

# Research on the Innovation Management of Commercial Finance from the Perspective of Accounting Informatization

Xiao Zhang

Gies Business School, University of Illinois at Urbana-Champaign, Champaign, 61801, Illinois

**Abstract:** With the rapid development of China's economy, society and technology, in order to better strengthen the financial management of enterprises, improve the management efficiency of enterprises, strengthen the financial management of enterprise accounting, and control the internal financial activities of enterprises through scientific management, it is of great significance and role for the financial management of enterprises; accounting as the basic component of the operation of enterprises. In part, it plays a positive role in the scientific development and stable operation of enterprises. In the current society with the changing world economy, the traditional accounting management mode has been unable to meet the development requirements of modern economic management. Improving the quality of enterprise financial management through scientific management means has become an important competitive direction of enterprise development. In order to better analyze the accounting management mode of modern enterprises and strengthen enterprise management through scientific and reasonable ways, this paper analyzes the current situation of enterprise accounting financial management in China, and puts forward scientific solutions and management methods through relevant investigations, hoping to improve the quality of accounting financial management and contribute to the stable development of China's economy offer.

**Keywords:** Accounting; Informatization; Financial innovation; Business management

## 1. Introduction

In recent years, the development of various industries in our country has made remarkable achievements, especially under the promotion of market economy, the scale of enterprises in various industries has gradually expanded. Accounting, as an important part of enterprise financial management, plays an important role in the stable operation of enterprises. Therefore, strengthening the financial management and internal control of enterprise accounting plays an important role in the stable operation of enterprises [1]. Long term development and stable operation play a fundamental role; however, under the pressure of market economy, many enterprises are unable to carry out scientific and strict management of many internal financial problems due to the drive of economic interests, resulting in many problems and drawbacks in the financial management and internal control of enterprises, which seriously affect the capital turnover and transaction direction of enterprises [2]. To seriously threaten the long-term development of enterprises. In order to better promote the development of enterprises, strengthen the financial management of enterprise accounting and internal control management of enterprises, which has a positive significance for the stable development of enterprises. Therefore, combined with the current

situation and problems of financial management of Chinese enterprises, this paper analyzes the financial management of enterprise accounting, hoping to play a positive role in the development of Chinese enterprises. In the new era, great changes have taken place in various industries. In the face of the changeable economic market, all enterprises are faced with many difficulties and challenges on the way of development [3]. Especially affected by the development of information technology, the financial risk in the financial management of enterprises is becoming increasingly prominent, which has become a key factor that seriously threatens the survival and development of enterprises. In order to avoid these risks effectively, we must make a comprehensive analysis of the risk points in the financial management of enterprises, and study the causes in depth, so as to formulate targeted means for effective prevention.

## 2. Innovation Management of Commercial Finance

### 2.1. Financial leading value from the perspective of accounting informatization

In the process of commercial financial management, one of the important issues involved in financing is financing mode, which is the specific form of financing. There are

two kinds of financing methods that enterprises choose, one is direct financing, the other is indirect financing. People study all kinds of financing methods carefully, in order to grasp their advantages and disadvantages, and provide the basis for the final choice of financing methods or the determination of portfolio financing methods [4]. Absorbing direct investment means that enterprises absorb the funds directly invested by the government, other enterprises and institutions, private or foreign investors in the form of standardized agreements, etc., which will become part or even all of the capital demand sources of enterprises [5]. This kind of financing is the main form of capital raising for non joint stock companies, and the scale of financing can be adjusted according to the needs.

The share certificate is issued by a joint stock limited company and represents the shareholders' equity. The financing realized by issuing shares belongs to equity financing, which is a common way for a company to obtain its own funds [6]. Compared with the absorption of direct investment, the company can divide the required funds equally and price them with stocks with smaller par value. If the application is approved, the stocks can also be listed and freely circulated in the capital market, which is convenient for the public investors to buy and sell and more convenient for enterprise financing [7]. Although it is not difficult to establish a joint stock limited company in China at present, more efforts are needed to make the stock listed.

The loan of financial enterprises has always been an important traditional financing mode. Enterprises borrow funds from financial enterprises through loan contracts to form debt creditor relationship, so as to realize the integration of funds. Financial enterprise loans can be divided into long-term loans and short-term loans according to the term, foreign currency loans and RMB loans according to the currency, liquidity loans and fixed asset loans according to the purpose, etc [8]. Financial enterprises are always the relative surplus of funds, and loans to financial enterprises are usually the common way of financing, which is generally more suitable for the financing of enterprises below the medium scale.

