

Research on the Integration of Business and Finance Based on the Financial Sharing Model

Ting Shi

Zhejiang Yuexiu University, Shaoxing 312000, China.

Abstract: The rapid development of modern information technology has brought new opportunities and challenges to enterprises. The traditional financial operation mode has been unable to meet the development needs of enterprises in the new era. Under the modern business model, the deep integration of industry and finance is conducive to the construction of the whole value chain of enterprises. Financial sharing centre provides the necessary support platform for the integration of industry and finance and becomes the driving force for enterprises to accelerate the strategic transformation of the integration of industry and finance. In the mode of financial sharing, financial process and business process complement each other, helping to enhance the value of the enterprise.

Keywords: Financial Sharing; Business and Finance Integration; Value Chain

1. Introduction

In the new era, financial intelligence and automation levels have increased dramatically with new technologies such as Internet+, big data, cloud computing, and artificial intelligence. The essence of traditional financial work is to deal with matters involving value activities, which are expressed in the business process of circulation and turnover of funds. Accounting is the most basic function of financial accounting, i.e. the traditional bookkeeping, accounting, and reporting, which is an ex post facto accounting of business activities. With the development of information technology, the accounting function of finance is weakened and financial accounting is transformed into management accounting. Finance and business are no longer two parallel lines that do not intertwine. The two are deeply integrated through the economic sharing platform, helping enterprises achieve their goal of maximizing value.

The integration of industry and finance is an advanced way of enterprise operation and management. The Ministry of Finance has clearly indicated in the Basic Guidelines of Management Accounting that enterprises need to realize the organic integration of finance and business, and accounting activities should be based on business processes. Financial sharing centre platform provides necessary technical conditions for the integration of industry and finance. The basic links of the financial sharing centre include invoice inspection and entry, accounting, fund payment and settlement, tax declaration and other links. The activities of these links are characterized by high standardization, high repetition and heavy workload ^[1], and these mechanical tasks can be replaced by artificial intelligence. Artificial intelligence as an aid to accountants can free up their flexibility and help them to focus more on strategic and decision-making matters.

2. The necessity of industry and finance integration

After entering the era of digital economy, efficient business management cannot be achieved without multi-dimensional, diversified, and real-time business and financial data. The generation of such data requires the organic integration of the company and financial flows of an enterprise, which enables timely access to business information and financial data as well as timely and accurate generation of business decisions, bringing into play the synergy effect of the whole value chain and evolving the traditional accounting function of the accounting and accounting information system into whole value chain management ^[2]. A financial system can be

understood as a set of data information system, which provides information support for enterprises to analyse, forecast, evaluate and decision-making. Traditional financial work lacks guidance for business activities that directly create economic value. The concept of industry-finance integration guides enterprise decision-making departments to make changes to their organisational structure, so that financial personnel understand business and business personnel understand the connotations behind financial data, promote two-way transformation of personnel and cultivating composite personnel to better serve enterprises. Traditionally, business and financial systems operate completely independently, with no interference between finance and business personnel. Business personnel cannot effectively obtain financial data, and finance personnel can only obtain financial data involving the receipt and payment of funds afterward, making finance and business two islands. However, the two-way transmission and data analysis enables managers to make decisions more conducive to business development based on multiple perspectives. Intelligent financial system integrates big data, artificial intelligence and other advanced technologies, integrates the concept of integrating industry and finance, improves the efficiency of financial operation, and effectively supports the value creation activities of enterprises.

Based on the perspective of data integration, the essence of business finance integration is that the finance department plays the advantage of data integration, in order to meet the management and decision-making needs of business departments, through the establishment of data analysis model, the business needs of information using the form of data conversion and transmission.^[3] The emergence of the integration of industry and finance is the inevitable result of the development of enterprise operation and finance. The organic integration of the two not only enhances the level of business control, but also improves the quality of finance. Procurement, production, research and development, sales and other business activities constitute a value chain, and each business node on the value chain provides an entry point for the integration of industry and finance. The value chain includes upstream and downstream manufacturers, competitors and customers, etc. It is necessary to break the limitation of individual control of each node, reduce transaction costs and realize effective collaboration of each node of the business process by combining the value-added activities. Financial data is generated in each business link of the value chain, and the accounting department integrates the relevant data and feedbacks important information to corresponding business departments to provide practical and effective data support for business decisions and realize the goal of maximizing enterprise value^[4].

With the introduction of the concept of big data, the operation and management mode of enterprises is constantly improved, and the concept and practice of integrating industry and finance emerge at the historic moment. In the group financial accounting, the accounting function of accounting is gradually weakened, the daily repetitive and mechanical work will be completed by the financial automation, and the financial personnel will change from the accounting type to the management type. The core of financial management lies in the decision of investment and financing, but the core is to realize the efficient allocation of enterprise resources and improve the economic benefits of enterprises. This is consistent with the management objectives of business processes. Financial data plays a vital role in business decision-making of enterprises and affects the whole process of business development. The more complex the organizational structure and business activities are, the more difficult it is to manage an enterprise. The financial sharing centre provides technical guarantee for the integration of industry and finance, effectively reduces management costs, improves departmental operation efficiency, strengthens supervision and improves service quality, and harmonizes platforms and concepts. Driven by the dual wheel of financial sharing and the integration of industry and finance, the management level of enterprises has been improved, which is the key to improve the market competitiveness of enterprises.

3. Construction of industry and finance integration system under financial

sharing

In recent years, many group enterprises have adopted the form of financial sharing centre, where "sharing" is the centralization of common matters within the enterprise, including the sharing of economic system, financial personnel and various business processes. This is a way of integrating the "business" and "financial" aspects of the business and optimizing the allocation of resources. In addition to its account processing function, the finance function is also reflected as an advisory function, providing feasibility analysis for relevant business activities in the early stage, participating in the value process of each key business node in the middle stage, and

evaluating the effectiveness of business activities in the late stage. The standardization and automation of financial sharing center ensure and monitor the compliance of business processes to a certain extent, providing technical support for business processes and improving the whole process's operational efficiency. In the business process, the data formed by the business department will be uploaded to the financial sharing platform promptly and processed by artificial intelligence, ensuring the accuracy and timeliness of financial data to a large extent.

Through timely and accurate input and comprehensive analysis of the data generated by the daily production and operation of enterprises, the financial sharing center identifies operational risks and provides a scientific basis for decision-making for the front-end business [5]. The financial sharing model is significant for large group enterprises. In the traditional financial management model, each subsidiary has its accounting center and financial staff, and the communication and integration of data between companies are only reflected in the form of financial statements. Under financial sharing, the establishment of a unified process can effectively realize the parent company's monitoring and guidance on the business level of subsidiaries before, during and after the event, and improve the internal work flow of the group enterprise.

4. Conclusion

Financial sharing is a necessary condition for the implementation of the concept of financial integration. With the continuous improvement of financial intelligence, the function of financial personnel has changed from traditional accounting type to strategic decision-making type. The implementation of business-finance integration needs to improve the standardization of business finance, and moreover, it needs to build a complete system to regulate it. All departments need to break information silos through the financial sharing platform, break through departmental barriers, improve operational management efficiency and enhance enterprise competitiveness.

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