

# Problems and Solutions of Accounting Cost Accounting in Small and Medium-Sized Enterprises

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**Abstract:** The accounting cost accounting of small and medium-sized enterprises is of great significance. In order to give full play to the value of accounting cost accounting of small and medium-sized enterprises and optimize their cost accounting, this paper studies the problems and solutions of accounting cost accounting of small and medium-sized enterprises. Through a certain range of enterprise sampling, this paper analyzes the cost accounting problems existing in enterprises at present, and puts forward five targeted solutions to the accounting problems analyzed, with a view to providing some guidance for improving the actual enterprise accounting work.

**Keywords:** Small and Medium-Sized Enterprises; Accounting Cost Accounting; Problem Analysis; Solutions

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## 1. Introduction

For small and medium-sized enterprises in development, the quality of their accounting cost accounting will directly affect the economic benefits of enterprises. And through accounting cost accounting, it can provide accurate enterprise data for business operators, facilitate the control of operating costs, so as to make correct enterprise decisions, and enhance the competitiveness of SMEs in the industry<sup>[1]</sup>. As the core of the financial work of small and medium-sized enterprises, the accounting work of enterprises can play a role in accurately grasping the market context, realizing the optimal allocation of resources, improving the utilization rate of the enterprise's operating and production materials, and exploring how to help reduce the financial risk of enterprises and achieve efficient enterprise management. Failure to solve its problems in time will directly affect the accuracy and credibility of the data provided by financial personnel. Affected by the scale and operation mode of small and medium-sized enterprises, some of the accounting practitioners recruited do not have a sound accounting knowledge system, and it is difficult to correctly handle the problems encountered in the cost accounting process, which may easily affect the correctness of the accounting results. Based on the above analysis, in order to improve the effect of accounting cost accounting of small and medium-sized enterprises, this paper takes small and medium-sized enterprises as the research object, analyzes the main problems in accounting cost accounting of enterprises, and puts forward targeted solutions.

## 2. Analysis of problems in accounting cost accounting of small and medium-sized enterprises

### 2.1 Business Operators Attach No Importance to Accounting Cost Accounting

Compared with other types of enterprises, the management right of SMEs is more independent, and the ownership of the means of production of enterprises usually belongs to the individual operators of enterprises. The small size of the enterprise makes the organizational structure of the enterprise simple, lacks a clear division of functions, and the definition of relevant business data and responsibilities is not clear enough. In addition, some small and medium-sized enterprises are limited by their few assets, inability to

operate stably, lack of follow-up funds and other issues, resulting in their own accounting cost accounting work is highly dependent on the outside, which cannot ensure the timeliness of accounting results. Moreover, in general, due to the small size of SMEs, the strategic planning ability of business operators is difficult to match well with the development potential of enterprises, which leads to excessive emphasis on the production capacity of enterprises by business operators in the process of operation, leading to excessive cost expenditure and hidden dangers for enterprise operation [2].

## 2.2 Unable to keep the Same Direction with the Company's Established

### Development Strategy

In the development process of many small and medium-sized enterprises, although the decision-makers have a clear understanding of their own business capabilities, capital status and other basic information, under the influence of the complex market environment, they cannot firmly analyze and formulate the future development path of the enterprise, blindly guided by the relevant interests, and change the development strategy of the company at will, resulting in that the accounting cost accounting results cannot be timely consistent with the development strategy of the company. When conducting accounting cost accounting, the financial personnel of an enterprise need to be able to accurately grasp the business development plan of the enterprise. However, due to the complex market environment of small and medium-sized enterprises and the limited business ability of enterprise operators, the business level of the accounting cost accounting personnel is subject to multifactorial interference, resulting in the accounting results can not be fully used as the basis and data support for enterprise development planning [3]. In addition, the lack of understanding of the future development direction of the company by the accounting personnel leads to the fact that the accounting personnel do not realize the importance of this work for the development strategy of small and medium-sized enterprises. The lack of enthusiasm is also an important reason for the large deviation between the final accounting results of the enterprise and the development direction of the company.

### 2.3 Lack of Application of Computerization Technology

Driven by the increase in business demand, the business volume of enterprise accounting that needs to be carried out has increased dramatically. However, some small and medium-sized enterprises only take the tedious and traditional accounting methods such as paper statistics and excel tabulation, instead of using commercial accounting software. Specifically, there are obvious differences in the recognition and use of professional accounting computerization software by SMEs in different industries. Figure 1 shows the statistical results of the proportion of SMEs in different industries who purchase and use accounting software within a certain range [4].

