

Analysis on the Optimization of Financial Management of State-owned Enterprises

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Abstract: Most of the state-owned enterprises belong to super large or large-scale enterprises, which have many management levels and complex internal management structure. Because of this characteristic, there are many problems in the internal management of enterprises, such as inadequate management, insufficient utilization of resources, low efficiency and serious loss of state-owned assets. At the same time, the huge investment in the production and operation of state-owned enterprises makes it very important to optimize financial management. In view of the above problems, this paper puts forward the financial management of state-owned enterprises, hoping that the optimization strategy can help to improve the financial management of enterprises.

1. The Significance of Strengthening the Financial Management of State-Owned Enterprises

1.1 Financial Management Is the Key to Strengthen Internal Management

Analysis of the impact of the new income standard on the financial information of the enterprise financial management is the only value management in the functional management of the enterprise, which is comprehensive. All the production and operation activities of the enterprise are reflected in the form of value, all of which are the objects of financial management, all of which are the collection, application and distribution of the enterprise's assets. Therefore, only by strengthening financial management can petroleum enterprises grasp the main contradiction of strengthening internal management, and promote enterprises to formulate various management measures purposefully, implement these measures, assess the implementation results, and finally achieve the purpose of improving enterprise management and realizing the fundamental improvement of economic situation.

1.2 Reduce Risks and Maximize the Benefits of Funds

Most of the state-owned enterprises belong to super large or large-scale enterprises, which have many management levels and complex internal management structure. Because of this characteristic, there are many problems in the internal management of enterprises, such as inadequate management, insufficient utilization of resources, low efficiency and serious loss of state-owned assets. At the same time, the huge amount of investment in the production and operation of state-owned enterprises must use the means and information of financial analysis to make careful and prudent decisions, so as to avoid huge economic losses caused by decision-making mistakes; high risk refers to the risk of exploration uncertainty in the production and operation of enterprises, The products and the supply of equipment and raw materials are greatly affected by the domestic and foreign markets, which have a strong dependence on non renewable resources, as well as the risks brought by the changes in the sales price and market share of products. To avoid risks and achieve high return on investment, only financial management should be strengthened, risk and return analysis should be carried out scientifically, decision-making information should be provided correctly, and adverse factors brought by risks should be minimized. The characteristics of capital intensive show that enterprises need to use various financial means to raise funds, maintain a reasonable capital structure, and correctly implement capital operation, Give full play to the maximum benefit of funds, and enhance the financial strength of enterprises through scientific financial management methods and means.

1.3 Promote the System Reform of State-Owned Enterprises

The establishment of modern enterprise system is the main task of the current reform of state-owned enterprises. The establishment of modern enterprise system requires the assets reorganization of existing enterprises, the clear ownership of property rights, the implementation of owner's rights and interests and various rights and powers of operators, and the construction of enterprises into real ones under the conditions of market economy. In the process of enterprise assets reorganization, how to define and quantify the property rights and ownership of each investor, how to evaluate the assets reasonably, how to correctly implement the financial separation of operating assets and non operating assets, and how to distribute the income reasonably are all financial management problems in the final analysis. Only by strengthening financial management, can we correctly implement asset restructuring, prevent artificially increasing the cost of reform, avoid the loss of state-owned assets, and ensure the smooth progress of enterprise system reform.

2. Strategies for Optimizing the Financial Management of State-Owned Enterprises

2.1 Comprehensively Strengthen Budget Management

Under the principle of "unified management and hierarchical responsibility", large state-owned group companies shall implement a three-level comprehensive budget management system of "group headquarters-specialized branches-regional companies" for all kinds of businesses in accordance, as shown in the picture below.

