

# Research on the Application of Management Accounting in Financial Management of Colleges and Universities

Xiangyun Liu

Southwest University of Science and Technology,621010

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**Abstract:** Management accounting is an important part of the modern accounting system and plays an important role in the financial management of colleges and universities. This paper first analyzes the significance and current situation of the application of management accounting in the financial management of colleges and universities, and puts forward corresponding solutions to the problems existing in the application process of management accounting.

**Keywords:** Management accounting; Colleges and Universities; Financial management; Application

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## 1. Significance and Status Quo of the Application of Management Accounting

Management accounting is a branch of the accounting profession, mainly used in the financial management of enterprises and institutions. In the financial management of colleges and universities, due to the influence of traditional concepts, many colleges and universities still have shortcomings in the application of management accounting, which cannot meet the needs of financial management of colleges and universities. With the development of economy and the deepening of the financial management system reform in colleges and universities, how to better apply management accounting to the financial management of colleges and universities to improve the level of financial management has become a problem that colleges and universities must consider and solve.

In recent years, with the deepening of China's reform of economic system, the number of various economic entities has been increasing, and the accounting practitioners have been increasing year by year. In order to better meet the needs of economic development, it has become a general trend to introduce modern management ideas and methods on the basis of existing accounting system. However, the current accounting system and accounting theory in Chinese colleges and universities are based on the traditional accounting system. It is difficult to introduce modern management ideas and methods into the financial work of colleges and universities. Therefore, in order to make management accounting play a greater role in the financial work of colleges and universities, it is necessary to construct a perfect, scientific and systematic financial management system based on the actual situation of schools themselves.

## 2. Problems Existing in the Process of Applying Management Accounting in Colleges and Universities

College administrators have insufficient understanding of management accounting. Some college administrators do not have a complete understanding of management accounting, and think that management accounting is to control costs and make budgeting, and its role in college financial management is very small. Although some college leaders are aware of the importance of management accounting, they cannot carry out their work well in the specific work due to the lack of awareness of applying management accounting, which leads to the failure of colleges and universities to give full play to the role of management accounting.

It is single that the knowledge structure of financial personnel in colleges and universities. As China's colleges and universities generally implement the "budget center system", most of the financial personnel in colleges and universities only engage in budget, reimbursement and other work, which leads to that many financial personnel have little understanding of management accounting knowledge, and cannot combine the knowledge with the actual situation, so it is difficult for them to provide effective decision support for managers.

It is narrow that the scope of application of management accounting. At present, Chinese colleges and universities only apply

management accounting as a means and tools in the financial work, and do not treat it as a strategic concept, nor integrate it into the daily management work, so it cannot play its due role in the practical work.

There are no effective internal controls and supervision mechanisms. At present, China's colleges and universities have basically established relatively perfect internal control systems, but these systems are basically established for the whole level of the school. Without effective supervision and control of daily business, it is difficult to find financial risks and business risks in time. As a result, some risks are not detected and dealt with in a timely manner, which results in reputational and financial losses to the school.

### **3. Perfect the Financial Management System of Colleges and Universities**

It is necessary to change the traditional financial management concepts. Colleges and universities should pay attention to the role of management accounting in financial management, change the traditional concept of financial management, strengthen the functions of financial management in colleges and universities, and achieve unified planning, unified decision-making, unified management and unified coordination. At the same time, it is necessary to increase the training of financial personnel to improve the professional qualities and abilities of financial personnel in colleges and universities.

It is necessary to establish a sound internal control system. At present, there is a widespread problem of imperfect internal control system in colleges and universities in our country. Establishing a perfect internal control system is the key to achieve the goal of financial management and improve the level of financial management in colleges and universities. The establishment of the internal control system should first establish a perfect institution, clear the responsibilities and limits of authority of each department to ensure them mutual restraint, formulate and perfect various internal control systems, and enhance the awareness of internal control and legal concept.

It is necessary to strengthen asset management. Fixed assets are one of the most important components of university capital investment. Scientific and effective management of fixed assets is an important means to strengthen financial management, improve the efficiency of capital use and realize the optimal allocation of resources. Therefore, colleges and universities should pay more attention to the management of fixed assets, classify and file fixed assets, regularly check and take stock of fixed assets, and strengthen the accounting, supervision of fixed assets and other work.