Through the use of information technology, the traditional operation process is transformed or restructured to realize the comprehensive management of financial enterprises, securities, insurance and other financial institutions. Internet plus the rapid development of the Internet, the first mock exam of the Internet is the "Internet + business financial enterprise" model. Information financial institutions mainly use network technology to transform and innovate traditional credit business, such as the very common online lending business carried out by commercial financial enterprises at this stage [9]. Second, cooperate with external financial institutions to provide online loan services. For example, commercial financial

institutions cooperate with logistics platform and network platform. Traditional commercial financial institutions give full play to their capital flow advantages. Logistics platform gives full play to their logistics resources advantages [10]. Network platform gives full play to their information flow advantages, and organically integrates these advantages and resources, so as to form a network financing platform covering all the network commodity supply chain. hird, commercial financial institutions cooperate with other lending network platforms to recommend financing projects and analyze the feasibility of lending business. Based on this, optimize the financial leading value structure of financial institutions, as follows Figure 2.

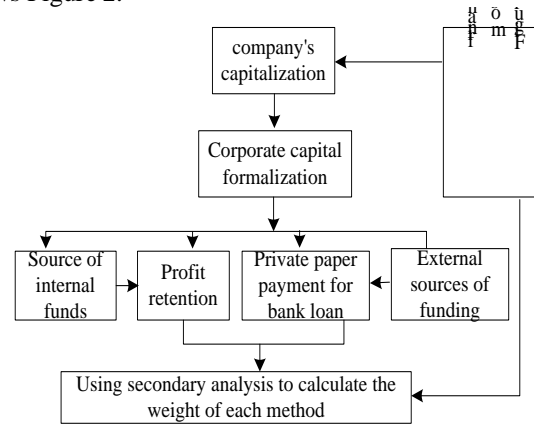


Figure 1. Accounting information processing method

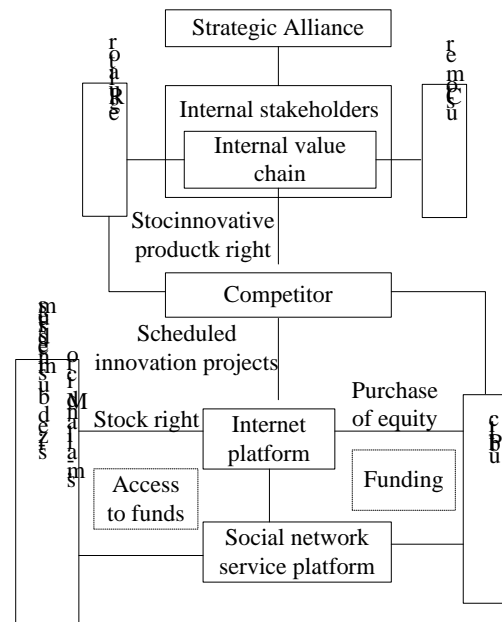


Figure 2. Financial leading value structure of financial institutions

The theory of enterprise life cycle refers to the dynamic track of the development and growth of an enterprise, including the stages of development, growth, maturity and decline. The theory of enterprise life cycle is put forward by the famous American management scientist Itzhak ADIS. He divides the enterprise life cycle into ten stages, that is, gestation, infancy, toddler, adolescence, adulthood, stabilization, aristocracy, bureaucracy, bu-reaucracy and death [11]. At present, many domestic scholars divide the life cycle into different forms. According to the financing characteristics of high-tech SMEs, this paper divides them into six stages: the initial stage, the early growth stage, the accelerated growth stage, the stable growth stage, the mature stage and the recession stage. In the implementation stage of the project, it is necessary to control the time, progress and quality of the project, as well as the cooperation of personnel and work efficiency [12]. With the rapid development of China's economy, in order to better promote the completion of the project, the enterprise will carry out management reform from the project method, project mode, project content, more close to the needs of social development, and provide good services for the society.

