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Problems and Countermeasures of Financial Management in Chinese State-Owned Enterprises

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Abstract: ***With the rapid development of Chinese socialist economy, state-owned enterprises as the lifeblood of the national economy, should be based on the rapidly changing competitive environment, complete market economy and promote social development mission. To some extent, is particularly important for the healthy development of state-owned enterprises in the economic development of our country. According to the recent development of state owned enterprises weakness of the situation, pointed out that the internal control of imbalance in the financial management of state-owned enterprises, improper management of funds, risk management is not in place, financial supervision and inefficient personnel quality is low, and gives five suggestions: establish a sound internal control system, financial management system, the risk management system, financial management and control system, and improve the professional quality of enterprise financial personnel***

Keywords: state-owned enterprises; financial management; system

1. Introduction

The state-owned enterprises in China have been affected by many factors in their vigorous development, resulting in problems such as the coexistence of capital shortage and waste, out-of-control costs, excessive bank loans, unclear property rights, inefficient financial governance, and internal corruption. To some extent, these problems are related to the imperfect financial management system of state-owned enterprises. In order to solve the recurrence of this problem, state-owned enterprises should improve and perfect it from the perspective of financial management mechanism. A financial management system with a complete system can help enterprises to develop better and achieve long-term economic goals.With the help of standardized financial management and accounting, the cost of production and operation can be saved and the efficiency of asset management and operation can be achieved, so as to maintain and increase the value of state-owned assets to the greatest extent. At the same time, the guarantee of the safety of state-owned assets and the development of state-owned economy also depend on the working status of the financial management of state-owned enterprises to a large extent. Based on the current situation, the purpose of this paper is to analyze the current situation of China's state-owned enterprises, according to the problems exposed in the actual, put forward ideas and countermeasures to solve the problems, to promote the healthy and rapid development of state-owned enterprises.

Western financial management theory started earlier, as early as the 1950s began to emerge, its development to maturity has undergone a long process. Originally based on fundraising, Meade (1910), "Corporate Finance", studied the core of laws and regulations and internal financial management of the global economic crisis that broke out in 1929, and analyzed how companies can raise capital most effectively. Modern financial theory laid the foundation. Then it developed to the theory of investment financial management. Dean (1951), an American financial scientist, published "capital budget", the earliest study of investment financial theory, which played a decisive role in the leap of financial management from financing and financial management to asset and financial management. Harry M. Markowitz (1959) published the monograph "Portfolio Selection", which starts with the measurement of income and risk and studies the combination of various assets, so he is also recognized as the founder of the theory of portfolio theory. Sharp, Lintner, etc. (1964) proposed a famous capital asset pricing model based on Markowitz's theory. The relationship between risk and return in asset portfolio is systematically expounded, systematic risk and non-systematic risk are distinguished, and the view that non-systematic risk can be reduced through diversification of investment is clearly put forward. This model has revolutionized the theory of asset portfolio. The field of research has also expanded from traditional corporate financial activities such as financing, investment and dividend distribution to various disciplines. From the 2002 American academic journal, the development direction of financial management research has moved toward value and capital budget, risk and income, dividend policy theory, financial derivatives and so on. Koldo Zabalza Miera (2010) of Western Financial Management Theory analyzes the impact of privatization on financial management. He introduced a new management practice, through empirical research to analyze the changes in the financial management of listed companies' privatization. Ada Leung (2011) established a theoretical model through an in-depth interview with consumers to analyze the relationship between financial management practices and social reproduction. Mathieu Winand (2012) studied a financial management tool for sports associations, which inspired non-profit sports institutions to think about the need to develop financial performance measures and management. Mark p. Taylor (2013) considered what is good university financial management. He believes that the perfect and stable financial management system is the key to the survival and prosperity of the university. Ulf Papenfuß (2014) studied a new quality model to analyze how the public sector should treat the financial sustainability and reduction management of state-owned enterprises. The paper analyzes the significance of state-owned enterprises providing public services, and how to ensure the state-owned enterprises. Economic development and financial sustainability. Marilyn T. Lucas (2016) studied the relationship between environmental management practices and corporate financial performance with the influence of industrial pollution, and analyzed whether the financial performance and financial management of the company are related to the company's environmental pollution.

