. It has four strong characteristics in its application process, namely universality, objectivity, embeddedness and technicality. Management accounting has a high universality. The information involved in its implementation comes from the

relevant information of the enterprise such as product, customer, and service. Therefore, the information in its implementation can be used in investment and financing management, and can be used as a reference for performance and decision-making. The implementation of management accounting has gone out of the constraints of traditional finance and broken the shackles of the rules with high objectivity. Management accounting is to work for the enterprise, embedded in the investment and financing management, to help the enterprise from the internal analysis, to provide reliable help for enterprise decision-making. Under the support of relevant theories, management accounting analyzes and forecasts the development direction and decision-making reference information of enterprises in detail, which has high technical content. Relevant personnel are required to have certain technology in the implementation process, so the operation has high technicality.

2. The Significance of Applying Management Accounting in Enterprise Management

2.1 To make up the Deficiency of Financial Accounting

The development of traditional financial accounting has its fixed function and content to meet the basic needs of the public. Management accounting is generated in accordance with the development of the times. It has obvious differences with traditional financial accounting in function, purpose and limitations. It can manage the account and make up for the shortcomings of traditional financial accounting. In function, financial accounting collates, analyzes and manages the financial information of an enterprise with relevant information. On the basis of financial accounting, management accounting processes the information sorted out and analyzed, further condenses and analyzes the core information and the information related to enterprise investment and financing management, and then integrates the report to make the information more intuitive and general. In terms of purpose, the financial management mainly supervises the financial accounting of the completed funds of the enterprise, which is difficult to measure the operation value of the financial funds and provide reliable reference information for the future development of the enterprise. Therefore, the management accounting can make up for its shortcomings in terms of purpose. It is necessary to dig the measurement value of the financial information in depth, and provide timely, accurate and referential information for the investment and financing decision-making of the enterprise to improve the value and function of accounting.

2.2 To Improve the Ability of Business Decision-making

In the development of enterprises and the management of investment and financing, the decision-making of leaders has an important position and has a direct impact on the future development of enterprises. On the other hand, the improvement of the scientificity and reliability of the business decision-making of the enterprise leaders needs to be based on the real and effective information inside the enterprise and the relevant information of the development of the market economy. Therefore, the decision-making in investment and financing management needs to be more sensitive and aware of the market. The instantaneous changes require a lot of data information in this process. In the decision-making of investment and financing management, management accounting needs to have a clear understanding of the internal conditions of enterprises, the situation of enterprises, and the problems of enterprises. With certain understanding, it can improve the ability of managers and decision-makers to make their decision-making more in line with the actual development of enterprises. At the same time, it is in line with market development to provide higher profits for enterprises. Thus, through the integration of enterprise information and market information by management accounting, valuable content can be extracted from a large number of data information and the ability of business decision-making can be improved.

2.3 To Promote the Realization of Strategic Goals

Enterprise development and investment and financing management have their own strategic goals. The strategic goal planning of enterprise operation direction and work focus can reduce and

avoid the risk of the operation process, so that the strategic goals of company are achieved with high quality. Investment and financing management occupies an important part in the strategic goals of the enterprise. It makes a reasonable plan around the strategic layout and structure of the enterprise. Through management accounting, it can better promote the development and help the enterprise to achieve the strategic objectives. Management accounting can play a driving role in the target planning, execution, decision-making and other aspects of investment and financing management. Under the real and reliable data information, by reasonable and scientific methods, the quality and effectiveness of investment and financing management can be improved and strategic objectives of corporate can be implemented.

3 Application Strategy of Management Accounting in Investment and Financing Management

3.1 To Strengthen the Combination of Management Accounting and Investment and Financing Management

Compared with traditional financial accounting, management accounting has a short development time. It still needs to be further improved in the application of enterprise investment and financing management. Therefore, in the application of management accounting, it first of all needs to strengthen its organic integration with investment and financing management. Management accounting can be fully introduced in the enterprise, the concept, method and importance of management accounting should be correctly recognized, and the application of management accounting in investment and financing management should be paid attention to. In the preparatory work of investment and financing activities, market research and fund raising can be analyzed through management accounting, the cost and benefit of investment and financing activities should be analyzed to integrate with investment and financing management and play its biggest role. The development of management accounting needs to be closely around the goal of providing services for the production and operation of enterprises to ensure the scientificity and effectiveness of its work. In the daily life, it is important to strengthen the professional ability of management accounting personnel and the cultivation of professional quality to provide guarantee for the quality of management accounting from the personnel side, and meet the technical characteristics of management accounting, which is conducive to the stable development of investment and financing management.

3.2 To Help the Decision-making of investment and Financing Activities through Management Accounting

Decision-making is an inevitable behavior in the development of modern enterprises. Decision-making in investment and financing management has an important impact on the development of enterprises. It is the main part of the strategic development of enterprises. With the development of investment and financing management, it lays a good foundation for the expansion of enterprise production and business development, absorbs external capital support, and ensures the operation of enterprises. After the application of management accounting in investment and financing management, it can help the decision-making of investment and financing activities. First of all, it integrates the internal financial information of the enterprise through management accounting, puts forward the valuable information for the decision-making of investment and financing activities, and analyzes the financial capital risk of investment and financing activities at the same time to avoid the high risk situation of the finance after the development of investment and financing activities which not only makes the enterprises not get the expected benefits, but also affects the realization of the strategic goals of the enterprise and the normal business operations of the enterprise. Therefore, when management accounting is applied to investment and financing activities and their management, it is necessary to strengthen the analysis of market economy, environment, and policy, to ensure the reliability and value of financial information within the enterprise, help the investment and financing activities, find the investment and financing scale and way that fit the development of the enterprise, and provide a good reference for the management of

capital arrangement after the investment and financing activities are carried out.

3.3 To Strengthen the Control of Investment and Financing Management through Management Accounting

The main contents of investment and financing management include understanding, analyzing and evaluating the national political and economic environment related to the investment and financing industry, following the development trend of the industry, analyzing the development of the industry and market, combining the opportunities and challenges faced by the strategic objectives of enterprises and groups, to look for new opportunities for the investment and financing of enterprises, and promote the development of enterprises and groups. To carry out management accounting in investment and financing management and control, we should scientifically control the economic activities of enterprises, and reasonably plan the economic business situation of enterprises, analyze and capture the important information of investment and financing management and control in a large number of enterprise financial information, business information and external information, strengthen the management control strength and quality, and reduce the risk of investment and financing activities. However, management accounting needs to fully grasp the information construction and application in the process of implementation. Through high-efficiency information technology, the management efficiency and quality should be controlled in the whole process to ensure the effectiveness and timeliness of information in investment management and guarantee the management control. Therefore, in the daily management of management accounting, it is necessary to strengthen the construction of its information system, formulate relevant management and use systems, and improve the information management work, to provide convenience for management accounting.

4. Conclusion

Investment and financing management is an important measure for enterprise development. In the investment and financing activities, it is necessary to prepare for the preliminary work, understand the internal situation of the enterprise and the capabilities of the enterprise, and analyze its market situation, policy situation and development trend. The branch of management accounting and financial accounting can make up for the shortcomings of traditional financial accounting in decision management, investment and financing management, and is more suitable for the needs of management work. The rational application of management accounting in investment and financing management can provide a reliable reference for the investment and financing management, reduce risks of project, improve the economic efficiency of enterprises, and promote the development of enterprises.

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