

# The Construction of Group Financial Management Information System

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**Abstract.** With the development of economic globalization and market economy, in order to adapt to the increasing demand of business development, group enterprises urgently need to establish a financial centralized management and control platform with perfect functions, so as to create a value headquarters. This paper first analyses the necessity of establishing the financial management information system of the group enterprise, then introduces the function of the group financial management information system, and finally gives the construction method of the group financial management information system.

**Keywords:** Financial Management Information System, Construction; Group

## 1. Introduction

The construction of group financial management information system involves multiple management levels of the enterprise. An efficient financial management information system can significantly improve the economic benefits of the group enterprise. At present, with the expansion of business and the complexity of management level, it is urgent to build a perfect group enterprise management information platform to achieve multi-level and multi collaborative financial management [1]. In addition, the construction of financial management information system is not only helpful to reduce the internal management and operation costs of group enterprises, but also helpful to solve the problems such as low management efficiency which are easy to occur in group enterprises through digital management, so as to significantly improve the market competitiveness of group enterprises [2].

## 2. The necessity of establishing financial management information system of group enterprises

### 2.1. The way to optimize financial management for group enterprises

With the continuous development of enterprise groups, their business types have gradually developed from a single enterprise to a diversified, multi format group enterprise, often with many subsidiaries. Therefore, the original single financial management system of group enterprises can not meet the



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needs of multi business development. It is necessary to establish a perfect centralized financial information management and control mechanism of group enterprises, build a unified financial management and control platform, so as to unify the financial policy system and centralized financial accounting of all subsidiaries. Eliminate barriers between internal organizations, achieve centralized control of upstream and downstream finance of the group, and finally achieve business and financial integration [3].

### 2.2. Necessary measures to reduce management and operation risks

There are many variables and levels involved in the management of group enterprises, so it is difficult to manage, resulting in the corresponding increase of business risks faced by the group. After the collectivization, the enterprise has a wide range of management, diversified operation, and more complex environment in the process of control and operation. In addition, after the enterprise grouping, the management level will increase relatively, and the potential management loopholes will be increased in the intermediate process, which will further increase the operational risk. The diversified development of the group will bring a wider profit space, but also correspondingly improve the difficulty of financial management [4]. Therefore, it is more and more important to build the financial management information system of group enterprises, which can not only minimize the impact of human factors in the intermediate process, but also significantly improve the efficiency of financial management, improve the level of operation and management, so as to reduce the management and operation risks of the group [5].

## 3. The function of group financial management information system

### 3.1. Challenges faced by financial management information system of group

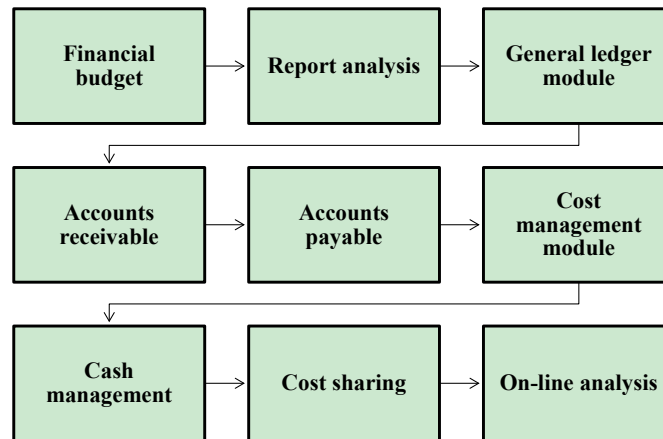
With the expansion of the group enterprise scale, the financial management information system is faced with dual challenges from the outside and the inside of the group, as shown in Table 1 below.

**Table 1.** Challenges from the outside and the inside of the group

No.	Challenges	Details
1	Outside of the group	1.1 Customer centered personalized service model 1.2 Value chain management 1.3 Rapidly changing market conditions 1.4 Requirements of new accounting standards
2	Inside of the group	2.1 Financial information acquisition mode 2.2 Matter control 2.3 Financial accounting report system

