Problems and Countermeasures in Financial Management of Small and Medium-sized Enterprises

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Abstract. Small and medium-sized enterprises are important parts of the national economy, and they play a decisive role in economic development and social stability. In today’s increasingly globalized economy, countries also pay more and more attention to the role of small and medium-sized enterprises. At present, a considerable number of small and medium-sized enterprises simply pursue the sales and market share, ignoring the core position of financial management, besides, the management thought is rigid and backward and the enterprise management is confined to the pattern of production and management, so the role of the enterprise financial management and risk control has not been fully played.

Analysis on Problems and Causes of Financial Management

The setting of the accounting institutions is not standardized and the management mode is confused and incomplete

There are many problems in the accounting institutions of many enterprises. There are many problems: one person and multiple jobs, unreasonable allocation of work, improper placement of posts, and so on. The replacement of accountants is too frequent, and the accountants are often the relatives and friends of the upper level of the enterprise, and even the other employees are employed, so this is not really play the role of accounting. At the same time, due to the relevant restrictions, their work is unstable, and staff turnover is frequent.

Incomplete accounting information management

The accounting information is incomplete, and the data and proof of the related records are incomplete. There is no corresponding proof of income expenditure and the related reimbursement documents. The entry and counterbalance of the white article are very serious. This caused a bad effect and brought great difficulties for the financial management of enterprises. Many people did not act according to the relevant procedures, and even had only designed a cash account without setting up current account and property account. There are also a lot of problems in the handover. Many accounting procedures are not complete at the time of leaving or transferring. Some even have no relevant formalities, and there is no transfer of relevant documents, which causes incomplete accounting information.

Poor quality of financial disclosure

Through the investigation of special financial projects, we can find that some projects are not publicly available, even employees are not satisfied with transparency. Even when it is related to the personal interests of employees, it cannot be disclosed in accordance with regulations. Financial disclosure is not thorough enough to avoid some problems. A sentence on the top of the enterprise can easily decide whether to open or not, and the time of publicity is also determined by them. Because the system is not complete and the financial personnel’s benefit is not guaranteed, they dare not to disclose and have to listen to the determination of the upper level of the enterprise.
The cultural level of the financial personnel is generally low

There has been a big problem, that is, the education level of employees is generally not high, the quality of personnel is low, and the aging phenomenon is also serious. Nowadays, many employees are low educated, low level and no technology people. Their professional quality is not strong enough. They cannot deal with things in accordance with the corresponding rules and regulations, and they are not conscientious enough. This is not a standard for financial management at all. Nowadays, most of the financial and financial personnel are secondary school students, and financial work is very necessary to study financial personnel, because of the lack of talent and professional knowledge, which restricts the development of accounting. Besides, the relevant personnel’s legal literacy is not high, and they are not aware of the accounting work, so they can not implemented well and they are not good to supervise and manage the enterprises.

The internal governance structure of the company is not perfect

First of all, the internal monitoring mechanism of corporate governance is invalid. According to the relevant survey results, in most of the domestic enterprises, shareholders’ meetings as the highest rights management institutions are often nominal. Because the enterprise is divided into the functional organizations such as the shareholders' meeting, the board of directors, the board of supervisors and so on, the relationship between the various functional organizations and the mutual managers is not coordinated and standardized, which will lead to the full and effective exertion of the advantages of the various functional organizations in the way of mutual restraint and mutual promotion, which is not conducive to the good development of the enterprises in the process of operation. Secondly, we should use financial indicators to evaluate the performance of business management and affect the quality of accounting information.

Countermeasures and Suggestions for Financial Management

Establish and improve the rules and regulations and standardize the management

Now, the work of enterprise financial management has been constantly emerging from a variety of difficulties, many factors impede its development, especially in the formulation of relevant regulations, and the problems of improvement and practical application are very big. Therefore, it is extremely important to formulate and improve the relevant rules and regulations.

Perfect accounting data management procedure

Finishing the premise of the accounting information is a clear business registration in accordance with the requirements of funds for the cashier and cash journal and bank deposit journal, and timely verification, according to the enterprise financial management of economic people make the preparation of accounting vouchers, accounting books and records by. Furthermore, according to the first financial budget of the initial stage, to intensify efforts to control the progress of expenditure, on the part of the excessive use of funds of the Department, should take appropriate measures such as the use of hand to allow enterprises to commission reduced reimbursement, on the other hand should also support the specific analysis to cause the solution, make the improvement methods. Reconciliation and print vouchers in the upcoming completion and when a cashier, after the end of the year, the enterprise design ledger, part details bound, reasonable keeping secrets.

Establish and improve the system of financial disclosure

With the development of the economy, all kinds of management methods have been constantly improved, increasing financial disclosure and strengthening democratic management become the core mode. One of the most important points is to broaden the channel of financial disclosure. From the actual point of view, such as the establishment of a financial bulletin board so that the masses can understand, in addition to the installation of opinion boxes and case boxes and other ways to understand the concrete views of the masses. These methods give employees more accurate and specific understanding of the collective financial situation. Secondly, it’s good to deepen the degree
of openness to the financial sector. However, this open premise is real. There can be no false situation in economic business, and increase the practical force to ensure that the open content is consistent with life.

**Strengthen the management of accountants and improve the quality of Accountants**

The first to finance professionals, also is the accounting personnel to carry out regular rotation system, allowing them to exchange work in alternating work, to give each other a detailed account of the work, and the delivery of the relevant work and archive materials. Second, strict screening personnel, undocumented employment and open recruitment, hiring strict financial accounting personnel, to permit staff priority, which is conducive to improve the professional accountants work quality, improve work efficiency, it will not appear before the kind of undocumented employees, older, ability the entire team can improve the.

**Improve the internal governance structure of the company and the quality of accounting information**

First, to improve the independence of the board of directors and to increase the proportion of independent directors in the board of directors. Independent director, as its name implies, refers to its independence in some aspects, including interests, personality and authority. Because of these independent privileges, they can participate in the business activities fairly and impartially and deal with the problems of the enterprise. Secondly, the board of directors and the manager are supervised by the board of supervisors. In our country, although the company law pointed out that the shareholders can decide the supervisors of remuneration, but in the actual implementation process, the board of supervisors or paid by the manager or the board of directors and other senior corporate executives to control shareholders only play a role on the surface, it also makes supervisors often dominated by management, no independence at all.

**Conclusion**

With the continuous development of the market economy of small and medium-sized enterprises, it is imperative to strengthen the financial management of enterprises, gather and efficiently use production and construction funds, so as to achieve standardization, systematization, standardization and scientization of financial management. In the development of small and medium-sized enterprises economy tide and wave, the reasons existing in the financial management of small and medium-sized enterprises in China and the existing problems and how to improve the financial management problems of enterprise strategy and carried out some research, made some adaptable, phased results. The financial disclosure and democratic management put forward in this paper have more strong applicability and vitality to the improvement of the chaotic situation of enterprise financial management. The above measures and countermeasures, and has good popularization and application value, once in the enterprise financial management measures implemented, to promote enterprise financial management standardization, institutionalization, democratization, maintaining enterprise stability, promote enterprise's economic and social development, is of great practical significance.

**Reference**

