

Analysis on Risk Management and Control of Enterprise Financial Management Informatization under the New Situation

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Abstract: Enterprise financial management informatization has become an effective means for enterprises to improve management efficiency, reduce cost risks, and improve the quality of decision-making. Enterprises need to flexibly apply various information technologies based on actual situations, starting from various fields of financial management, to improve the efficiency and quality of financial management. There are various risks in enterprise financial management informatization, which need to be highly valued and effectively controlled by enterprises.

Keywords: New Situation; Enterprise Financial Management; Informatization Risk; Control Strategy

Introduction

Enterprise financial management informatization refers to the use of information technology means to carry out digital, automated, intelligent and refined management of various fields of enterprise financial management. Its purpose is to optimize enterprise financial processes, improve financial management efficiency, reduce cost risks, and improve decision-making quality.

1. Overview of enterprise financial management informatization

1.1 Electronic financial statements

Financial statements are an important tool in enterprise financial management. The significance of electronic financial statements lies in digitizing financial statements to facilitate the management and analysis of financial information. Enterprises can use financial data to support management decisions and formulate financial policies and strategic plans ^[1].

1.2 Financial software integration

Financial software integration can automate the execution of a series of financial management tasks, such as fund flow management, financial statement production, budgeting, risk management, and so on. The use of financial software integration will be more convenient, automated, standardized, and finely managed, improving efficiency while reducing the probability of errors.

1.3 Cloud computing applications

Cloud computing is a key aspect of enterprise financial management informatization. Cloud computing can provide enterprises with greater data storage and processing capabilities, enabling them to effectively process large-scale financial data and achieve real-time sharing and management of financial information worldwide.

1.4 Big Data Analysis

Big data analysis can help enterprises find valuable information and correlation rules in massive data. Using big data analysis technology, enterprise financial personnel can not only analyze financial data, but also predict and optimize the financial operation of the enterprise, achieving more refined management.

2. Main Risks of Enterprise Financial Management Informatization

The main risks of enterprise financial management informatization include the following aspects:

1. Data security risks. Data security risk is one of the most fundamental risks in enterprise financial management informatization. For example, data leakage, data tampering, virus attacks, and other risks may lead to the disclosure of corporate financial data and significant economic losses.

2. Operational risk. The implementation of financial management informatization requires the automation of various business processes, which brings operational risks. Factors such as system failures, program design errors, and improper personnel management may lead to operational errors in the financial management informatization system, leading to the omission or misstatement of financial data.

3. Internal control risk. There are also internal control risks in the process of enterprise financial management informatization, including the possibility of errors in data input, review, adjustment, and other processes, such as data entry errors, data review is not rigorous, etc. These issues may affect the accuracy and accuracy of financial information, thereby affecting the decision-making and operation of the enterprise.

4. Technical upgrade risks. The upgrading of financial management information systems is a long-term process, but system upgrades and replacements may lead to issues such as data loss, incompatibility, and incomplete updated code, which can affect enterprise business and bring economic losses ^[2].

3. Enterprise financial management informatization risk control

3.1 Reasonably address the risk of technological upgrading during the operation of the financial management system

In order to reasonably address the risk of technological upgrading of the financial management system, enterprises can start from the following aspects:

1. Confirm the necessity of technological upgrading. In considering the technological upgrading of financial management systems, enterprises need to confirm the necessity of technological upgrading. Confirm whether the upgrade can truly improve the security, availability, performance, and other characteristics of the system, evaluate the difficulty and risk of the upgrade, determine whether the upgrade is necessary, and make detailed plans and preparations.

2. Establish a complete backup mechanism. Enterprises should establish a complete backup mechanism during the system technology upgrade process to ensure that data will not be lost and damaged during the upgrade process. When some unexpected risks and obstacles occur, they should immediately switch to the backup system to avoid losses caused by risks.

3. Make adequate preparations. Enterprises should fully prepare for system technology upgrade plans, including testing system backup, encryption, recovery, and other functions. Enterprises need to develop a detailed technology upgrade plan, and conduct parameter adjustments and tests before and after the upgrade to ensure stable operation of the financial management system after the technology upgrade.