It is necessary to strengthen budget execution and analysis. Budget is the basis and foundation of economic activities in colleges and universities. It is necessary to establish a sound, scientific and rational budget system and strengthen budget execution and supervision efforts. At the same time, it is necessary to establish a perfect budget analysis index system, and strengthen the inspection and supervision of the problems and deficiencies in the school financial work through the analysis, evaluation and control of the budget execution. In addition, it is necessary to establish and improve the internal supervision system of colleges and universities, carry out internal audit work regularly, and strengthen the supervision and inspection of budget execution, financial revenue and expenditure, and the use of funds.

### **4. Improve the All-round Qualities of Financial Personnel**

The qualities of management accounting personnel determine the effect of the application of management accounting in university financial management. With the popularization of information technology, the era of knowledge economy has quietly arrived, which puts forward higher requirements for financial management personnel in colleges and universities. Financial management personnel in colleges and universities should actively adapt to the development of The Times, constantly improve their all-round qualities, and provide strong support for financial management in colleges and universities.

Firstly, colleges and universities should strengthen the training of management accounting personnel and improve their professional ability through various forms of education and training. Colleges and universities should set up special management accounting courses or training institutions to train a group of compound talents who have both professional knowledge of accounting and management knowledge and methods. Secondly, colleges and universities should speed up the introduction and training of high-level management accounting talents. Regular business training, seminars and other activities can be used to constantly improve the professional ability and level of financial personnel in colleges and universities. Carrying out academic exchange activities and hiring experts and scholars to give lectures can be used to constantly expand the vision of the financial personnel in colleges and universities and improve their all-round qualities. Thirdly, it is necessary to strengthen the continuing education of accounting personnel and improve the continuing education system. Colleges and universities should establish a reasonable continuing education system according to their actual conditions. In addition to regular business training for financial and accounting personnel, learning plans should also be formulated according to their own needs and characteristics, and financial personnel should be encouraged to participate in professional qualification examinations and academic education. Finally, it is necessary to establish and improve the incentive mechanism. Scientific

and reasonable incentive mechanism is used to mobilize the enthusiasm and initiative of financial personnel to participate in financial work, and encourage them to think creatively and propose solutions in their work.

## **5. Establish an Information Platform to Achieve Information Sharing**

With the development of modern information technology, it is of great significance to establish an information platform which conforms to the characteristics of colleges and universities to achieve information sharing. When constructing the information platform, it is necessary to make full use of the Internet and cloud computing technology and combine with the characteristics of colleges and universities and their degree of informatization to collect and organize the relevant data of financial management into a database to achieve data sharing. Through the construction of the network platform, the financial data collected by various departments in the university can be organized into a database, and the data can be classified and stored, and the required data can be extracted at any time according to the needs. When establishing an information platform, network security protection should be strengthened to ensure data security. After the database is established, it is necessary to regularly backup, maintain, and update the database. At the same time, it is necessary to strengthen the training of financial management personnel and improve their knowledge and understanding of financial management information to enable them to adapt to the requirements of financial management work under the new situation.

## **6. Conclusion and Future Development Direction**

Through the study of this paper, we understand that it is of great significance that the application of management accounting in the financial management of colleges and universities. Financial management in colleges and universities is a complex work involving multiple departments and funds. The application of management accounting can help colleges and universities better carry out capital management, cost control and budgeting, and improve the efficiency and effect of financial management. However, there are still some problems in the process of applying management accounting in colleges and universities, such as information asymmetry, low quality of personnel, insufficient information sharing. These problems have seriously affected the effective application of management accounting in university financial management.

Therefore, we put forward some suggestions to perfect the financial management system of colleges and universities, improve the all-round qualities of financial personnel, and establish an information platform to realize information sharing. The implementation of these measures will help to solve the problems existing in the process of applying management accounting in colleges and universities, and promote the wide application of management accounting in the financial management of colleges and universities.

In the future, with the continuous development of information technology, the application of management accounting in university financial management will usher in more opportunities and challenges. In the future, we suggest that colleges and universities pay more attention to the role of management accounting, strengthen the research on management accounting, and promote the innovative application of management accounting in college financial management. At the same time, colleges and universities should strengthen the training and education of financial personnel, improve the all-round qualities of financial personnel, and provide talents support for the wide application of management accounting. In addition, colleges and universities should strengthen communication and cooperation with other departments, establish a perfect information sharing platform and realize the effective integration of financial information and business information to create better conditions for the application of management accounting.

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