Mature foreign financial management theory and its research also play a role of reference for the development of China's financial management, and promote its various development. China's financial management theory is derived from the theoretical system of western countries and has made some changes according to China's national conditions and market environment to serve as the basis for the development of Chinese enterprises. Although the development is relatively late, it still develops rapidly and has made a lot of achievements and put forward a lot of new content. At present, China focuses more on the study of corporate governance, financial performance management and risk management. Han Yongjun (2010) analyzed the qualities that financial management personnel in state-owned communication enterprises should have. His opinion is that the financial management level of an enterprise is closely related to the ability of its management personnel, and improving the professional quality of its financial management personnel is particularly crucial for the long-term development of the enterprise[1].Hao Xiaoling (2011) explored how to manage the fixed assets of state-owned enterprises efficiently. The fixed assets of state-owned enterprises are essentially the property of the state, and the methods of financial management are slightly different [2].Zhang Jun (2014) analyzed that under the background of information economy, enterprises are in a sensitive and changeable market environment, which enables enterprises to quickly adapt to the complex competitive environment, and enterprises need to give correct responses to the unknown factors in dealing with financial activities and relationships. He studied that a flexible financial management system could well solve this problem [3]. Chen Shuangshuang (2015) studied the applicable tax rate, tax calculation method, collection management, statement preparation and other aspects under the national implementation of the policy of "replacing business tax with value-added tax", analyzed the impact of the change of tax policy on the financial management of TV stations, and proposed corresponding treatment measures [4]. Wang Jihui (2016) took the urban community of chengdu as an example to study the main problems existing in the current financial management of urban communities from the aspects of establishing financial management objectives, unifying financial management mode, improving accounting system, and rationalizing democratic financial management system. Promoted and improved the financial management system of non-profit organizations in China, and contributed to the theory and practice of financial management in urban communities [5]

2. Overview of financial management of Chinese state-owned enterprises

2.1 The content of financial management of state-owned enterprises

In China, state-owned enterprises generally refer to enterprises invested or controlled by the central government or local governments. The economic interests and policy purposes of the state affect the behavior of state-owned enterprises. State-owned enterprises also have two characteristics: profitable legal person and public interest legal person: profitability is reflected in the value added of state-owned assets; public welfare is reflected in the mission of state-owned enterprises to regulate the economy and promote national economic development.

Financial management is a key link in the process of state-owned enterprise management. High-efficiency and correct financial management determines that state-owned enterprises can produce and operate normally and efficiently in the long run. The financial management of state-owned enterprises is essentially the same as that of ordinary enterprises. It is the overall management of planning, decision-making and monitoring through the value form of the flow of money during the existence of the enterprise. The difference is that the operating targets of state-owned enterprises are mainly state finances, which are obtained through the disposal and utilization of state-owned assets, and at the same time bear the responsibility for the national economy. The main contents of financial management of state-owned enterprises are as follows:

(1) Budget management. Because the national economic policies and targets will affect the behavior of state-owned enterprises, the standards for state-owned enterprises should be fulfilled by the state-owned assets supervision and administration commission and other relevant regulatory departments, so as to ensure that the total production of enterprises can reach the national target. State-owned enterprises should therefore implement comprehensive budgets; Based on the strategic objectives of state-owned enterprises, it analyzes, forecasts and makes decisions from multiple levels such as cost and cost, and appropriately allocates personnel, information, business and capital to ensure efficient utilization of resources.

(2) Asset management. It is a key link in the financial management of state-owned enterprises to properly distribute the state-owned assets, increase the value of the assets, avoid the decrease and loss of the value, and refine the asset management structure. At the same time, improving the utilization rate of resources, increasing the return on capital, not blindly or speculatively to set up some state-owned assets, resisting the encroachment on assets or the behavior of seeking private gains from the public is the main goal of the asset management of state-owned enterprises.