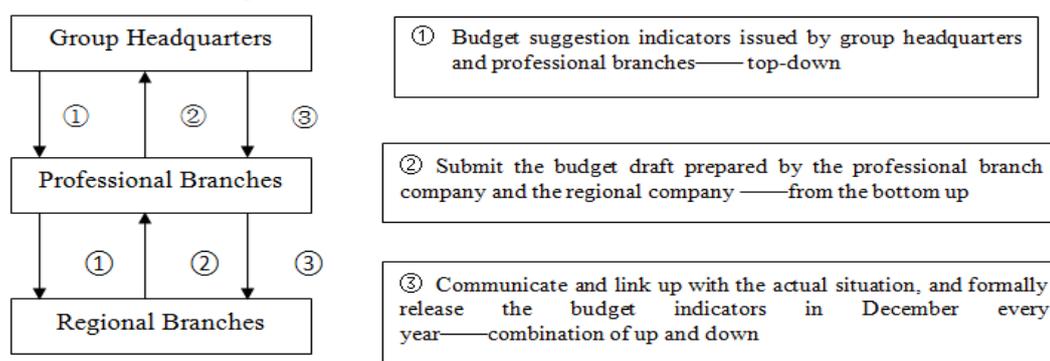


Figure 1. Three Level Budget Management System of State-owned Enterprises

According to the management idea of "intensive, specialized and integrated", 10 specialized branches are set up in the production and operation business management to divide all business activities of the group company into exploration and production, refining and sales and other different plates. At the same time, through the establishment of specialized branches, the subordinate enterprises and institutions of relevant business sectors are gathered together to give full play to the advantages of specialized management, which is helpful for each group company to "differentiate" the business of the holding company, and to solve the management problems of the holding company in accordance with local conditions. In order to give full play to the advantages of specialized and decentralized management of specialized branches, the group company adopts a three-level comprehensive budget management system in the comprehensive budget management mode, and adopts the principle of "unified management and hierarchical responsibility", so that the overall budget objectives of the group company can be effectively, comprehensively and reasonably implemented to each individual at the grass-roots level. This fully reflects the transformation of financial management of group companies from centralized management to hierarchical authorization management. When formulating the overall budget management objectives, first of all, we should take benchmarking management measures, actively carry out benchmarking in the same industry, refer to the advanced level of the same industry, pay attention to the changes in domestic and foreign market prices, and analyze the trend of changes. Secondly, it comprehensively analyzes the changes of resource tax, pipeline price, refined export and other influencing factors, formulates

scientific and reasonable budget indicators according to the characteristics of different business sectors, and gradually realizes the transformation of financial management of the group company from administrative regulation to market allocation of resources

2.2 Centralized Accounting

The application characteristics of accounting centralized accounting of group companies are mainly reflected in the following two aspects:

(1) Set up different responsibility centers according to different subordinate companies. For example, the following affiliated company—Company A, whose main responsibility centers are exploration finance section, pipeline finance section, etc. The subjects involved in the exploration finance section mainly include bank deposits, accounts receivable, etc. At the same time, through the various functional modules of the financial system (such as accounting management system, regional inter company transaction management, a / R and a / P, cost management and auxiliary management, etc.) to complete the accounting level of the group company.

(2) Centralized accounting at the accounting level to optimize and simplify the financial reporting process. In order to solve the problems of more reporting levels, long process, slow speed, many accounting entities, scattered data, poor information sharing, and difficult to conduct real-time supervision caused by the expansion of business scale and the gradual involvement of domestic and foreign businesses in the group company at the same time, the financial management mode of "one set of accounts for the whole world" is constructed, and the subordinate enterprises of the group company become centralized financial management Manage a responsibility center in a / C set. This enables the subordinate enterprises to become their own independent accounting entity and a controlled part of the group company. The head office of the group company directly generates consolidated statements, and automatically generates offset vouchers by recording the original internal transactions in real time. The internal transactions generated between the branches can be directly reconciled, and there will be no imbalance in the accounts. The consolidated report is realized the transformation from the form offset method to the account offset method simplifies the accounting process.

2.3 Construction of Financial Holding Operation Platform

The group company has set up capital Co., Ltd. as a specialized company responsible for financial business management, which is a platform for financial business integration, financial equity investment, financial asset supervision and financial risk control of the group company. At present, it manages a number of financial enterprises with complete financial business qualifications, and initially constructs a high degree of professionalism, excellent service quality, wide business coverage and development capability Strong business structure.

The strategic goal of the group company to build a financial holding operation platform is to coordinate and effectively develop financial business, build a market-oriented, characteristic and collaborative financial sector, build energy finance with core competitiveness and sustainable development ability, and become one of the pillar industries of the group company. In recent years, the financial holding operation platform has provided comprehensive professional financial services for the group company and its subordinate enterprises in terms of centralized management of domestic and foreign funds, low-cost debt financing, centralized management of commercial insurance, etc. At the same time, the financial holding operation platform gives full play to the financial characteristics of the industrial chain and helps the development of the industry

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