

The Significance and Practical Exploration of Financial Investment Management in Enterprise Operation and Management

Shengcan Jin *

The University of Sydney Business School, Sydney, Australia

* Corresponding Author Email: 872650279@qq.com

Abstract. Enterprises can carry out financial investment activity management, and through institutional control, risk prevention and other methods, ensure the stability of financial investment activities, enhance their own risk resistance ability, and provide support for the healthy and long-term development of enterprises. Based on this, this article briefly analyzes the significance and value of financial investment management in enterprise operation and management, elaborates on the current overview of enterprise financial investment management, and explores in depth the path of financial investment management in enterprise operation and management.

Keywords: Financial investment management; Enterprise management and operation; business management.

1. Introduction

In the new situation where the modern enterprise system continues to deeply penetrate people's hearts, it is crucial to optimize and improve the management mode in order to expand the field of enterprise management and promote the efficiency construction of enterprise management work. Financial investment management is an important part of enterprise management, especially in the current situation of diversified business operations where investment scale is expanding. To ensure the effectiveness and systematicity of financial investment management, it is necessary to elevate it to a higher level and take practical and effective measures to enhance management capabilities. From the overall process, although many enterprises have recognized the value of financial investment management and have innovated in the implementation process, some enterprises have still not carried out financial investment management from the perspective of improving the overall and strategic management of enterprises, resulting in a low overall level of financial investment management. This requires enterprises to attach greater importance to financial investment management, especially focusing on providing guarantees and creating conditions for enterprise operation and management, using more scientific methods and strategies, vigorously promoting financial investment management reform, and striving to create favorable conditions for enterprise strategic development [1, 2].

2. Definition of financial investment management

Financial investment management is a way of integrating and re-managing assets, in which enterprises integrate idle funds in order to obtain higher economic benefits, formulate new utilization plans, and improve the utilization rate of funds. Enterprises can adopt various forms of financial investment, such as purchasing stocks or funds, and can also utilize the expansion of production scale to comprehensively improve the economic efficiency of the enterprise. However, financial investment also carries certain risks, which requires enterprises to increase market research efforts before choosing investment projects, analyze investment risks and benefits based on actual survey results, and lay a solid foundation for rational selection of investment types. Enterprises have great flexibility in choosing their own financial investment projects, and can also independently control and adjust the investment process. Only by comprehensively analyzing the procedures and steps of financial

investment management, and equipping professional personnel, can enterprises truly obtain returns from financial investment projects [3].

Enterprises usually conduct financial investment management in two modes: traditional investment management mode and modern investment management mode. At present, the number of enterprises in China is constantly increasing, and the number of small and medium-sized enterprises as well as small and micro enterprises is showing an expansion trend. Due to the limitations of small and medium-sized enterprises and small and micro enterprises in terms of scale, enterprises should make reasonable plans for their funds, choose investment models that are suitable for themselves, and drive the continuous improvement of their business management level.

3. The significance and value of financial investment management

After the normalization of market economy development, the business development model of enterprises has undergone changes. In the past, the main direction of enterprise management was to seize market space and obtain more economic benefits. Under the background of normalized economy, the market space is gradually becoming saturated. In order to obtain more economic benefits, enterprises need to deeply cultivate their business fields and formulate development strategies based on their actual situation, so as to carry out sustainable business and investment activities. At this time, carrying out financial investment management is to strengthen the control of corporate financial investment activities, compress investment risk costs by controlling financial investment risks, reduce the probability of economic losses, and ensure stable economic returns from investments. This is a means of business development in the context of normalization, which is of great significance for maintaining the business status, controlling operating costs, and expanding economic benefits. In addition, regarding the value of financial investment management in enterprise operation and management, the specific details are as follows.

3.1. Assist enterprises in effectively reducing investment risks

In the process of enterprise management, in order to expand operational scale and seize market position, enterprises often choose to invest in multiple projects to obtain economic benefits and provide financial support for other business activities, which can assist enterprises in effectively reducing investment risks. If the investment fails, not only will it be unable to obtain subsequent funds, but it will also lead to the breakage of the capital chain, affecting the business operation status of the enterprise. Therefore, when enterprises conduct financial investment management, they often conduct risk assessment before investment and behavioral control during the investment process, in order to reduce investment risks and avoid survival crises caused by investment failures [4].

3.2. Help enterprises improve economic efficiency

The main goal of enterprise management is to obtain economic benefits, stabilize market position, and expand market space, which helps enterprises improve economic efficiency. Financial investment activities can appropriately activate the fixed assets of enterprises, allowing their assets to flow, so that enterprises can invest their assets in business development, obtain more economic benefits, and achieve asset appreciation.

3.3. Help promote the development of enterprises

Corporate financial investment activities are not solely completed by a single department of the enterprise, but are planned by the enterprise based on its strategic development goals, industry positioning, and business scope. The investment tasks are decomposed into various departments and coordinated by multiple departments. It can be seen that financial investment activities need to fully mobilize various resources of enterprises. Therefore, in the process of investment promotion, it is possible to strengthen cooperation between various departments and positions of enterprises, enhance internal cohesion of enterprises, and even gradually form a positive and collaborative corporate

culture after successful investment, which has a positive effect on the future development of enterprises.