(3) Fund management. Reasonable management should be

carried out for the financing, use and distribution of funds. The entry and exit of funds and the recovery and recovery must be clearly recorded and accounted for. For special funds, special account accounting, special funds and special management are realized. Pay special attention to the use of large amounts of funds to prevent invalid waste or corruption.

(4) Information management. For today's information age, the state of the enterprise reflected by financial information cannot be ignored. The risks implied by many companies, such as debt repayment risk and excessive backlog of accounts receivable, can be expressed directly from financial information. For state-owned enterprises, their financial management must include information management, and real and effective financial information can help enterprises make correct decisions. Therefore, the collection, classification, collation, analysis and processing of correct financial information is the foundation of the stable operation of the enterprise.

(5) Management of the financial system. State-owned enterprises should formulate a reasonable financial management system based on the current accounting regulations of financial accounting laws and the actual conditions of their own enterprises, and promote the steady operation of corporate financial activities and even daily operations. From the aspects of accounting methods, tax procedures and capital processing, strict requirements are formulated to be implemented in the daily operations of enterprises.

2.2 Principles of financial management of state-owned enterprises

Although a state-owned enterprise is an enterprise created and controlled by the state, as an independent economic entity, it must have the initiative to respond quickly to the situation in the process of operation in the face of various opportunities and threats. In order to properly handle the financial relationship between the state and state-owned enterprises, the financial management of state-owned enterprises must adhere to the basic principle of "unified leadership and independent operation". Formulate, implement and implement the policies and guidelines and financial rules and regulations formulated by the state, follow the overall planning formulated by the state, accept the macro-control of the state, and cooperate with its unified needs. In addition, the state should delegate certain powers to state-owned enterprises so that they can have autonomy in production and operation, personnel allocation, use and distribution of funds, etc., so as to guarantee the independence of enterprise financial management.

2.3 Objectives of financial management of state-owned enterprises

As an economic entity that wants to exist and develop in the long run to gain economic benefits, the financial goal affects the behavior of the enterprise, is the starting point and the end point for the enterprise to make decisions, it restricts the basic trend of the enterprise's operation, and is also the driving force for the enterprise's development. Different financial management objectives lead to different operating systems. In the current market environment, sociologists generally accept the following typical views on financial management objectives:

(1) Profit maximization goal. It is obvious that the goal of all the decisions of the enterprise is to maximize the profit of the enterprise. This kind of goal is helpful to strengthen enterprise internal accounting and management, reduce cost cost, improve productivity, increase economic benefit. However, its disadvantages are very clear. The time value and risk of the fund are not included in the research scope, and it is impossible to accurately judge whether the decision is reasonable or not. The relationship between profit and invested capital has not been explored, and the efficiency of resource utilization cannot be measured. It is very easy to lead to the emergence of short-term behavior of enterprises, and it is easy to make decisions that will do great harm to enterprises in order to gain profits.

(2) Shareholder wealth maximization. This content of financial management is to expand the wealth of shareholders to maximize their economic benefits, and their wealth is measured in the number of shares and the market price. This view has some merit. It links risk factors to stock prices and avoids short-term actions to a certain extent, since stock prices are not only affected by the current corporate conditions but also by the future corporate development conditions. In addition, this kind of target can be used for quantification and assessment of listed companies. Inevitably, this view has some limitations, which are difficult to quantify for unlisted companies, and the stock price is affected by a variety of complex factors, which cannot accurately reflect the operating conditions of enterprises. In addition, for an enterprise with complex personnel relations, it is one-sided to only consider the interests of shareholders, and the interests of other stakeholders are equally important. Only by coordinating and taking into account the interests of multiple stakeholders can the enterprise develop for a long time.

(3) Maximize enterprise value. This is the current more mature view claims about financial management goal, it is balancing the interests of all relevant personnel, to ensure that the enterprise can long-term development, realize the enterprise value maximum, and also explores the time value of money and risk factors, to curb the short-term behavior of the enterprise, at the same time, the use efficiency of assets of the enterprise has made the request,. The only disadvantage is that the calculation method is to discount the cash flow generated by the enterprise in the future, and the calculation has certain predictability.