### 3.2. Function module of financial management information system

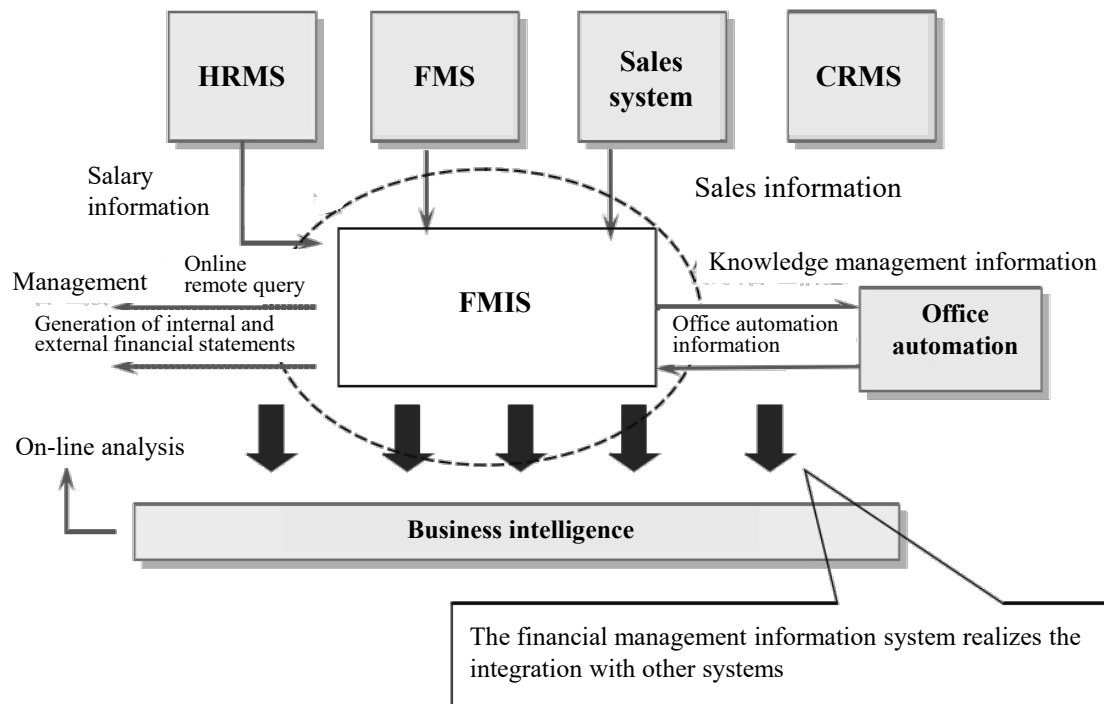
The financial management information system is composed of various modules as shown in Figure 1. Each module realizes different functions including financial accounting and management accounting.



**Figure 1.** Modules of the financial management information system

**3.3. Relationship between financial management information system and other systems**

The scope of financial management information system embodies the integration of financial management system, production, sales, customer relationship management and online analysis system. The relationship between the financial management information system and other systems of the group is shown in Figure 2.



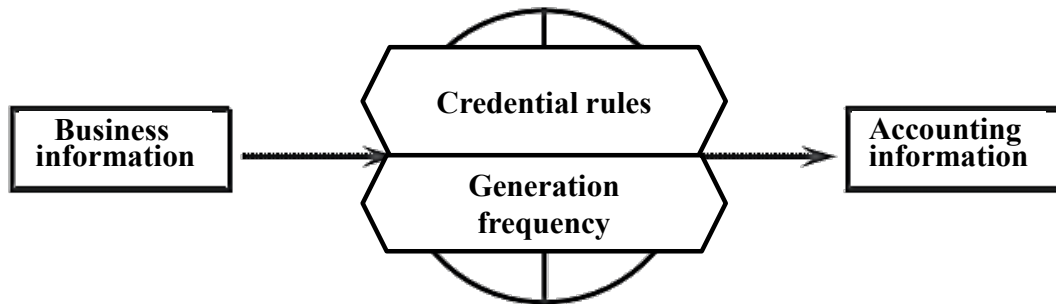
**Figure 2.** Relationship between the financial management information system and other systems

**4. The construction of group financial management information system**

**4.1. Information acquisition**

Based on the accounting and management mode of financial business integration, the financial

department and business department adopt the financial method to control the business process. This accounting and management mode integrates accounting data and business data. In the integrated application state, the transformation of business information and accounting information is shown in Figure 3.



**Figure 3.** Transformation of business information and accounting information

#### 4.2. Comprehensive budget management and fund management

First of all, the comprehensive budget and group financial management information system are combined to effectively achieve the preparation of comprehensive budget, and through the integration of budget implementation and control, timely access to business information, real-time monitoring of budget implementation, so as to achieve the control of budget. Secondly, it integrates with budget analysis and assessment to realize budget management as the main management means of the group. In addition, credit mechanism is introduced into internal management. According to the business characteristics of the group, credit management is carried out for departments or projects to reduce the opportunity cost of internal transaction capital and accelerate capital turnover.

#### 4.3. Financial statements and financial analysis

The group financial management information system automatically generates dynamic reports to manage the dynamic financial information. Through the financial management information system, all kinds of financial statements are updated at any time to conduct timely financial analysis. In addition, it can simulate the value flow among the functional departments within the group, cooperate with the whole group on a single platform, and adjust the overall financial objectives in time.

### 5. Conclusions

Through the construction of the financial management information system in line with the development trend of the group, the core function modules of the information system are realized, and the information sharing with other information systems is realized to provide support for business decision-making. In addition, through the information system of financial management, the loopholes of financial management under the traditional mode are avoided; the financial policy system and centralized financial accounting of the group are unified, so as to realize the centralized financial accounting of all subsidiaries of the group and the integration of business and finance. By standardizing the preparation process of consolidated reports, the application of consolidated reports can be realized, so as to improve the core competitiveness of enterprise groups in the market.

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