**2.2. Life cycle of enterprise financial innovation**

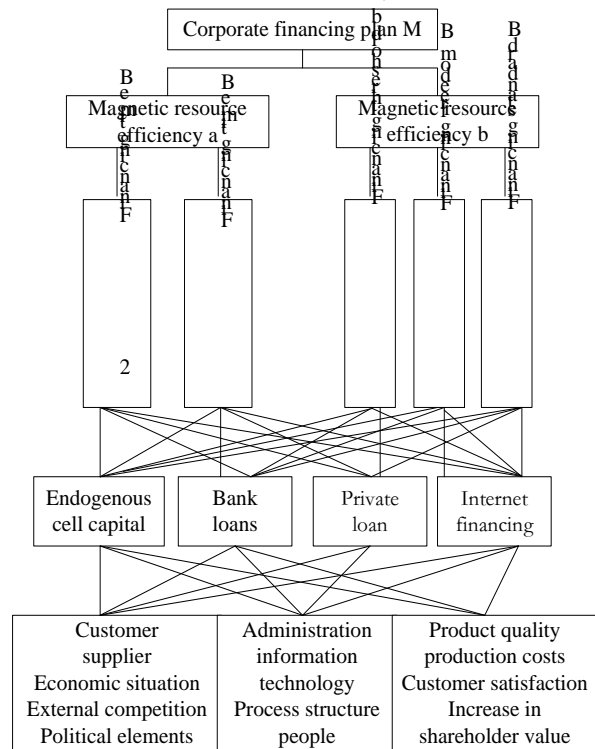
As an innovative way of financial services, Internet of things finance will be applied in the enterprise transaction market. In the dynamic risk control system of enterprise financial institutions. Internet of things finance will be used to build a sharing mechanism of enterprise reputation and information, which can achieve the purpose of supply chain visualization in the enterprise transaction market, and help to timely and accurately understand the products and goods needed in the relevant supply chain [13]. In order to achieve the real-time update of information and solve the long-term problem of information asymmetry in the supply chain. It can be said that Internet finance has completed the goal of online integration of logistics, capital flow, business flow, information flow and four flow in the enterprise trading market, so as to facilitate the relevant industries to obtain more accurate and timely dynamic information resources.

The analysis of the financial situation of an enterprise refers to the analysis and evaluation of the assets, liabilities and owner's equity of the current company. Based on various financial statements and financial data, a series of existing technologies and analysis methods are adopted. According to the main business of the company, the industry of the company is special equipment manufacturing industry [14]. Due to the industrial upgrading and transformation carried out by the state, and the active support for the third industry, the support for the manufacturing industry has been reduced. At present, the company is in the accelerated growth stage, and the future development direction letter of the company needs fur-

ther planning. This section analyzes and evaluates the profitability and solvency of the company according to the relevant financial statements of the company in recent three years to determine whether the company needs financing or has the ability to do so, and on the basis of this analysis extends the problems existing in the financing of the company. The specific analysis is as follows:

Current ratio=Current assets / current liabilities (1)

Quick ratio=(current assets inventory) \*current liabilities (2)



**Figure 3. Enterprise financial information resource scheduling**

**Table 1. Marketing indicators of commercial and financial enterprises**

Index	Crowd funding	Lending rate	Financing risk
Total assets (yuan)	0.264	0.023	0.012
Current assets (yuan)	0.631	0.065	0.054
Total liabilities (yuan)	0.334	0.048	0.035
Current liabilities (yuan)	0.296	0.039	0.047
Inventory (yuan)	0.357	0.041	0.036
Current ratio	0.462	0.051	0.054
Quick ratio	0.501	0.032	0.047

Under the background of big data integration, the transaction market can also provide the credit evaluation system for the existing small and medium-sized enterprises

and achieve the dynamic real-time and accurate effect. It can also provide the relevant schemes of Internet of things financing for enterprises to provide the safe and accurate financing guarantee for the supply chain. It basically avoids the existing credit risk problems [15]. It can avoid the possibility of false contracts, misappropriation or cheating of goods and other bad ways existing in many related enterprises, and can also curb the "island phenomenon of enterprise credit information" caused by the non sharing of information of related financial institutions, which provides a solid theoretical basis for the protection of resources and cost saving of financial institutions. Profitability index can comprehensively measure the company's access to capital, marketing ability, product cost saving and effective reduction of financial risks. In short, it is whether the company can make money, and how little it can make. This capability is a key indicator for the creditors of the enterprise, which indicates whether the company invested by the creditors can repay on schedule. Therefore, this paper evaluates the company's profitability by three indicators: gross profit margin, return on total assets and cost expense rate.

$$\text{Gross margin on sales} = (\text{main business income} - \text{main business cost}) / \text{main business income} \quad (3)$$

