

# Thoughts on the Transformation from Financial Accounting to Management Accounting under the Background of Big Data

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Abstract: With the rapid development of information technology, people put forward new requirements for the transformation of financial accounting and management accounting functions. In order to better reflect the work flow of financial accounting and management accounting, it is necessary to carry out the function transformation of the two to guide the realization of accounting management. From the perspective of big data, this paper investigates the transformation ideas and practices of financial accounting to management accounting, in order to provide guidance for financial accounting transformation and financial accounting transformation under the background of big data.

Keywords: The Background of Big Data; Financial Accounting; Management Accounting; Transformation and Practice

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## Introduction

With the continuous development of big data, China's financial accounting and management accounting are also changing, and the use of the technical advantages and ideas of big data can effectively improve the economic benefits of enterprises. At this stage, in order to adapt to the development of current enterprises, the transformation from financial accounting to management accounting has become a necessary condition for the transformation of enterprises, and it can also increase the benefits of enterprise data management. Based on this, the article believes that people should explore effective accounting methods for enterprise management, optimize financial services and improve the level of enterprise management through continuous development and research.

## 1. The function division of financial accounting and management accounting

Financial accounting and management accounting are two important accounting forms to implement the current accounting system, which clearly distinguish the two accounting functions for accounting management. First of all, in the allocation of management functions, financial accounting should take the unit account as the main body, to analyze the financial situation and business development planning, form the annual accounts of the unit, and summarize the annual financial situation, and carry out the annual final accounts. Secondly, the division of management accounting functions is also an important form in the current management of business activities of enterprises. Through the continuous application of management accounting can meet the needs of the development of the company, the profit maximization structure can be analyzed to meet the needs of corporate accounting.

## **2. The necessity of transformation from financial accounting to management accounting under the background of big data**

Financial accounting is difficult to meet the requirements of the era of big data. Therefore, it is necessary to improve the financial consciousness of enterprises, take big data as an important support point of enterprise accounting management, so as to effectively integrate the development of traditional financial accounting scientifically, so that the development of traditional financial accounting cannot be effectively implemented<sup>[1]</sup>.

At present, due to the urgent need for enterprise development, people need to use enterprise financial resources scientifically and rationally. The main responsibility of traditional financial accounting is to verify data, monitor the financial position and results of the enterprise, and consider the future financial position. In today's era of big data, traditional financial accounting and data analysis are difficult to accurately capture and classify financial information, so it is necessary to formulate a proper system for the use of corporate funds through accurate data analysis. In addition, early manual accounting and financial management methods also have defects, difficult to accurately measure. In addition, big data technology is of great significance to give full play to the benefits of management accounting and accelerate the transformation from financial accounting to management accounting.

## **3. Limitations of the transformation from financial accounting to management accounting in the context of big data**

### **3.1 Technology is out of date and the security of management accounting data information is not guaranteed**

With the development of science and technology, the "Great Wisdom Cloud" is gradually coming into people's lives. This change leads to a large amount of data in the database, the limitation of traditional information analysis technology highlights, some industries urgently need new complex data technology to analyze and process accounting data. For example, the company's managers still use the old management system, ordinary employees still use the old accounting methods, the company does not update hardware and software equipment, and many people do not care about extracting effective information from data, which is not in line with the company's innovation and development. It is impossible to realize the transformation from financial accounting to management accounting.

### **3.2 The management accounting mechanism is not sound**

Nowadays, with the rapid progress of science and technology, the management mechanism of enterprises is also constantly improving in the management process. Among them, the imperfect accounting system mechanism is an important problem facing enterprises at present. Therefore, the evolution of the times, it is necessary to change the traditional accounting management mechanism, but the traditional management mechanism is backward, in the application process, cannot play its role. Only pay attention to the external form in the application, the imperfect mechanism may reduce the work efficiency of the enterprise, resulting in the loss of business opportunities, restrict the progress and development of the enterprise as a whole. Therefore, we only focus on the preservation and use of fixed assets and ignore the management of intangible assets, which is not conducive to the valuation of the company and leads to major problems in the value of the company<sup>[2]</sup>.

### **3.3 Insufficient information storage space**

In today's science and technology developed, in order to achieve the transformation from financial accounting to management accounting, it is necessary to master a large amount of information, timely and accurate processing of these data, so that the management of accounting information becomes difficult to store. For example, an enterprise needs to increase its data volume by 10% per day, resulting in an additional three hours of system processing time. In addition to these commonly used data, there are also social platforms where logistical and other information about daily work can only be stored in a large warehouse. At present, there are already databases on the market, and many data are difficult to collect and process. In recent years, the arrival of the era of big data has brought great convenience to people's lives. It can be imagined that enterprises in the future have to deal with more and more data, and the management space of accounting information should be large enough, which is an urgent problem to be solved.

## **4. The effective strategy of transformation from financial accounting to management accounting under the background of big data**

### **4.1 Enhance the professional skills and accomplishment of financial personnel**

Under the background of "Great Cloud", if you want to effectively complete the transformation from financial accounting to management accounting, it is important to keep up with the trend of the development of The Times, use the Internet, seize opportunities, especially the financial personnel's own work skills and professional literacy is particularly important. First of all, it is necessary to strengthen staff training, regularly hold cultural lectures, strengthen staff training, set up the economic efficiency of the enterprise, so that employees in the financial and non-financial aspects of attention. Secondly, the application scope and relevant information of traditional accounting should be integrated. After the transformation, financial accounting and management accounting should be analyzed to ensure the normal operation of enterprises<sup>[3]</sup>.

### **4.2 Based on cloud computing, break the bottleneck of new technology to ensure safety**

The establishment of an accounting information system in the era of big data will greatly promote the development of data analysis and data processing industry, so as to eliminate the errors in artificial accounting and traditional data processing, enter a new era of information and intelligence, and break through the technical bottleneck. In the era of big data, the amount of information increases, and there is a need for all industries to allow obscene and shared information. Although this is good for business development, it is particularly important to ensure information security. Data security cannot be ensured without strict regulatory measures by administrative organs, strengthening penalties, improving supervision mechanisms, regular spot checks and ensuring safety.

### **4.3 Improve internal control mechanism and operation mode**

At present, enterprise financial accounting and management accounting are focused on sustainable operation and management services for enterprises, so the transformation from financial accounting to management accounting is an inevitable trend and the only way. Improving enterprise internal control system and operation mechanism and realize enterprise financial accounting to manage accounting smooth transition. A company's finance department usually has several

employees. One finance person is responsible for the transition from financial to management accounting, and another finance person is responsible for monitoring and reporting on the transition <sup>[4]</sup>.

## **4.4 With the help of new media, establish awareness and strengthen**

### **awareness of big data**

On this basis, management accounting can reasonably and effectively allocate all kinds of resources, so as to save resources and promote the development of enterprises. First, enterprise managers should actively accept and absorb big data knowledge, strengthen vocational knowledge training, and actively advocate employees to integrate the knowledge learned into practical work. Second, through field investigation and collection of relevant data, we can sort out successful cases and experience, improve work quality and efficiency, and help enterprises better analyze capital operation.

#### **Conclusion**

In short, through the above analysis, we can see that traditional financial accounting has been unable to adapt to the era of big data, from financial accounting to management accounting is an inevitable trend, but also the only way for the development of enterprises. However, this is not only the premise of the development of The Times, but also a trend of the development of financial work. There are many problems with this trend. Enterprises must pursue profits and take appropriate strategies to grasp its essence, get rid of the pain and make it change, so as to realize the sustainable development of enterprises.

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