

Application of Management Accounting in Administrative Institutions

Ya Wang, Yanmei Yang*

Suqian Xinxu Internet Co., Ltd., Suqian, 223800, China

Abstract

With the continuous progress of my country's social economy and the vigorous development of the market economy, higher requirements are put forward for the management of administrative institutions. The 19th National Congress of the Communist Party of China has put forward new requirements for the management of administrative institutions from the overall and strategic perspective. It must be guided by the people to "do one thing efficiently", make full use of the advancement of modern Internet technology, and promote "one network." "One-window office", "One-event joint office", "Cross-regional office" government services. The article introduces the main content and practical significance of strengthening the application of management accounting, deeply analyzes the problems existing in the application of management accounting in administrative institutions, and proposes specific and effective strategies to improve the application of management accounting in administrative institutions, in order to promote better administrative institutions.

Keywords

Administrative institutions; Management accounting; Government services.

1. INTRODUCTION

In recent years, in order to better serve economic development, the country has been vigorously cultivating management accounting talents who are good at financial management, management and decision-making. Comprehensively promote the construction of a management accounting system with Chinese characteristics, give full play to the pillar role of the financial sector in the management accounting reform, fully consider factors such as different regions, nature, and development stages of administrative institutions, strengthen the national "a game of chess" thinking, and rationally construct the government, society, and units The coordination mechanism improves the quality and efficiency of work and provides strong support for the healthy development of the economy and society. However, the application period of management accounting in our country is relatively short, lacking practicality, functionality, efficiency and maneuverability. It is necessary to strengthen research and form a complete and rigorous system of basic management accounting theories and methods.

(1) The main content of management accounting in administrative institutions.

Overall planning, forecast and decision-making. Administrative institutions are departments set up in accordance with the law to meet the needs of the state to perform law enforcement supervision and social management functions. They have obvious subordination and require subordinates to obey superiors and unit interests to obey national interests. Administrative accounting for administrative institutions breaks through the traditional financial accounting concept of serving only their own units, and must serve the overall national strategy and the interests of the people at the same time, and adapt to the country's construction of a national integrated online government service platform to provide cross-regional, cross-departmental,

cross-level and efficient, Convenient government service needs. Therefore, the work content of management accounting focuses on predictive analysis, correct decision-making and reasonable planning for the future.

Comprehensive control and performance evaluation. The main source of funds for the operation of administrative institutions mainly depends on government funding or subsidies. In order to ensure that all links and business activities of various administrative institutions move towards the established goals, the state has begun to establish comprehensive norms and transparent, scientific standards, and strong constraints. Budget system, through the comprehensive implementation of performance management, the establishment of a modern fiscal system, the implementation of the national unified "Budget Management Integration Standards (Trial)", to promote the integration of national government budget management, the integration of budget management of various departments, and the whole process of budget management The integration of budget project life cycle management, the integration of national budget data management. The management accounting of administrative institutions is based on the national unified budget and implements effective cost control by creating a standard cost system; by dividing the main responsibilities of each unit and department, focusing on the current implementation of internal control, comprehensive assessment and comprehensive evaluation.

(2) The practical significance of strengthening the application of management accounting by administrative institutions.

Help improve the level of administrative management. Administrative and public institutions are different from enterprises. They have no fair and just competition environment, have strong unity, and perform corresponding national functions; they have strong pertinence to solve a certain social problem. The focus of administrative and public institutions is to maximize social benefits. Through the application of management accounting, the integration of financial and business activities and other related information can mobilize the enthusiasm of the staff, analyze the internal and external environments, and rationally allocate resources to improve the work efficiency and service capabilities of the unit. Through the application of management accounting, it is conducive to promote the coordinated development of various units and improve the management level of the overall work of administrative institutions.

Help strengthen internal control. The managers of administrative institutions are separated from their owners. In order to prevent managers from making mistakes and fraud, the state vigorously implements internal control. With the acceleration of economic development, the state vigorously promotes the application of management accounting, and general internal control can no longer meet the needs of management. Management accounting is an organic combination of management and accounting. Using management accounting theories and methods, it can adapt to complex environments. It can optimize the internal control system from all aspects, improve and implement the internal control system, and reasonably ensure the realization of internal control objectives [1].

Help reduce the cost of administrative institutions. The extension of cost in management accounting is much broader than the extension of cost in financial accounting. It is engaged in the transformation of total cost management in the whole process from backward to pre-event, in-process and post-event, and from static cost management to dynamic cost management. The state attaches great importance to the application of management accounting, comprehensively promotes the construction of a management accounting system, makes reasonable plans and makes full use of social resources, strengthens the allocation, use and disposal of state-owned assets, and reduces unit operating costs; absorbs and uses modern information technology to establish processing across spaces and departments The network platform promotes the "one network," "one window," "one thing," and "cross-region" government services, improving work

efficiency and reducing costs; integrating risk management to reduce accidents and the resulting costs And loss.

2. APPLICATION STATUS

(1) Insufficient attention to management accounting.