State-owned enterprises not only represent themselves, but also shoulder the important responsibility of promoting the economy and social development. As the link between the state and the society, they should take into account the interests of multiple parties and achieve common development. Therefore, the financial management goal of state-owned enterprises should be the maximization of enterprise value. When promoting the development of their own enterprises, they should correctly deal with the relationship between stakeholders so as to satisfy the interests of all stakeholders.

3. Problems and Causes in Financial Management of State-owned Enterprises

As the backbone of China's national economy, state-owned enterprises have made contributions that cannot be ignored for the prosperity of China's market economy.

Entering the 21st century, state-owned and state-controlled enterprises are basically in charge of all industries, and the total value of state-owned assets has reached 9 trillion yuan. But now, according to the data, the outlook for China's state-owned enterprises is grim. The National Bureau of Statistics released the industrial profit data for the first half of the year on July 27, 2016, in which the profit growth rate of private enterprises was 8.8 percent, while the profit growth rate of foreign enterprises and joint-stock enterprises was 5 percent and 7.6 percent respectively. However, to people's surprise, the profit of state-owned enterprises actually dropped 8 percent to 558.04 billion yuan.

In addition, in terms of profitability, enterprises with other property rights attributes have begun to surpass state-owned enterprises. Here, the profitability of different property rights attributes is only weighed by the profit margin of industrial enterprises' main business. From 2012 to 2014, the profitability of state-owned industrial enterprises was at the middle level of all industries, even second only to the industrial enterprises under collective ownership for most of the time. However, when it came to 2015, the situation changed. Compared with other industrial enterprises with property rights, their profitability remained relatively stable, and the profit margin of their main business revenue dropped sharply. In 2015, the profit margin of the main business of state-owned industrial enterprises dropped to 4.64%, the lowest level in the past, and also significantly lower than the average profit level of all industries (6.3%). From January to June 2016, the profitability of state-owned industrial enterprises (5.14%) was still significantly lower than the industry average (6.04%), ranking at the bottom of the profitability of enterprises with property rights.

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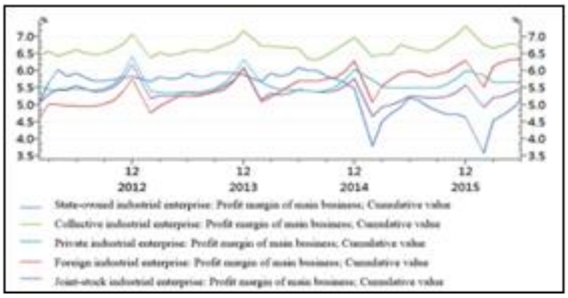

Figure 1: Each property enterprise main business income profit margin

Moreover, the profits of central enterprises have fallen faster than those of local state-owned enterprises. As shown in figure 2(Appendix 2), from January to June 2016, the total profit of state-owned enterprises was 1.12 trillion yuan, compared with 1.23 trillion yuan in the same period last year, with a year-on-year growth rate of -8.5%, negative growth for 18 consecutive months, and the decline in profit level intensified. From the comparison between central and local soes, the total profit of central soes from January to June was 798.37 billion yuan, with a year-on-year growth rate of -9%, while the total profit of local soes was 328.87 billion yuan, with a year-on-year growth rate of -7.1%. Profits of central companies have fallen faster than those of local soes, possibly because central companies have limited scope to make a profit on these investments, such as large-scale railway construction, in order to achieve the political goals of improving infrastructure and steady economic development.

Figure 2: Profit comparison between central and local state-owned enterprises

As is expected, as shown in figure 3(Appendix 3), return on net assets and return on total assets of state-owned enterprises have dropped significantly. Returns on investment in the state sector have been dragged down by the declining profitability of state-owned enterprises. Since 2008, the rate of return on total assets of state-owned

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enterprises decreased from 5.2% to 4.8%, and the rate of return on net assets decreased from 5.3% to 2.8%, falling by nearly half. Since 2016, the return on equity (ROE) of non-state-owned listed enterprises has risen somewhat, but the ROE of state-owned listed enterprises is still in a downward trend. In addition, the two profit indicators of state-owned enterprises are significantly lower than the weighted average interest rate of general loans of financial institutions. In addition, the weighted average interest rate of general loans of financial institutions is significantly higher than the above two financial indicators. This is a sign that, without government support for state-owned enterprises, the profitability of state-owned enterprises at the current level can not repay the bank loan interest.

