

Research on Internal Control of Logistics Enterprises-Take S Logistics Company as an Example

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Abstract: In the context of economic globalization, logistics enterprises play an important role in the industrial chain. Logistics enterprises have ushered in a golden period of rapid development. The influx of a large number of logistics enterprises has also increased competition among peers. How logistics enterprises strengthen internal control and build core competitiveness will become the key. Taking s logistics company, an industry benchmark, as an example, this paper analyzes the problems existing in the internal control activities of logistics companies, And put forward improvement plan.

Keywords: Industrial Chain; Internal Control; Core Competitiveness

1. Introduction

With the rapid development of economic globalization, China's economy is also developing at a high speed, and the volume of international and domestic trade continues to show an explosive growth trend. As a key link of the supply chain, the logistics industry has ushered in a period of vigorous development and is playing an increasingly important role in promoting the development of the national economy^[1]. However, in the past two years, the global epidemic has been serious, regional and even global prevention and control measures have seriously impacted logistics enterprises, and the competition among logistics enterprises has also become increasingly fierce, which has increased the difficulty for logistics enterprises to survive and develop. How to solve the problems existing in the internal control of logistics enterprises and strengthen enterprise management is a problem that logistics enterprises need to focus on and think about.

2. Analysis of internal control status and problems of s logistics company

2.1 Imperfect internal control environment

S logistics company strictly abides by the requirements of the government on corporate governance and organizational structure, establishes a more scientific and reasonable organizational structure, and sets up the general meeting of shareholders, the board of directors, the board of supervisors, the management and the operation and management departments of a series of enterprises. Various operation management systems of the company are well formulated. However, the company's managers and ordinary employees have insufficient understanding of internal control. The management focuses on the business operation and attaches importance to the short-term profit objectives of the enterprise. Internal control can not bring benefits to the enterprise in the short term, so it is ignored by managers; In the face of internal control, ordinary employees completely stay out of it and think that internal control is the business of managers, resulting in weak awareness of the overall internal control and poor internal control environment.

2.2 Imperfect risk assessment system

The company has not paid attention to and evaluated various internal and external risks existing in the enterprise operation. The company lacks full-time departments and personnel to be responsible for the risk assessment of the enterprise. The company has deficiencies in many links, such as fund management, R & D project investment, inventory control, etc. When the risk first appeared, the company failed to find out and take corresponding measures in time, causing certain losses

to the company.

2.3 Insufficient control activities

As a group company with multiple branches, the management of s logistics company is aware that defects in internal control activities will affect the development of key businesses of the company, so it pays more attention to the design and formulation of internal control system. However, the management did not pay enough attention to whether the relevant systems were fully understood and seriously implemented by the company's employees.

2.4 Poor information communication

In the business process, information communication is very important. Whether the information communication is smooth or not directly determines whether the company can operate efficiently, which has an upward impact on the allocation efficiency of the company's leadership to subordinate departments, and a downward impact on the communication between downstream sales and customers^[2]. The existing problem of s logistics company is the lack of symmetry in information exchange between departments.

2.5 Imperfect evaluation and supervision mechanism

The audit department under the audit committee of s logistics company is in the charge of the deputy general manager, who also assumes some management responsibilities and participates in some internal management of the company. There is a risk of self-evaluation, and the audit independence cannot be guaranteed; The Audit Department of the company lacks professional auditors. Most of the existing auditors' specialties do not conform to the job requirements. Some auditors have a single job experience, resulting in low work efficiency of the audit department and difficult to cooperate with the audit committee in effective internal supervision of the enterprise.

3. Measures to improve internal control of s logistics company

3.1 Establish a good internal control environment

Enterprises should improve the governance structure and post responsibility system. S logistics company should further improve its organizational structure. Clearly define the respective rights and responsibilities of the general meeting of shareholders, the board of directors, the board of supervisors and the management. In the operation and management of the company, reasonable authorization and decentralized control should be carried out. The board of directors, as the internal control evaluation organization of the enterprise, needs to guide the internal audit organization of the evaluation implementation department. When the management transfers the company's decision-making tasks to each department level by level, it needs to combine the actual situation of each department, coordinate the resources of each department, coordinate the cooperation between departments, and assist each department to comprehensively formulate specific implementation measures and plans. Regularly organize the heads of all departments to communicate, strengthen the interaction and cooperation between departments, and avoid mutual prevarication in work^[3].

3.2 Improve the risk assessment mechanism

For S logistics company, when carrying out the internal control management of the enterprise, it should manage the risk on the basis of fully understanding the risk. S logistics company should fully understand the main risks that the enterprise may encounter in the process of operation. Enterprises should fully consider and weigh in the process of business decision-making, and strive to create more value for the enterprise within the acceptable range of risk. With the development of enterprises, risks are also changing. Enterprises should adopt different methods and means to deal with them according to environmental changes.

3.3 Strengthening internal control activities

Control activities are an important guarantee for an enterprise to achieve its goals. They do not exist independently in the enterprise, but are closely related to each business of the enterprise. S logistics company shall separate and control the related positions, for example, the basic positions of the finance department shall be rotated regularly, and the project leaders of the company shall flow reasonably among similar projects, so as to prevent favoritism and fraud. Establish a complete budget management system to standardize the main work from prediction, decision-making, implementation, supervision to assessment, so as to make the rights and responsibilities clear and the management in place. Budget management should be timely. If it lags behind, it is not convenient for enterprise managers to timely analyze the business situation of the enterprise, and it is not conducive to controlling the overall situation from the macro level. By continuously strengthening the company's budget management, improve the company's operation and management efficiency and ensure the smooth realization of the company's objectives.

3.4 Ensure information communication and exchange

Enterprises should establish an effective information system. With the expansion of the enterprise scale, the information generated inside and outside the enterprise gradually increases, and the amount of information that needs to be exchanged and shared by all parties increases. In order to meet the internal control activities of s logistics company, various information needs to be collected, processed and utilized in time. Establish ERP information system with accounting information system as the core, improve the utilization rate of employees' computer network information, and improve the use technology of employees' computer network. Use the information system to integrate various business data, connect the financial data with business links, use the capital flow to reflect the business flow in real time, track relevant business activities, and ensure the process control and management of business operations.

3.5 Improve the internal supervision mechanism

Enterprises should establish and improve the supervision mechanism. Scientific and reasonable supervision mechanism is an important guarantee to ensure that enterprises have the ability of sustainable development. S logistics company shall, in combination with its own situation, strengthen the construction of the company's internal supervision mechanism, and clearly divide the work responsibilities of the company's audit institution and the supervision team. The company may set up special supervision posts for special supervision according to the business characteristics of each department. Special supervision is mainly used to supervise key nodes such as fund activities, human resources and policy adjustment.

4. Conclusion

Enterprise internal control is not only an important means to improve enterprise operation and management, but also the key to enhance enterprise market competitiveness. S logistics company shall, in combination with the status of the industrial chain and the needs of internal management, formulate a scientific and reasonable internal control system that is suitable for its own development stage, and improve its internal environment, risk assessment, control activities, information and communication, internal supervision, etc., so as to ensure the realization of the future strategic objectives of s logistics company and the long-term sustainable development of the enterprise.

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