

Enterprise Accounting Management Measures from the Perspective of Value Chain

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Abstract: Competition is the key to the success or failure of enterprises. Competition determines whether various activities that contribute to the business performance of enterprises are appropriate. Competitive strategy is to pursue an ideal competitive position on the industrial macro platform where competition takes place. In China in the 21st century, enhancing enterprise value has become the goal pursued by all enterprises, which requires accounting management to provide more valuable value-added information for decision-making. The popularization and application of "value chain management" theory provides an excellent opportunity for the improvement of enterprise accounting management. Enterprises are actively seeking the combination and application of value chain management theory and enterprise accounting management. This paper mainly analyzes the concept of value chain management theory and the combination measures between this theory and enterprise accounting management, so as to guide the improvement of enterprise accounting management level, Promote the development of enterprises.

1. Introduction

With the economic reform in full swing, enterprises are actively promoting the upgrading of their own operation and management system. In the face of huge survival pressure, enterprises have great responsibility for accounting management. With the emergence of value chain management theory, enterprises analyze and apply value chain management to inject fresh blood into their own enterprise management. Properly applying "value chain management" to enterprise accounting management is an effective way for enterprises to maximize value-added. Therefore, strengthening the improvement of enterprise accounting management based on value chain will certainly improve the accounting management level of enterprises and promote the rise of enterprise profits value, enhance their competitiveness and help enterprises develop better.

In 1985, Michael Porter of Harvard Business School systematically put forward the concept of "value chain" for the first time in his book "competitive advantage". Porter pointed out that the competition between enterprises is actually the competition of the whole value chain, which depends on the comprehensive competitiveness of the whole value chain. When a company competes with another company, it is actually a number of internal activities competing, rather than a single activity competing. It may be a combination of service level, quality level and so on. In order to gain an advantage in the competition, enterprises must contact various activities of the whole value chain, analyze the differences between themselves and rival enterprises in the value chain, clarify the differences between themselves and rival enterprises, and then formulate countermeasures according to the shortcomings of their own enterprises, develop their strengths and avoid their weaknesses, so as to make the enterprise in an advantageous position in the fierce competition.



Figure 1 Value chain

2. Enterprise value chain and value chain accounting

Enterprise value chain is a value chain system formed with internal value activities as the core. The value activities of enterprises can be divided into two types: basic activities and auxiliary activities, with a total of nine general types of activities. Basic activities refer to those involving production, Production, marketing, payment to the buyer, product support and after-sales service, etc. Auxiliary activities refer to the investment and infrastructure that can assist the basic activities of the enterprise. The value chain of an enterprise shows the connection between a series of activities, functions and business processes that create value for customers, such as design, production, marketing and transportation. Enterprise value chain is ubiquitous in enterprise economic activities. There is an industry value chain between upstream and downstream related enterprises. The connection of various business units within the enterprise constitutes the enterprise value chain, and there is also a value chain connection between various business units within the enterprise. Every value activity in the value chain will have an impact on how much value the enterprise can finally realize. Value chain accounting is a new accounting field. The accounting department is an operation and Management Department of an enterprise, which has a certain impact on the operation and management of an enterprise. It is precisely because accounting has management function that accounting can enter the value chain management system, and value chain accounting based on value chain management can become possible. At the end of last century, the enterprise management mode began to introduce the value chain management mode. The changes of the objective social and economic environment also created conditions for the emergence of value chain accounting.

Value chain accounting, also known as value chain accounting management, is guided by the needs of the market and customers, led by core enterprises, with the overall value-added of the value chain as the fundamental goal, with the specific objectives of improving the competitiveness of the value chain, market share, customer satisfaction and obtaining the maximum profit, and with the principle of collaborative commerce, collaborative competition and win-win as the operation mode. Through the use of modern information technology and network technology, it is a management activity to effectively plan and control the logistics, information flow and capital flow in the value chain. It is an accounting management activity that integrates traditional financial accounting and management accounting. The purpose of value chain accounting management is to connect the core enterprise with suppliers, distributors, service providers and customers into a complete network chain structure, form a highly competitive strategic alliance, and realize the low-cost or differentiated competitive advantage of the whole value chain through the creation of value chain, so as to truly realize "win-win".



Figure 2 Porter's value chain analysis model

3. The role of value chain management in accounting management

The basis of value chain analysis is value. The goal of value chain management is to realize the value-added of things. Accounting management is a kind of value management activity. It plays an irreplaceable role in promoting the innovation of an enterprise.

3.1 Promoting the innovation of accounting management theory

First of all, accounting takes the internal value chain of the enterprise as the core and all the values realized by upstream and downstream enterprises as the object, so as to make each value chain. The content of all aspects can realize reasonable value-added. Secondly, value chain management is different from traditional financial accounting. Financial accounting is a static management of post reaction, while value chain management is a dynamic management that provides valuable dynamic information for the required subjects and can provide real-time information. In addition, the value chain also effectively takes the computer network as the platform, breaking the restrictions of time and space, More effective information exchange and transportation.