Table 2. Enterprise profit index

Index	2015	2016	2017
Gross margin on sales			
Main business income (yuan)	0.2453	0.2358	0.1947
Main business cost (yuan)	22.1215	23.1514	26.1851
Reporting rate of total assets (%)	175043	183460	184557
Total profit (yuan)	11.125%	13.468%	14.267%
Lishi expenses (yuan)	7781	8452	8934
Total assets (yuan)	2666751	2815423	3054870

2.3. The realization of commercial financial innovation

The openness of the enterprise's trading market makes it face more and more security threats, and the ways of threats are also changing. However, this problem can be avoided in fact. At present, the main hidden dangers of network security are: data transmission does not adopt encryption measures, that is, data is transmitted on the network in the form of clear text, which is easy to be intercepted by hackers, resulting in the loss of information and the threat of leakage. It is difficult to guarantee the integrity and authenticity of resources. The data may have been modified by hackers but not lost, and it is difficult for the receiver to find out, which leads to misjudgment caused by the wrong information, resulting in great losses and errors. People who do online transactions do not know each other, how to confirm the identity of the other party and other issues. The model is divided into four levels: the first level is the target level, the

second level is the criteria level, including two indicators, the third level is the indicator level, including five indicators, the fourth level is the program level, including internal financing, financial enterprise loans, private loans and Internet financing. The established hierarchy chart shows:

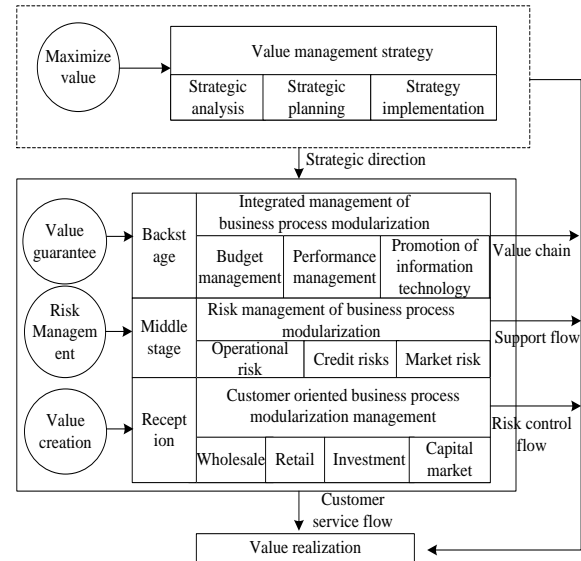


Figure 4. Hierarchical analysis structure of financial enterprises

The value budget dominated by accounting information also plays an important role in the budget management system, which is also the most comprehensive budget system at present. Accounting informatization takes both financial risks and long-term interests into account, which is conducive to the sustainable development of financial enterprises. At the same time, accounting informatization decomposes the overall business objectives of financial enterprises into basic internal modules, which is easy to understand and accept. Under certain conditions, the accounting informationization created by the financial enterprise or the first mock exam can be calculated at any time. The budget system with accounting information as the core will be the inevitable direction for the future development of financial enterprises. According to the hierarchical analysis structure chart above, the judgment matrix of financing scheme is established in turn, and the judgment matrix is assigned. In order to ensure the accuracy of each index and facilitate the decision-making and quantitative analysis, the odd number in the integer 1-9 is taken as the main grade, the even number is taken as the middle choice of the main grade, while the reciprocal number represents the opposite judgment, 1 represents the same importance degree of the two elements, 3 represents the stronger importance degree of the element I relative to the element, 5



departments. It can be seen that the analytic hierarchy process has high accuracy in the analysis of problems in the process of high-level implementation. Keep the human factors in the process of high-level execution and low-level execution unchanged, study the influence of different human factors on the problem analysis in the process of high-level execution, and compare the traditional analysis method with the method in this paper, the results are as shown in the figure.