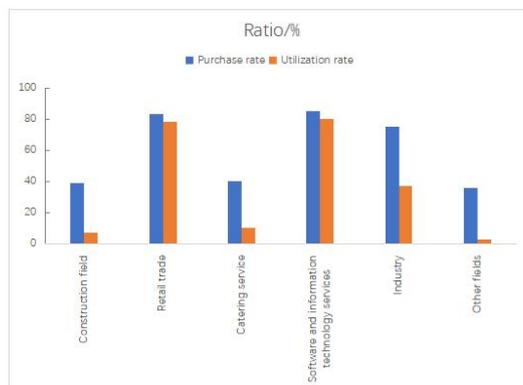


Figure 1 Statistics of SMEs' purchase and use of accounting software

It can be seen from Figure 1 that small and medium-sized enterprises in many industries cannot fully use professional computerized technology for enterprise accounting, which leads to a decline in accounting accuracy and efficiency when the business volume of small and medium-sized enterprises increases and the volume of accounting data increases. Although some small and

medium-sized enterprises have purchased computerized accounting software, they only use it as a tool to reduce the workload of financial personnel's statistical data, and do not deeply realize its impact on the management of production materials and basic operation of small and medium-sized enterprises. In addition, when using the computerized accounting software, the financial personnel of the enterprise lack the understanding of the specialized computerized software, the understanding of the functions and use of the computerized software, the lack of knowledge and experience in using the software, the insufficient use of the software functions, the development and utilization of the functions, and the inability to adjust the relevant cost accounting parameters according to the characteristics of different industries and the actual development of SMEs, The advantages of computerized software cannot be fully utilized [5].

## 2.4 Incomplete Accounting Content

In the organizational structure of small and medium-sized enterprises, the functions are confused. Often, the same business is completed by different basic business departments, and the classification of financial operation data is not clear. This leads to unclear sources of data for accounting content. When relevant data are summarized to the financial department, it is easy to cross sources, which leads to difficulties in financial management and affects the accuracy of accounting cost accounting. Different departments have different ways of recording the relevant data of the same business, and there are no uniform standard terms, and the recording data is missing, which will affect the comprehensiveness of the accounting cost accounting content. The accounting staff lacked the understanding of the business process and basic implementation links of the enterprise. When assisting in cost control during business implementation, they were unable to give correct guidance and accurate data records in a timely manner, resulting in the failure of business phased cost accounting to meet the expected requirements of comprehensiveness and reliability. Due to the incomplete consideration of the accounting work in the process of carrying out some businesses, it takes a lot of time to trace the data when accounting the cost of all the main businesses of the whole enterprise. It is easy to make data errors in the data tracing phase, which leads to deviation in the accounting results.

## 2.5 Problems in the Financial Structure of SMEs

The defects of SMEs' own financial management will also lead to problems in accounting cost accounting. The unreasonable distribution of the assets structure of SMEs is an important factor affecting the data analysis in accounting. The small and medium-sized enterprises are limited by their poor financing scale, financing capacity and capital turnover capacity, resulting in large error in the analysis of data in accounting cost [6]. Table 1 below shows the statistical results of asset structure related data for enterprises in different industries within some sampling ranges.

Table 1 Statistical Results of Data Related to SME Asset Structure

Field	Flow debt ratio/%	Long-term debt ratio/%	Asset-liability ratio/%
Construction field	37.11	15.37	50.46
Retail trade	42.08	34.45	44.72
Catering service	24.34	8.61	33.05
Software and information technology services	52.46	29.38	59.14
Industry	31.25	14.52	29.37
Other fields	36.73	45.06	42.18

From the data in Table 1 above, we can see that the asset structure allocation of most SMEs is unreasonable. When accounting cost is performed in this state, financial personnel cannot accurately use complete data to calculate business data in the corresponding accounting period. There are no fixed standards and specifications for the internal financial processing of the enterprise, resulting in the inability to complete the accounting work according to the established deadline. The lack of financial supervision leads to the original data used in accounting is easy to be tampered with and the accounting cost is distorted. The financial management of an

enterprise determines its operating income to a certain extent.

### **3. Appropriate solutions to accounting cost accounting problems**

Based on the above analysis of the problems existing in the current accounting cost accounting of small and medium-sized enterprises, and considering the actual needs and conditions of enterprise development, the following appropriate solutions are proposed.

