

Research on the Construction of Management Accounting System in the New Era

——Taking Jihua Group as an Example

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Abstract: With the continuous refinement of the internal division of labor, the importance of management accounting system to enterprise management is increasing. The internal cost resource management and strategic development needs of enterprises can no longer be met by traditional financial reporting systems. Innovating the existing financial reporting system and deepening corporate management at the same time is an urgent problem faced by most enterprises in China. Innovative management accounting system and model, through the successful practice of some enterprises, has gradually developed into a new trend of the transformation and upgrading of China's internal financial reporting system.

Taking Jihua Group as the research object, this paper first analyzes the limitations of the existing financial reporting system, secondly puts forward the frontier theory of management accounting and the need to promote the reform of the management accounting system, and again analyzes the path of innovative management system reform adopted by Jihua Group to obtain the feasibility of its management system reform, and finally puts forward the enlightenment brought by the management system reform of Jihua Group to other enterprises.

Keywords:Jihua Group; Management Accounting System; Strategic Costs; Consolidate Budgets; Cost Management

1. Limitations of the Existing Financial Reporting System

The existing financial reporting system is constrained by a number of factors when it comes to reflecting enterprise-related information. The financial reporting system is to meet the needs of external report users to understand enterprise information and related decision-making, but also to select the data indicators in the reporting system, for relevant considerations, the financial reporting system is to meet the external report users' understanding of enterprise information and related decisions, but the goal of external report users makes the existing financial statement system have defects that reflect the corporate strategy, mainly manifested as: the formulation and implementation of internal management decisions of the enterprise should be from a strategic perspective. The strategic height of cost and expense is insufficient, the formulation and implementation of internal management decisions of the enterprise should be from a strategic point of view, the target task of the external report user makes the existing financial statement system defective, mainly manifested as: the strategic height of the cost is insufficient, the formulation and implementation of the internal management decision of the enterprise should be from a strategic point of view, and the target task of the external report user makes the enterprise.

2. Innovate the Reform of the Management Accounting System

2.1 The Consolidated Budget Should Be Realized From the Perspective of Financial Accounting

Financial accounting is an important basic work of enterprises now, which records and accounts for the funds, assets,

liabilities and other data required by the production and operation of the unit through a series of accounting procedures, provides information for decision-making, and then analyzes and evaluates the budget expenditure required by the enterprise in the next stage, through the basic underlying financial data information. It can be seen that financial accounting work and budget management work complement each other, and the financial accounting work and budget management work of enterprises promote each other. In the process of enterprise operation, financial personnel can generate financial reports through the financial accounting information system, and then conduct comprehensive comparison and analysis with the content of budget planning, so as to find the deviation points in the production and operation process of the enterprise, so as to lay a solid foundation for the next stage of work arrangement and reduce the future financial risks of the enterprise.

2.2 Enterprise Costs Should Be Analyzed From a Strategic Cost Perspective

From the perspective of financial accounting, the current cost has directly affected the current profit, so the current cost will be more controlled, the current cost will be pressed down, and the current profit will be pressed up. From the strategic expenditure analysis, part of the current expenditure, such as office expenses, travel expenses, etc., can be compressed; There are also some that cannot be compressed, such as depreciation costs, amortization costs, etc., which cannot be compressed. This point should be treated differently, not the lower the cost, the better, even if the cost can be compressed, not the lower the better.

2.3 Cost Management Should Be Strengthened From a Strategic Cost Perspective

Strategic cost management refers to how to use strategic cost information to make strategic choices under different strategic choices, how to organize cost management, which is a cost management method, which can not only reduce cost efficiency, but also enhance the market position of enterprises. Through the analysis of itself and its external affiliates, companies can strategically position themselves clearly. Combining strategy and cost management can make the cost information of the enterprise more clear, improve the efficiency of cost management, and minimize the waste of resources. Compared with the traditional cost management model, the strategic cost management method is more scientific and reasonable, and the strategic elements have a decisive impact on cost management.