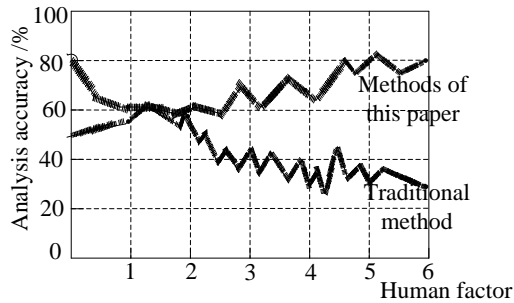


Figure 6. Comparison of application effect of commercial financial innovation

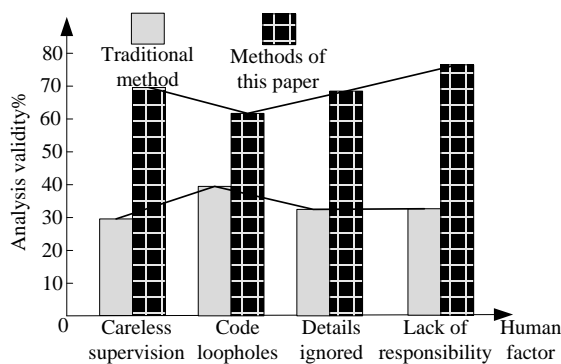


Figure 7. Comparison of two common problems in financial enterprise management

Based on the above comparison results, it is not difficult to find that compared with the traditional financial management methods, the business financial innovation management method proposed in this paper can solve the current common financial problems more effectively in the process of practical application, ensure the effect of financial innovation management, and promote the economic development of enterprises.

#### 4. Conclusion

China's financial industry is also growing in the rapid development of the times and economy, and domestic enterprises are also constantly improving and upgrading the internal management mode in this process. In this context, the financial risk prevention and control management of enterprises is becoming more and more im-

portant. As the direct person in charge of financial management, their work level and quality also play an important role in the development of enterprises. Therefore, we must strengthen the management of financial accounting departments in the new era, improve their ability of financial risk prevention and control, in order to ensure the steady development of enterprises. Based on this, taking the risk prevention and control of enterprise financial accounting as the center, this paper analyzes the causes of financial accounting risk and the corresponding preventive measures.

#### References

- [1] Su R., Yang Z., Dutta A. Accounting information comparability and debt capital cost empirical evidence from chinese listed companies. *Asian Economic and Financial Review*. 2018, 8(1), 90-102.
- [2] Ming L., Anning T., Shuyi L., et al. Accounting informatization luating the quality of enterprise environmental accounting information disclosure. *Sustainability*. 2018, 10(7), 2136-2139.
- [3] Ramos F.M., Klann R.C. Relationship between quality in accounting information and organizational characteristics of the third sector entities. *Organizações & Sociedade*. 2019, 26(88), 9-27.
- [4] Brizolla M.M.B., Klann R.C. Influence of environmental expenditures and environmental disclosure in the quality of accounting information. *Environmental quality management*. 2019, 28(4), 37-47.
- [5] Liu F.C., Hsu H.T., Yen D.C. Technology executives in the changing accounting information environment: Impact of IFRS adoption on CIO compensation. *Information & Management*. 2018, 55(7), 877-889.
- [6] Susanto A., Meiryani. The quality of accounting information system and its impact on the quality of accounting information: User ability and top management support. *Journal of Engineering & Applied Sciences*. 2018, 13(2), 384-387.
- [7] Mulyani S., Kasim E., Yadiati W., et al. Influence of accounting information systems and internal audit on fraudulent financial reporting. *Opcion*. 2019, 35(21), 323-338.
- [8] Lauretta E. d The hidden soul of financial innovation: An agent-based modelling of home mortgage securitization and the finance-growth nexus. *Economic Modelling*. 2018, 68, 51-73.
- [9] Bernier M., Plouffe M. Financial innovation, economic growth, and the consequences of macroprudential policies. *Research in Economics*. 2019, 73(2), 162-173.
- [10] Costabile L., Neal L. Financial innovation and resilience (a comparative perspective on the public banks of naples (1462-1808) || the investments of the neapolitan public banks: a long run view (1587-1806). 2018, 10.1007/978-3-319-90248-7(Chapter 5), 95-123.
- [11] Li X., Subrahmanyam A., Yang X. Can financial innovation succeed by catering to behavioral preferences? Evidence from a callable options market. *Journal of Financial Economics*. 2018, 128(1), 38-65.
- [12] Mollahmetolu E., Akal B.Y. The missing-link between financial development and economic growth: financial innovation. *Procedia Computer ence*. 2019, 15(8), 696-704.
- [13] Afik Z., Jacoby G., Stangeland D., et al. The make-whole and Canada-call provisions: A case of crosscountry spillover of financial innovation. *Journal of International Financial Markets Institutions & Money*. 2019, 61, 120-127.

- 
- [14] Md. Q., Jianguo W. Financial innovation, stock market development, and economic growth: an application of ardl model. *International Journal of Financial Studies*. 2018, 6(3), 69-70.
- [15] Clarke C., Tooker L. Social finance meets financial innovation: contemporary experiments in payments, money and debt. *Theory Culture & Society*. 2018, 35(3), 0263-276.