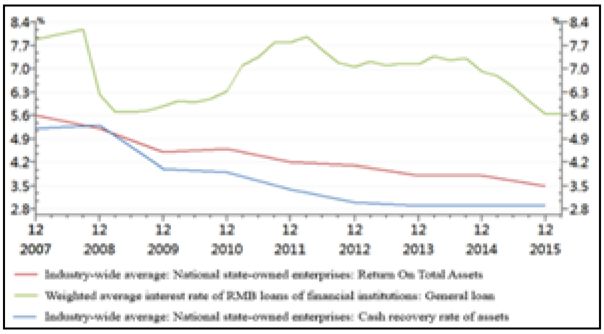

Figure 3: Return rate on total assets and cash recovery rate of assets of state-owned enterprises

According to the recent financial situation of state-owned enterprises, it is not difficult to see that state-owned enterprises still have defects in their operating results, which are closely related to the financial management of enterprises.

3.1 Imperfect Internal Control System

Due to the absence of strict restriction and control, the management of some state-owned enterprises overtakes the internal finance, resulting in the constant occurrence of accounting information distortion, illegal occupation of state-owned assets, and damage to the interests of state-owned enterprises in daily business activities, which has caused great damage to state-owned property [6]. On January 22, 2016, a shocking case of agbank bill fraud was exposed, in which two employees of the Beijing branch of agricultural bank of China manipulated the bank to illegally take notes worth up to 3.8 billion yuan, sell one note twice, and use the buyback funds to enter the then-booming stock market. The funny thing is that these bills are not only passed in and out without a ledger, but can even be exchanged for a packet of newspapers. This underground activity might not have been visible had it not been for the huge sums of money that could not be recovered from the stock market crash. This is a very serious accident of anomie of internal control, the bank did not have supervision effect between internal departments, with only two bills department staff is to complete the case, the paper packets inbound outbound how can highly in the case of people handling, and about the buyback business involves multiple departments such as the counter department, financial department and the credit department did not find this behavior, it is conceivable that the internal control system as a decoration.

3.2 Improper Fund Management

The scientific fund management can make the enterprise maintain the lower cost expense; The correct plan raises funds, prevents the waste aggravates the financial burden; In the investment aspect reasonable plan, avoids the risk; Improve the efficiency of capital operation; Make correct long-term financial decisions [7]. But capital management in many state-owned enterprises is always out of balance. Excessive financing, debt ratio is serious abnormal; Unreasonable use of funds, resulting in low rates of return. A typical example: in 2016, although northeast special steel group is the leader in China's special steel industry, it is still on the road of bankruptcy restructuring in October. By July, dongbei special steel had exposed material defaults on six bonds worth about 4.7 billion yuan. In the whole year, the amount of bonds to be paid amounted to 4.97 billion yuan, accounting for 70% of the stock of assets. According to the financial statements of northeast special steel group in 2015, its current assets are about 7.3 billion yuan, while its current liabilities have reached 10.5 billion yuan, with a current ratio of only 0.69. Moreover, the monetary fund is about 2.78 billion yuan, notes receivable and accounts receivable are about 800 million yuan and 1.1 billion yuan respectively, the quick ratio is 0.45, the cash ratio is 0.26, and the asset-liability ratio has reached 85.08%. At that time, the average current ratio and asset-liability ratio of the same industry were 0.58 and 72.25%. Long-term repayment pressure is huge, accounts receivable account for more, how to arrange these funds reasonably is an urgent problem.

