

# Research on Enterprise Financial Performance Management under the High-quality Economic Development

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**Abstract:** In the background of high-quality economic development, enterprises are facing higher competitive pressure and development requirements. In such an environment, effective financial performance management has become one of the key factors for enterprises to achieve sustainable competitive advantage and achieve long-term development. Therefore, it has important theoretical and practical significance for the research of enterprise financial performance management under the high-quality economic development. The purpose of this study is to explore the key factors of corporate financial performance management and its influence on corporate performance under high-quality economic development. Through the review and theoretical analysis of relevant literature, this study presents a series of suggestions to help enterprises improve their financial performance management in the context of high-quality economic development.

**Keywords:** High-quality development; Corporate financial performance; Financial performance management

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## Fund Project:

- (1) Research Science Institute of Education Department of Hunan Province in 2022: Research on the spatial-temporal coupling mechanism between ecological protection and high-quality economic development in the Xiangjiang River Basin (22C0625)
- (2) Self financing project of Hengyang Social Science Fund in 2022: Research on the mechanism of coupling and coordinated development of ecological protection and high-quality economy in Hengyang (2022D056)
- (3) 2023 Hunan Provincial Social Science Achievement Evaluation Committee's General Project Self raised Project: Research on the Coupling and Synergy of Ecological Protection and High Quality Economic Development in the Xiangjiang River Basin and Countermeasures (XSP2023JJC003)

## 1. Foreword

Enterprise financial performance management refers to the maximization of enterprise financial performance through the management of financial objectives, financial processes and financial results. It involves strategic planning, management by objectives, financial analysis, performance evaluation, incentive mechanism and risk management. At the same time, enterprises should consider introducing non-financial indicators, improve the performance evaluation system, and establish a scientific and effective incentive mechanism to stimulate the work motivation and innovation ability of employees. In this way, enterprises can better adapt to the requirements of high-quality economic development, and achieve the improvement of financial performance and sustainable development.

## 2. The key factor of enterprise financial performance management under the high-quality economic development

### 2.1 Strategic planning and target management

In the context of high-quality economic development, enterprises need to clarify their strategic positioning and development goals to ensure the consistency of financial performance and the overall development goals of the enterprise. Management by objectives

involves setting quantifiable financial goals and monitoring and evaluating the achievement of the goals through effective performance indicators and control measures.

## **2.2 Capital structure and capital operation and management**

High-quality economic development requires enterprises to pay more attention to efficiency and robustness in their capital structure and capital operation and management. Reasonable capital structure can balance the financing cost and risk of enterprises and improve their financial performance. At the same time, effective capital operation and management can reduce the cost of enterprises and improve the efficiency of capital utilization. Therefore, enterprises should optimize their capital structure, balance long-term debt and equity financing, and strengthen cash flow management and capital turnover control to improve financial performance.

## **2.3 Performance evaluation and incentive mechanism**

Performance evaluation should take into account both financial and non-financial indicators and focus on long-term value creation and sustainable development. The incentive mechanism should match the performance evaluation and provide incentives and incentive mechanisms to stimulate the work motivation and innovation ability of employees.

## **2.4 Resource allocation and risk management**

High-quality economic development requires enterprises to be more scientific and flexible in resource allocation and risk management. Reasonable resource allocation can optimize the combination of production factors, improve the efficiency of resource utilization and production efficiency, so as to improve the financial performance. At the same time, effective risk management can reduce the impact of various risks faced by enterprises on financial performance. Enterprises should strengthen the planning and management of resource allocation, give full consideration to market demand, technological innovation and competitive advantage factors, and strengthen risk identification, evaluation and control, so as to ensure the stable and sustainable growth of financial performance.

## **2.5 Management structure and internal control**

Under the high-quality economic development, the management structure and internal control of enterprises are one of the key factors to ensure the effective implementation of financial performance management. Only with the support of good management structure and internal control, enterprises can better achieve the goal of financial performance management under the high-quality economic development.