The internal reason for the formation and development of management accounting is the development of social economy and the objective requirements for internal management. The economically underdeveloped local administrative institutions, due to the low management requirements and the lack of cost awareness and the concept of social benefits, have seen insufficient understanding and attention to management accounting work. The state vigorously promotes the development and application of management accounting in administrative institutions. Due to the short implementation time of management accounting, the theoretical system is not perfect, the supervision and evaluation mechanism is not in place, and there is a lack of legal restrictions; or because there is a shortage of professional talents in management accounting positions, management information and data are not collected in time and accurately; or The lack of awareness and sense of responsibility of unit leaders, and the lack of active collaboration among various departments have led to the insignificant role of management accounting.

(2) Lack of time value of funds and cost management concepts.

Management accounting believes that funds increase in value over time in the process of turnover and use, and that the same amount of fund income and expenditure have different values at different points in time. For many years, the accounting of administrative institutions has mainly adopted the receipt and payment realization system, with simple accounting procedures, without considering the time value of funds, without considering the reasonable ratio of income and expenditure, and without considering the reasonable determination of current profits and losses.

Administrative and public institutions cannot directly use traditional internal profits as a standard for measuring work efficiency. In practice, managers have short-sighted behaviors. They only fight for funds in the early stage of the project, and overruns occur. Maintenance is not continued in the later stage of the project, and the project life cycle is short. In addition, many administrative institutions lack the overall social benefit service concept, only emphasizing the interests of the departments, ignoring the overall interests of the country, and neglecting the coordination between departments [2].

(3) The management accounting system is not sound.

Management accounting is not bound by generally accepted accounting principles. It has not been applied to my country's administrative institutions for a long time. It is a new thing and has not formed a set of standardized, complete and long-term management accounting mechanism. Management accounting forecasting decision-making is oriented to the uncertain future, and the performance of functions is different from traditional financial accounting, which has no fixed work cycle procedures to follow, and it is difficult to improve the management accounting system. At present, the management accounting system formulated by various units does not comprehensively consider the influence of factors such as social development, changes in regional differences, and professional capabilities of personnel. In actual operation, managers do not understand the system in place, cannot collect the required information and data in a timely and accurate manner, consume manpower and material resources to make wrong forecasting decisions, and affect the correct play of the role of management accounting [3].

(4) Lack of advancement in management accounting technical methods.

As the pace of social development accelerates, people's expectations for management accounting's target value standards have increased, and the technical methods of management accounting need to be upgraded, forcing us to continue to strengthen the research on technical methods. However, the theoretical application of management accounting in administrative institutions is in its infancy, and its role is not obvious. Leaders do not pay much attention to it, do not have sufficient capital investment, have not established a standardized dynamic data information database, and lack professional knowledge personnel to develop and use Software information platforms, poor infrastructure, small scale of development, lack of internal and external application environments, and insufficient communication between units have led to insufficient innovation in management accounting technology methods.

(5) The quality of the management accounting team is not high.

At present, my country has not yet formed a set of perfect management accounting theory system, it is difficult to cultivate a large number of required professional management accounting talents, and the overall quality of the domestic accounting team is not high. The management accounting certificate CMA is introduced from abroad, but due to the short introduction time, the number of professional talents trained is limited. Compared with financial accounting, management accounting requires high professional knowledge of personnel. General financial accounting is not qualified for the work of management accounting personnel without professional training and learning. In administrative institutions, the following phenomena often occur: It may be that the local economy is backward, or it may be that the performance management incentive mechanism is lacking, and professional management talents are either not attracted or retained. Therefore, if management accounting is lacking, accounting will be arranged. Personnel or other staff replace; while financial staff mainly follow the instructions of superiors or directly rely on their work experience to act, but also lack the initiative to learn new knowledge, and it is difficult to meet the quality requirements of management accounting [4].

3. STRATEGY

(1) Let the concept of management accounting take root.

All administrative institutions have a common purpose, which is to serve the people. Different from enterprises, the establishment and improvement of the management accounting philosophy of administrative institutions, the national interest is paramount, we must start from the country and society as a whole, learn from the advanced experience of developed countries, and combine local reality, come from the masses to the masses, and extract effective results in a timely manner. The concept clauses of the company are publicized and promoted with great fanfare. From unit leaders to every employee must receive training. After a single or an administrative institution with a suitable application environment, the pilot demonstration will be gradually promoted throughout the country, and the opinions of experts and employees will be widely sought. Refining new and effective concepts and clauses in time, repeating the above process, persevering and accumulating. When the concept of management accounting takes root in the thoughts of every member of the organization, the advantages of management accounting will be fully utilized. For example, the state has carried out institutional reforms and promoted the "one network to provide services", which has improved the overall service and management level of administrative institutions.

(2) Deepen the strategic application of modern cost management in the unit.