3.3 Inadequate Risk Management

The lack of risk warning ability will greatly increase the financial risk, investment risk, financing risk and so on. When some state-owned enterprises invest abroad, they do not conduct in-depth market research, and their decision-making is extremely blind, which increases the investment risk of enterprises. Such behavior is common [8]. In 2007, MCC had no idea about the balance sheet of tangshan hengtong, the equipment and technology situation was unclear, and even the market was not studied and analyzed, so it invested more than 1 billion yuan to restructure it. There is no doubt that until 2011, MCC lost 4.6 billion yuan in just four years. How such a risky investment gets through is a thought-provoking question. Inefficient risk management will increase the error rate of decision-making, leading to losses and affecting the economic interests of enterprises. In the process of market-oriented transformation, enterprises are faced with more uncertainties. Therefore, strengthening the risk management of state-owned enterprises will greatly enhance their core competitiveness.

3.4 Low Effectiveness of Financial Monitoring Mechanism

In the current state-owned enterprises, financial management activities are relatively independent, but often cannot be effectively supervised [9]. There are often some behaviors that harm collective interests in state-owned enterprises, such as setting up private private coffers and expropriating public assets, all of which are more rampant because of the lack of monitoring system. In 2013, among the 63 cases of job-related crimes committed by employees of state-owned enterprises in foshan, 16 cases involved embezzlement of less than 100,000 yuan. 35 cases with the value of more than 100,000 yuan or less than 1 million yuan; There are 9 cases of more than 1 million yuan or less than 10 million yuan; Three cases of more than 10 million yuan. Such a huge amount of money and such a high frequency of crimes have not been detected in a timely manner, which shows how inefficient financial monitoring is.

3.5 Low Quality of Enterprise Personnel

Enterprise leaders' concept of financial management is weak [10]. As state-owned enterprises are often strongly supported and protected by the state, they know little about financial management. Senior leaders only focus on high production and high returns, and are not very risk conscious. In addition, the status of the financial department in the enterprise is not very high, rarely attend major decisions, professional financial personnel difficult to express relevant financial opinions, the decision may be a major mistake. Some companies even pay the finance department very low salaries, leading to a large loss of professional talent. It is the low concept of financial management of senior leaders that leads to the loss of enthusiasm and creativity of financial staff, which may ultimately make the enterprise difficult to adapt to the changing competitive market. Financial management personnel are not professional enough [11]. According to relevant statistics, by the beginning of this century, less than one tenth of accountants had received professional education in universities, and only 12.74 percent were qualified as accountants or above. What's more, only 18.2% of the accounting professionals above the college level are in the collective enterprises and state-owned enterprises above the county level. In practice, most of the financial departments of state-owned enterprises in China are taken on by the accounting department, and the accounting personnel are quite deficient in professional financial management knowledge. Moreover, the cultivation of professional quality of financial personnel has not been paid much attention to, which leads to the financial personnel sticking to the rules and regulations without enthusiasm, and it is difficult for them to quickly adapt to the changeable economic market. In addition, most of the follow-up education is only theoretical knowledge, which is difficult to deal with the actual problems of management. The low efficiency of financial management in state-owned enterprises is largely due to the lack of compound professionals.

4. Countermeasures for Strengthening Financial Management of State-Owned Enterprises

4.1 Strengthen the construction of internal control system

State-owned enterprises should start to strengthen the support of internal control mechanism and make it standardized and institutionalized [12]. First of all, state-owned enterprises should abide by the company law, establish and improve the internal control system, and build an efficient corporate governance framework. Clarify the responsibility and attribution of various powers and realize the supervision of each other and complete the operation system of coordinating and restricting each other. Combined with the actual situation of the enterprise, the control system covering each department and even each employee is established to realize the subdivision and decentralization of responsibilities and clear rights and responsibilities. All in all, strengthen the internal departments of mutual supervision, improve the internal governance structure, implement the responsibility of each department, the implementation of accountability system.