#### **3.1 Deepen the Understanding of Business Operators on the Importance of**

##### **Accounting Cost Accounting**

The operators and management of SMEs should strengthen their understanding of the importance of accounting cost accounting, set up special accounting posts within the enterprises, and reduce their dependence on external services. Business operators need to realize that good accounting cost accounting results can help improve business strategies, control accounting costs in the business operation process, and enhance profit margins. At the same time, the accounting work should run through all aspects of the business of the enterprise from project initiation to completion, not only after the completion of a business. At the same time, business managers should change their minds and increase their investment in human, material and other resources in accounting cost accounting, so that accounting can be put into practice. In the internal financial control work, give full play to the responsibilities of the financial department, link the accounting cost accounting with the actual overall business situation of the enterprise, enhance the closeness of the accounting results and the market development, and enhance the awareness of the enterprise staff on the importance of accounting cost accounting. In addition, enterprises should learn from the accounting work experience of other industries or enterprises of the same type, combine their own business conditions, business strategies, development plans, etc., establish accounting standards with enterprise characteristics, and apply them to all aspects of enterprise production materials management.

#### **3.2 Accounting should Conform to the Business Strategy of the Enterprise**

Accounting staff should regularly or irregularly communicate with the enterprise's business decisions to a certain extent. It can not only give professional suggestions from the perspective of accounting when the decision-maker suddenly changes the development strategy, but also give corresponding suggestions to adapt to the company's development strategy when conducting data analysis in the later period of accounting cost accounting. Improve the proficiency of enterprise financial personnel in accounting cost accounting business, and improve the ability of financial personnel to obtain and analyze the industry information, market environment information and other resource information of the enterprise, so as to obtain accurate and comprehensive data before carrying out cost accounting, and ensure that the conclusions of accounting cost accounting can be consistent with the established development strategy of the enterprise. When carrying out accounting cost accounting, the financial personnel of an enterprise should have the thinking of actively thinking and actively collecting data for analysis. They need to take into account the development direction of the company and changes in the market environment, and realize the importance of their work analysis conclusions being consistent with the enterprise strategy. In accounting, the most accurate accounting results can be obtained in a timely manner from the perspective of the preferential policies brought to enterprises.

#### **3.3 Make Full Use of Computerization Technology**

Enterprise managers and accountants should fully realize the significance of using accounting computerization professional software to conduct accounting cost accounting for improving business conditions. We should realize that the use of computerized software can standardize the financial management process of enterprises, improve work efficiency, and lay a foundation for the cost control of means of production. Increase the purchase, use and personnel training of accounting computerization software, and improve the use level and proficiency of relevant accounting personnel for the computerization software. Formulate a reasonable and scientific computerization system for accounting cost accounting, combine traditional accounting concepts with computerization

technology, and expand its utilization in all aspects of enterprise operation and production. Strictly select accounting staff with professional qualifications to ensure the rationality of the analysis data. Arrange the same business data record and management format in each production and operation link of the whole enterprise to facilitate the data import into the computerization software.

### 3.4 Improve Accounting Work

There are many ways and methods in accounting work. Comprehensive consideration should be given to the characteristics of the enterprise's business industry, the volume of data to be accounted, etc. The method of coexistence of multiple accounting methods should be adopted to complete the accounting work. In the business process of the enterprise, the accounting method should be timely optimized according to market changes, short-term adjustment of the enterprise's business strategy, etc. In daily work, the accounting cost accounting work is managed in a refined way, and the data related information needed for accounting work is improved, so that correct and complete data evidence can be found during data traceability when the business needs.

### 3.5 Reasonably Adjust the Financial Structure of the Enterprise

With the help of policies, the financial structure of the enterprise can be reasonably improved by accelerating the turnover rate of enterprise assets, strictly controlling the purchase of production materials, and calculating various initial costs. Strengthen the requirements for the internal financial management of the enterprise, set up a standard financial audit system, and supervise the capital flow and return time of the enterprise. According to the operation of the enterprise, adjust the business development speed of the enterprise, reduce the debt cycle of the enterprise, so as to ensure the timeliness of accounting cost accounting data. Clarify the deadline for the completion of financial management work and the identification of relevant responsibilities, and reduce the impact on the data cycle and data authenticity of enterprise accounting cost accounting. Strengthen the communication between each business department and the financial department within the enterprise, ensure that the accountants can generally master the business process, exchange information in a timely manner, and enable the accounting work to correctly handle the feedback data.

## 4. Conclusion

Under the background of increasing support and inclined development resources, SMEs have developed at a high speed, but also exposed many problems, especially in cost control accounting, SMEs still have obvious defects. Based on the relevant sampling data, this paper analyzes the problems in accounting cost accounting of small and medium-sized enterprises, and puts forward solutions from a practical perspective.

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