In recent years, my country has begun to attach importance to the application of management accounting in administrative institutions. The financial accounting has changed from a payment realization system to an accrual system, and the cost management concept has introduced strategic cost management theories. The basic point of strategic cost management theory is that,

in order to adapt to the increasingly complex social environment under economic growth, the country needs to stand at a strategic height, carry out long-term development plans, coordinate social benefits and cost management from a strategic level, and improve the ability to serve the people in the long term. Under this kind of thinking, the state treats all administrative institutions and all business activities as a whole, integrates institutions according to needs, establishes information and Internet platforms to unite or in-depth integration of the businesses of all units, and considers efficient and reasonable services for the private sector. The allocation of resources issues, guides the staff to be cost-conscious, and understand that cost management is no longer just a matter of the financial department. In addition, after experiencing the new crown virus epidemic, the country attaches great importance to risk management, and all units must actively take risk response measures and invest in necessary protection costs to prevent adverse events from occurring and avoid major economic losses.

(3) Construct a management accounting system according to development needs.

The management accounting system should be formulated and perfected in accordance with the law of development. There is only better but not the best. It may be the most suitable abroad, but not in China; it was suitable for this unit in the past, but it is not suitable now. Based on the basic goal of management accounting strategy for long-term and continuous improvement of social and economic benefits as a starting point, the establishment of an open management accounting system for administrative institutions can be divided into three levels: the first level is the country as a whole, from the overall, fundamental and direction Standardize in the framework of, long-term, etc., adopt measures from performance, control, decision-making and other major issues; the second level is the organization of the unit, carefully studying and implementing financial laws and regulations, and at the same time, the unit needs to analyze the implementation effect according to the internal and external environment and find possible problems, It is necessary to make timely remedial measures, be brave to innovate, and form the internal rules and regulations of the unit; the third level is the main body of responsibility within the unit, and establish a scientific and effective division of responsibilities and checks and balances mechanism, which can be revised from the post system if it is unique. Among the three levels, it is necessary to improve the system implementation feedback and revision mechanism to ensure that the system is forward-looking, effective, and enforceable.

(4) Accelerate the innovation of management accounting techniques and methods.

The application of management accounting increasingly requires the use of advanced and effective modern information technology to process, sort, analyze and transmit a large amount of required data and information. In turn, the Internet has succeeded in accelerating the application of management accounting and boosting the organizational restructuring and management evolution of my country's administrative institutions. The information system of administrative institutions can be divided into three parts: First, the national level needs to build an integrated data management system to solve the key or main contradictions as a whole. It requires a unified and standardized theoretical foundation and a professional technical research and development team. For example, the Ministry of Finance has begun to use it. "Budget management integrated system"; secondly, departments or regions need to complete a certain business functionally or partially or centralized office, with the help of professional technical research and development teams, move offline regulatory matters online, and then integrate online business to promote departments The integration of regulations and regional businesses, such as the promotion of government services, "one network," "one window," "one matter," and "cross-region"; finally, the unit level should recruit professional talents and purchase Develop and form office, database, management system and other software, with the help of management accounting norms, integrate various information data within the unit,

maintain information exchange and communication within the unit, and allow the management to make correct decisions and play the role of management accounting.

(5) Cultivate a group of management talents with both ability and political integrity.

Management accounting must have learning ability, communication ability, leadership ability, innovation spirit and expansion spirit. In order to maintain the advanced nature of the management accounting team and be good at efficiently responding to the new situation, new situation and new problems encountered in the development of the country from a strategic and trend perspective, it is necessary to train management accountants, establish a sense of the overall situation and a concept of the overall situation, and correctly face various interests Relationship, have the quality of responsibility, play well in the first move, and play the initiative. Administrative institutions must establish a good talent mechanism and expand the talent team in three ways: First, open the concept to introduce talents, adhere to the appointment principle of "the capable and let the mediocre", and gather talents from all over the world to use them; second, policy guidance Activate talents, create a new atmosphere that values talents, rationally plan talents and conduct hierarchical and classified management, break the barriers of talent flow, and stimulate the sense of responsibility and initiative of management talents to the greatest extent; finally, innovate the training system for talents and invite experts and scholars to teach. Cooperate with colleges and universities for regular training, carry out talent "passing and guiding" activities, improve the overall quality and ability of unit personnel, and promote the overall development of management accounting talents.

4. CONCLUSION

In summary, my country has achieved some preliminary results after comprehensively promoting the construction of the management accounting system, and has allowed the leaders and financial managers of various administrative institutions to take the lead in focusing on the learning and application of management accounting concepts and knowledge. With the deepening of the application of management accounting, service and work efficiency will be improved, and losses and waste will be minimized as much as possible. Of course, you may also encounter more problems. Don't be afraid and don't give up, because there are always more ways than difficulties. Only in this way can the application of management accounting in administrative institutions be promoted.

ACKNOWLEDGMENTS

This work was supported by the fifteenth batch of "Six Talent Peaks" high-level talent project in Jiangsu Province (SZCY-022).

REFERENCES

- [1] Yi Xu. Thoughts on improving the application of management accounting in administrative institutions [J]. Chief Financial Officer, 2019, 15(3): 71-73.
- [2] Dandan Peng. Research on the Application of Management Accounting in Administrative Institutions [J]. Management Methods and Art, 2021(1): 81-83.
- [3] Xiaoqun Li. How to improve the application level of management accounting in administrative institutions[J]. Taxation, 2021(3): 103-104.
- [4] Xiaobo Liu. Research on the Construction of Management Accounting System of Administrative Institutions [J]. Accounting Study, 2019(31): 146-147.