4.2 Optimize Fund Management

(1) Establish a sound fund management system. Implement the system strictly in daily operation, report and modify problems in time to ensure the normal operation of the fund management system.
(2) Improve the clearing center system, implement the clearing center system, and achieve centralized management of funds. The fund settlement center is set up to control the entry and exit of funds, effectively supervise the opening of multiple accounts and the circulation of funds off the books, and ensure the centralized disposal and unified distribution and mobilization of funds. In addition, the capital status of the sub-units will be incorporated into the effective supervision of the group, so as to reduce the risks of the bank and build a new bank-enterprise relationship.
(3) Strengthen the internal control system of funds [13]. Establish a reasonable capital budget method, change the settlement of funds after the event into the prediction before the event, calculate the capital demand of the project with a scientific method, and then combine with the financial situation of the enterprise itself, conduct the financing and allocation of funds in a reasonable way. At the same time, we should strengthen the control of funds, carry out effective supervision during the use of funds, increase income, reduce expenditure, prevent ineffective use of funds, avoid blind and excessive unnecessary investment, and improve the utilization rate of funds.
(4) Establish accounts receivable management system to accelerate the recovery of funds. The enterprise should develop a strict restriction system of sales collection, divide each person's sales responsibility, confirm their responsibility of collecting money, and accelerate the

recovery of sales money. The audit department should also regularly check the performance of the sales staff, ask them to collect accounts receivable as soon as possible, and impose corresponding penalties on the relevant personnel who caused long-term default and hold them accountable.

4.3 Strengthen Risk Management

(1) Integrate risk management into the strategic development planning of the enterprise. All kinds of uncertainties that may be faced in production and operation are incorporated into the consideration of developing development strategies to effectively prevent risks and carry out effective risk management on organizational structure and control process.

(2) Develop an effective risk management system. Through the high-level meeting, the enterprise formulates an effective risk management system and issues them one by one, detailing responsibilities and grading management, so as to form a top-down management system. All departments shall implement the risk management system in strict accordance with the management system, supervise each other, and make the risk management system standardized and procedural.

(3) Constantly improve the organizational system and related systems of risk management [14]. A good corporate governance structure can strengthen the risk management, on the one hand, a good organizational framework will set up a special department office functions such as: the auditing department, financial department, they will all kinds of behavior to make risk assessment and management of enterprise, help enterprise segment different decision under risk and clear responsibilities, to prevent repeated use of resources. On the other hand, an excellent corporate governance structure will also reduce major errors in daily decision-making and blind decision-making behaviors caused by imperfect system.

(4) Regularly organize the inspection of risk management. Set up a special risk management inspection team, develop a professional risk management plan, define the specific responsibilities of each department in risk management, and supervise its implementation. In addition, we should strictly prevent new risks and actively report, coordinate and deal with problems in the process of management.

4.4 Strengthen Financial Supervision

(1) Formulate financial supervision regulations. Each department and each employee are required to strictly abide by this regulation, and mutual supervision, mutual restraint.

(2) Strengthen financial audit. Strictly monitor the capital of enterprises to prevent the occurrence of events that cause losses to enterprises. In addition, even the daily business activities and financial situation of the enterprise to conduct regular and irregular spot check.

(3) Improve the organizational system of financial supervision [15]. Treasurer should focus on the enterprise daily financial activities, strict audit budget usage and distribution, especially pay attention to the usage of large funds and regularly check the authenticity and accuracy of financial statements, the major production and business operation project carefully according to the regulation system of eps, audit its rationality as well as the use of the funds. Additional, each finance personnel also should ask him strictly, be responsible to oneself job seriously, accomplish not dereliction of duty also do not abuse authority.

4.5 Strengthen Team Building and Professional Management

(1) Strengthen the financial management consciousness of enterprise leaders [16]. To cultivate the financial management concept of leaders and make them realize the importance of financial management. Regularly and irregularly spot check the financial situation and hold financial meetings, understand the enterprise's capital operation, in order to timely solve the financial problems.

(2) Provide practical professional training for financial personnel. Cultivate financial management awareness and risk control awareness of financial personnel and constantly learn the fast changing laws and regulations related to financial work. Organize the internal communication of financial department, develop the habit of thinking from the overall situation, and improve the professional quality of financial personnel.

(3) Absorb interdisciplinary talents. The company will recruit high-quality and professional personnel to inject fresh blood into the enterprise, mobilize enthusiasm and creativity, and prepare for the transformation of enterprise development and financial management.

(4) Establish a work responsibility system. Those who have problems in financial work should be held accountable and dealt with seriously according to the corresponding management system.

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