4. Backup data and more secure solutions for system upgrades. During the system upgrade process, enterprises should backup data according to the plan, and ensure rigorous, cautious, and stable operation during personnel allocation and operation. In addition, enterprises also need to consider strengthening the security of system hardware devices and other issues ^[3].

5. Establish a complete emergency plan and response mechanism. When financial management systems encounter problems, emergency plans and response mechanisms become particularly important. Enterprises need to establish complete emergency plans and response mechanisms, and conduct regular drills to ensure a relatively perfect response plan during the technological upgrading process. Reasonable response to the risk of technological upgrading of the financial management system requires enterprises to flexibly use various means in practice, such as confirming the necessity of technological upgrading, establishing a complete backup mechanism, making adequate preparations, backing up data, and implementing safer schemes for system upgrading, as well as establishing complete emergency plans and response mechanisms. Enterprises need to keep in mind the overall situation of system operation, focus on safe operation, and continuously improve operational strategies, procedures, and strategic decision-making

mechanisms to ensure the availability and stability of financial management systems, and reduce the risk of technological upgrading.

3.2 Reasonable response to internal control risks in the process of financial management informatization

In the process of financial management informatization, internal control risk is a problem that enterprises need to pay high attention to and address. In order to properly address internal control risks, enterprises need to establish a sound internal control system based on internal control requirements, including internal control standards, processes, and specifications, identify control responsible persons at all levels, and achieve full participation, dynamic evaluation, and continuous improvement of the internal control system. Reasonable response to internal control risks is an essential part of enterprise information management. Enterprises need to establish an internal control committee or authorize a professional body to be responsible for establishing internal control systems and supervising the implementation of internal control, establish internal control risk self-assessment, evaluation, and improvement monitoring mechanisms, and improve the response and management level of internal control risks by reasonably specifying and improving the internal control system.

3.3 Reasonable response to operational risks in the practice of enterprise financial management informatization

Enterprises can start from the following aspects:

1. Establish a complete operational process. Enterprises should establish sound operational processes and standardize and manage all aspects of financial management based on actual situations. In process design, various errors and omissions that are prone to occur should be considered, and measures such as verification links and secondary audits should be set up to reduce operational risks.

2. Conduct employee training and management. Operational risk is often related to personnel's operational skills, experience, and sense of responsibility. Enterprises should focus on strengthening employees' operational skills and ability to recognize risks in practice, supervising the work quality of management personnel, and standardizing their operational behavior. In addition, enterprises can also develop corresponding reward and punishment systems to promote employees' vigilance against operational risks.

3. Introduce financial management information system. Using an enterprise financial management information system to automate and streamline financial management can greatly reduce human operations and reduce the probability of human error. The system comes with some complete security control and data management functions, which can help enterprises effectively deal with operational risks and data risks.

3.4 Reasonably address data security risks in the process of financial information management

In the process of financial information management, enterprises must reasonably address data security risks and ensure data security. The following are some reasonable measures to address data security risks:

1. Strengthen user authority control. Enterprises need to set different permissions for different users to prevent users from inadvertently or intentionally tampering with and deleting data. "Operations such as modification and deletion should be performed by authorized personnel with relevant skills and responsibilities, and relevant information such as the time, content, and person performing the modification should be recorded."

2. Establish and improve data backup and recovery mechanisms. Enterprises need to establish a complete data backup and recovery system to ensure that data can be quickly and accurately restored in the event of a system attack or serious failure. At the same time, enterprises should regularly backup their data and store the backup data in different locations to reduce risk.

3. Adopt appropriate encryption technology. Enterprises should adopt appropriate encryption technology to encrypt financial data. Encryption technologies, such as symmetric and asymmetric encryption, can effectively protect the security of sensitive data. In addition, enterprises need to regularly update passwords and strengthen password strength settings to improve security^[5].

Conclusion: Enterprises should take a series of effective measures to ensure security during the process of financial information management. Enterprises should strictly implement security measures and continuously strengthen security protection technology to

ensure the security and integrity of financial data.

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