3. Company Profile

Jihua Group Co., Ltd. is the production and support base of military products of the Chinese military and armed police forces, the main military products production and support base of the Chinese army and the armed police force, and is the main unified dress unit and professional dress unit of the government. Since the 90s of the 20th century, Jihua Group has actively explored and applied management accounting tools, taking the reform pilot of Xinxing Jihua as the driving force, promoting management accounting innovation and financial innovation value as the starting point, starting from financial management.

4. Carry out Reforms

4.1 Create an Integrated Budget and Control the Company's Operations

Since 1993, Jihua Group has established a comprehensive budget management system and has continued to grow on this basis. Today, the central position of the "225" management system has become a highlight when it comes to integrating budgeting tools. The system includes "two systems" (i.e. simulation of legal person operation mechanism and rapid linkage mechanism for R&D, production, supply, logistics and sales), "two centers" (cost and expense center and profit center), "five systems" (responsibility system, index system, tracking system, evaluation system, assessment system), "three systems" (i.e. "two systems"), "three systems" (that is, "two systems" are the basis of the system, "two centers" are the carriers of budget management, and "five systems" It is an important part of ensuring the implementation of budget management.

4.2 Implement the Unit Price of the Process and Strengthen Cost Management

Jihua Group has introduced an advanced standard working hour detection system, and GSD standard working hours have realized the transformation from fixed amount to process cost to process unit price in cost management, and implemented

standardized and standardized operations by decomposing equipment and operation actions. Under such reforms, the task of distribution by superiors in the past has become the autonomous decision of workers, from the heavy output of the past to the current heavy efficiency. The implementation of the unit price of the process has solved the problem of fixed wages and equal distribution of employees in traditional state-owned enterprises, truly embodies the need for more work, more ability, and more skills, and mobilizes the enthusiasm of workers.

4.3 Based on strategy, Build a Management Accounting Reporting System

Jihua Group designed a strategic management accounting report to provide value information from finance to business and from business to cause, that is, based on the value information of the causal chain, and put forward the causal chain management accounting report, because the management accounting report has problems such as fragmented content, data mainly relying on manual collection, and no logic; Secondly, the Group will design a set of management accounting statements from the strategic level to specific key indicators to budget formulation according to the target values of the key indicators. Finally, the Group will also design performance indicators and financial data monitoring reports, analyze the causes of abnormalities through multi-dimensional analysis and comparison of key indicators, financial data, business processes and specific operations, put forward suggestions for improvement, and effectively screen abnormal indicator data.

5. Conclusions and Recommendations

Through a series of reforms such as building an integrated budget, implementing process unit price, strengthening cost management, and building a management accounting reporting system, Jihua Group has achieved better cooperation between various processes around the company's value chain, as well as the company's transformation from business-oriented to value-oriented, and also stimulated the enthusiasm of production workers, thereby improving the company's operational efficiency, which also brings us some enlightenment.

Integrated budget effectively integrate production and operation activities into the requirements of the budget, and redesign and reengineer the business systems such as strategy, organization, process, operation, position and information of the enterprise. In this process, the behavior goals of various departments, positions, links and other subjects within the enterprise are effectively integrated with the overall budget objectives of the enterprise, so that the enterprise budget and the future production and operation activities of the enterprise are connected and connected, which provides a strong guarantee for the operation and development of the enterprise.

The process unit price management accounting method with strong promotion and reference value is not only suitable for garment production enterprises, but also suitable for similar production enterprises, meeting the following conditions: producing products with larger batches. The production is characterized by many steps, many links, or many processes; Production is characterized by assembly line and group labor. The implementation of process unit price is not only a reform and beneficial attempt of the management mode of enterprises to use the internal market mechanism.

Through the construction of a multi-dimensional causal chain management accounting report traceability system, it provides a basis for profit center accounting, cost and expense center accounting, provides effective information for the assessment of job responsibilities, and accounts for the specific input and output of each product, batch, and even each process.

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