3.2 Promoting the optimization of accounting information system

Accounting information system is a subsystem of management information system. It provides enterprise managers and decision-makers with the required financial information and decision-making information, handles accounting business, and controls and reflects the economic activities of enterprises. At first, the accounting information system and business development system were separated, and there was no connection between them. However, with the development of society and the innovation of science and technology, people closely linked the accounting information system, a subsystem of the management information system, with the management of enterprises. The development of accounting information system is the development of management information system, and the two complement each other.

3.3 Promoting the change of business process

Before the 1990s, most enterprises used computers to calculate the operation process of enterprises, only automating the inefficient departments in the enterprise, which did not play a great role in the enterprise itself. Later, in order for some enterprises to achieve the desired indicators of cost, quality, service and speed, they reformed the management system, and "business process" was born. Its emergence makes the enterprise take improving the enterprise value as the goal, break the Convention, track, investigate and record the beginning, process and results of the enterprise's economic activities in an all-round and three-dimensional way, realize the organic combination of accounting and the enterprise's daily work, product value and enterprise value, and strengthen and improve the enterprise's plan, implementation and decision-making on relevant activities.

4. Analysis of enterprise accounting management measures based on value chain

Through the above analysis of value chain theory and value chain accounting related theories, we

can preliminarily understand the advantages of value chain accounting and its important role in promoting the development of enterprise modernization. Next, we will discuss its practical application in enterprises:

4.1 Reintegration of enterprise internal accounting process based on value chain management theory

Enterprises should integrate value information to achieve the goal of the established value chain process within the enterprise. When arranging tasks, enterprises should first plan various data of each project, prepare materials, share task information with alliance enterprises through the system, ensure the timely optimization and sharing of resources in each enterprise link in the alliance, and further optimize the large cycle of capital. Then the enterprise adjusts its own work tasks in time, arranges staff scientifically and reasonably, reduces waste, avoids backlog, and makes corresponding marks in the module of the system. The system shall budget the cost, detect the quality, and timely control the possible risks of damage and loss during the task. To realize the reorganization of accounting business process, we should collect data, analyze the data according to certain indicators, and strengthen process management. Following the principle of overall optimization, the principle of benefit and the idea of investment protection, carefully analyze the business process of the enterprise value chain from the perspective of input-output ratio. The actual needs and benefits of management, and control the management cost.

4.2 Transformation of enterprise accounting function based on value chain management theory

The traditional accounting function is accounting and supervision. Accounting measurement, confirmation, recording and reporting of fund operation process and results reflect the accounting function of accounting. Accounting analysis of data, inspection of discipline and law-abiding, evaluation of activity results and adjustment of action plan reflect the supervision function of accounting. The basic feature of value chain management theory is the maximization of value creation. Value creation is realized by arranging the business process of the enterprise according to the structure of "chain". In order to change the accounting function of enterprises, we should focus on the overall situation and proceed from the overall goal, control and optimize the whole value chain, reflect and control the capital operation process in a practical and all-round way, rather than limited to the detailed calculation, summary and report of the income and expenditure of various activities of the enterprise, and more importantly, analyze various activities on the potential value chain of the enterprise itself. Control, and analyze and control all activities with business connections in the whole value chain, upper and lower enterprises.

4.3 Construction of enterprise accounting information system based on value chain

Establish the enterprise accounting information system based on the value chain, use the value chain management theory to think and design a new accounting business process, improve the efficiency and value-added of accounting work, complete the accounting objectives, and optimize the performance of the information system according to the design principles of the system. When designing an enterprise's production plan, procurement process and storage optimization method, enterprise accounting should conduct micro level analysis on the organization and business, clearly identify the business events of each process, rather than look at the business process from the perspective of the group, and start from the whole value chain. Instead of being limited to controlling their own business processes and resources, we should consciously carry out comprehensive optimization and control. Apply cutting-edge technology to establish application software system, constantly learn advanced knowledge and skills, timely update the application environment, system hardware or software of enterprise accounting management, ensure the scalability and compatibility of the system, and ensure the smooth communication and sharing of information between enterprises and value chain alliance.

5. Conclusion

The traditional enterprise accounting management is to reduce costs in order to maximize the profits of enterprises. It is unable to explore the value of various activities of enterprises, find links to effectively reduce costs and adapt to fierce competition. However, the goal of enterprise accounting management based on value chain is to identify and analyze the core business processes of enterprises and realize value-added, It can help enterprises find the potential profits of various activities in the value chain, and then help enterprises maximize the profits of various activities and improve the competitiveness of enterprises. Enterprises must seriously study the value chain management theory, apply it perfectly to their own enterprise accounting management, improve the level of accounting management and promote the development of enterprises.

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