Problems and Countermeasures in the Application of Management Accounting in Chinese Enterprises

Wan-Rong ZHANG
Nanchang Institute of Science & Technology, Nanchang, Jiangxi, China
466912319@qq.com

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Abstract. With the development of economy, the number of enterprises is increasing, and the competition among enterprises is fierce increasingly. Management accounting is adopted successively in order to improve the competitiveness in many enterprises. Management accounting plays an active role in the development of enterprises. Through the application of management accounting, enterprise managers can understand the operation of enterprises and avoid losses in the process of operation better. There are also some problems in the application of management accounting in enterprises, which leads to the low efficiency of the application of management accounting.

Introduction

Management accounting plays an important role in the development of enterprises. The role of management accounting is mainly embodied in risk management, cost management, business investment and humanistic management.

Problems of Management Accounting in Chinese Enterprises

The Management System is Not Perfect and Managers Pay Little Attention to It

According to the survey data, although the scale of some enterprises is relatively large, there are still very few accountants with college degree or above. The financial personnel of enterprises are only good at accounting. Their analytical ability is very weak. It is difficult to apply effective information to enterprise management decision-making.

Most enterprise decision-makers in China have a very incomplete and one-sided understanding of management accounting, leading to the failure of the enterprise financial personnel to keep pace with the times, the weak management ability and the very poor actual application level.

Low-level Informatization

In enterprise management, information is an important way of management. With the continuous development and growth of information technology, a lot of funds are invested by enterprises in information technology.

Enterprises do not provide some relatively valuable information for the management department through management accounting. They do not provide management accounting with the financial information to ensure the rational use of enterprise resources and the fulfillment of business responsibilities. The financial information is only processed and adopted.

Lagging of Accounting Means

Although some relatively large-scale enterprises as well as some joint ventures have invested in computerized software in China, there are still a large number of enterprises to still adopt manual accounting. For this phenomenon, they can't predict and control emergencies in advance.
The Theoretical System of Management Accounting is not Scientific Enough

A considerable number of scholars in this field in China have carried out some corresponding analysis and research on the theory of management accounting, but it is mostly not in line with the national conditions of China. In addition, the new content of management accounting is rarely applied in the daily management activities of enterprises in China. Even if it is applied in the production and operation process of some enterprises, without the deep analysis, it is only shallow. As a result, the management accounting system is imperfect in China.

Solutions to Problems in the Application of Management Accounting in Enterprises

Constructing the Modern Management Accounting Theory System for the Market Economy with Chinese Characteristics

At present, in the research on management accounting in China, the difference between Western countries and China is still ignored in terms of national conditions. It is mainly focused on introducing foreign research results. As a result, it is difficult that the introduced Western management accounting is used by the public in Chinese enterprises.

In China, it should apply management accounting to our enterprises scientifically and reasonably. We must be aware of the difference between China and Western countries. According to the status of the Chinese socialist market economic system as well as the actual situation of enterprises, we should promote the scientific use of accountants and managers on the basis of paying attention to the research and application of the management accounting behavior.

Analyzing Typical Cases and Combining Theory with Practice

There are some successful cases. However, the effective application of management accounting in practice is determined by the timely summary and promotion of the successful experience for the formation of the demonstration effect as well as the quick establishment and promotion of some effective methods to a large extent.

In China, there is no management accounting theory and practice including the management accounting professional organization. The communication opportunities between the academia and the real world are also rare. As a result, it is very difficult to analyze management accounting through the typical case research.

Improving the Quality of Accountants

Since China joined WTO, the domestic accounting education has been developing rapidly and some good results have been achieved. It lays a good theoretical foundation for management accounting in practice. However, there are still many accountants without the background of the formal school education or the education of accounting major or but involved in the professional transfer.

In view of the continuous development of management accounting, accountants should be supervised strictly to improve their quality in the process of the further education. It is helpful to expanding the scope of the application of management accounting and improving the level of application.

In addition, it is essential to improve the quality of accountants and strengthen the consciousness of leaders of management accounting enterprises. To make some rational and scientific plans and decisions, enterprise managers must have the strong management accounting consciousness. Therefore, the management accounting consciousness of enterprise leaders is an important factor to improve the application level of management accounting in enterprises.

Making Full Use of Internet Resources

At present, there are about 8 million different enterprises in China, but most of them are endowed with the imperfect management system and the relatively backward management means. Therefore,
it is difficult to carry out the enterprise management accounting. The popularization of new economy, the formation of network and the full use of enterprise management accounting information system in poor and remote areas is scientific and reasonable to reduce the cost of enterprises by collecting various information on the Internet. Therefore, the relevant departments should actively encourage and promote enterprises to collect information on the Internet, supervise the improvement of management means and management system, and carry out management accounting gradually.

**Conclusion**

It is a very urgent to demonstrate the role of management accounting fully. It is a problem all accountants and management accountants should take seriously. It is believed that all constraints of management accounting will be overcome for the constant development in the end as long as the relevant practitioners cooperate in the theoretical research and practical application of management accounting, and as long as governments, enterprises and relevant organizations support it strongly and learn from all kinds of experience and lessons.

**References**