# **3. The influence of enterprise financial performance management on enterprise performance under the high-quality economic development**

## **3.1 Influence on enterprise value creation**

Effective financial performance management can have an important impact on the value creation of enterprises. Through reasonable resource allocation, capital structure optimization and risk management, enterprises can improve the rate of return and benefit of assets, thus increasing the value of enterprises. At the same time, the scientific and feasible performance evaluation and incentive mechanism can stimulate the work enthusiasm and innovation ability of employees, and further promote the value creation. Therefore, the enterprise financial performance management under the high-quality economic development plays an important role in promoting the value creation of enterprises.

## **3.2 Impact on the sustainable development of enterprises**

High-quality economic development requires enterprises to achieve sustainable development, and financial performance management plays a key role in this process. In addition, the performance evaluation and incentive mechanism can stimulate the innovation vitality and work motivation of employees, and promote the continuous improvement of the innovation ability and competitiveness of enterprises. Therefore, the enterprise financial performance management under the high-quality economic development is very important to the sustainable development of enterprises.

## **3.3 Impact on the innovation ability of enterprises**

Innovation is one of the important driving forces of high-quality economic development, and financial performance management can have a positive impact on the innovation ability of enterprises. The enterprise financial performance management under the high-quality economic development plays an important role in promoting the innovation ability of enterprises.

# **4. The improvement path of enterprise financial performance management under the high-quality economic development**

In the context of high-quality economic development, enterprises need to continuously optimize and improve their financial

performance management to adapt to market changes and achieve sustainable development. Here are a few ways for improvement:

#### **4.1 Strengthen data analysis and decision support**

In the environment of high-quality economic development, enterprises are facing more complex and rapidly changing market demand and competitive pressure. Therefore, enterprises need to strengthen the analysis and utilization of financial data to support decision-making and business development. By using advanced data analysis technologies and tools, enterprises can better identify market trends, predict changes in demand, and then adjust strategic planning, optimize resource allocation, and maximize financial performance.

#### **4.2 Introduce new performance evaluation indicators**

Traditional financial performance evaluation is mainly based on financial indicators, such as profit margin, return on assets, etc. However, in the era of high-quality economic development, the development of enterprises has not only relied on the measurement of financial indicators. Therefore, enterprises should consider introducing more comprehensive and comprehensive performance evaluation indicators, including non-financial indicators such as customer satisfaction, employee participation and innovation ability, so as to more accurately evaluate their performance and value creation ability.

#### **4.3 Strengthen risk management and internal control**

In the context of high-quality economic development, enterprises face more risks and uncertainties. The enterprise should establish a sound risk management system, identify, evaluate and deal with all kinds of risks, and ensure the capital safety and business continuity of the enterprise. At the same time, strengthen the construction of internal control system, standardize the business process, improve the accuracy and reliability of financial information.

#### **4.4 Promote employee participation and incentive**

Employees are an important driving force of corporate financial performance. In the era of high-quality economic development, enterprises need to pay attention to employee participation and incentive, and stimulate their innovation ability and work motivation. Enterprises can encourage employees to actively participate in their financial performance improvement and innovation activities by establishing incentive mechanisms, such as performance reward and equity incentive. At the same time, we pay attention to the training and development of employees, improve the professional quality and comprehensive ability of employees, and provide talent support for the improvement of financial performance of enterprises.

#### **4.5 Strengthen external cooperation and reasonable financing**

In the context of high-quality economic development, enterprises need to strengthen cooperation with external partners to jointly explore market opportunities and innovative development. Through close cooperation with suppliers, customers and partners, enterprises can share resources and risks to achieve mutual benefit and win-win results. In addition, enterprises should also flexibly use reasonable financing methods, such as equity financing, debt financing, etc., to ensure sufficient and rational use of funds, and support the improvement and development of financial performance of enterprises.

### **5. Conclusion**

Enterprise financial performance management under high-quality economic development is the key factor for enterprises to achieve sustainable development and improve their innovation ability. Through scientific and effective financial performance management, enterprises can realize value creation, sustainable development and innovation ability improvement. Strategic planning and target management, capital structure and capital operation management, performance evaluation and incentive mechanism, resource allocation and risk management play an important role in it.

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