4. The Current Status of Financial Investment Management

Financial investment is one of the main contents of enterprise management. In the process of financial investment management, it is necessary to integrate financial investment activities with other business activities of the enterprise, consider the internal connections between financial investment projects and enterprise operation projects as a whole, and formulate a systematic and comprehensive investment management plan. However, in the actual process, most companies are more attention to investment only, and lack of analysis of the surrounding environment and the relationship between investment and business, which leads to a lack of consideration of internal business factors in financial investment management, thereby affecting the effectiveness of financial investment management. Taking a company as an example, the company has carried out many financial investment projects and attaches great importance to financial investment management. Although the investment management work has been decomposed to the investment department, finance department, and administrative department, the business department has not been involved in the early risk assessment, process tracking, and later analysis of financial investment. As a result, there has been a collision between the funds required for investment and the funds required for the company's business, and the company's working capital is insufficient, making it difficult to carry out its main business [5]. In addition, several major investment failure cases in China can also indirectly reflect the severity of this problem. For example, in the 2004 "SAIC Defeat Korea" incident, SAIC Motor invested \$500 million to control "Shuanglong" and made mergers and acquisitions the main step of its strategic goal. However, due to incomplete consideration of its main business factors, the two parties were unable to achieve their merger and acquisition goals after four years of adjustment, resulting in investment failure.

5. The Path of Financial Investment Management in Enterprise Operation and Management

5.1. Improve the management system for corporate financial investment

To better leverage the value of financial investment management in enterprise operation and management, it is necessary to establish and improve management systems, clarify regulations, requirements, and standard processes to assist in carrying out various management behaviors, thereby enhancing the enterprise's ability to prevent and control financial investment risks. Financial investment activities carry certain risks. To carry out investment management, it is necessary to first consider the risks and hidden dangers of financial investment, and develop corresponding risk prevention systems based on the actual situation of the enterprise and the field of the investment project, such as pre investment evaluation system, evaluation process, risk and hidden danger level classification system, investment promotion work requirements, and management requirements for different stages of financial investment. In addition, a performance evaluation system and investment management responsibility system for financial investment management should be established, clarifying the scope of work, responsibility definition, and division of responsibilities of different departments in the investment management process, ensuring that specific responsibilities are implemented in specific positions, so as to encourage all departments and personnel to participate in financial investment management, actively fulfill their own responsibilities, and collaborate in investment management [6]. Therefore, enterprises need to establish targeted and quantitative assessment indicators for financial investment management, and build an assessment indicator system, such as the implementation of management plans, the proportion of management factors that generate financial investment risks, and changes in various data of investment management. In addition, it is necessary to incorporate the assessment results into the salary, promotion evaluation, and job

performance evaluation of management personnel, stimulate their work enthusiasm, encourage them to actively engage in financial investment management, and strengthen the effectiveness of financial investment management.

5.2. Create a favorable internal financial investment environment

To better leverage the value of financial investment management in enterprise operation and management, it is necessary to strengthen the management of the internal financial investment environment of the enterprise, create a good environmental atmosphere, build an internal communication platform, and actively enhance the participation awareness of various department heads in financial investment management, fully mobilize the strength of various departments within the enterprise, and steadily improve the level of financial investment management in enterprise operation and management. According to the financial investment management situation of Company A, in order to solve the problem of “not involving business departments in financial investment... the conflict between investment funds and company business funds...” it is necessary to fully leverage the advantages of various departments and positions in financial investment management of the enterprise.

Firstly, it is important to focus on the transfer between fixed assets and current assets. Multiple department heads, including business, investment, finance, and administrative departments should communicate with the participation of commercial financial investment projects to jointly determine investment plans. This will enhance the stability of financial investment, improve the effective conversion rate of funds, and increase the number of current assets for the enterprise [7]. Secondly, an internal financial management interactive and interconnected system platform should be built to encourage job leaders, supervisors, and managers to participate in various financial investment activities such as “preliminary intention surveys” and “process tracking and supervision”, and to enable departments and job personnel to obtain real-time information about financial investment, strengthen their correct understanding of financial investment, and actively participate in it. Finally, it is necessary to establish a welfare system that links financial investment activities with economic benefits, strengthen risk prediction and evaluation, risk control, and process tracking of financial investment activities, and actively seek professional assistance from third-party institutions to further enhance the level of financial investment management.

5.3. Take good measures to prevent financial risks and enhance risk prevention awareness

To better leverage the value of financial investment management in enterprise operation and management, it is necessary to do a good job in risk prevention. From the perspective of enterprise management, preventing and controlling financial investment risks is not only about building risk prevention mechanisms, but also enhancing the effectiveness of investment management by creating a stable and harmonious internal environment, further achieving the goal of risk prevention. Firstly, enterprises need to further improve their budget management system, introduce the concept of whole process and refinement budget management, and incorporate financial investment activities into the budget management system. By decomposing budget objectives, they can reasonably plan the amount, usage cycle, and flow direction of financial investment funds. Secondly, by strictly implementing the budget plan and gradually implementing the company's various financial investment plans, the company can ensure a good working capital chain and sufficient internal funds. This risk prevention and control method of budget management can make up for and promote the next stage plan even if the enterprise experiences investment failure, and there will be no survival crisis caused by investment failure [8].

5.4. Reasonably utilize investment strategies and scientifically select investment projects

To better leverage the value of financial investment management in enterprise operation and management, it is necessary to base on the actual situation of the enterprise, select investment projects that the enterprise's capital chain can withstand, or investment projects in fields similar to the

enterprise, and formulate reasonable financial investment plans to ensure stable financial investment returns for the enterprise. If a company has limited funds, it can adopt the method of “dividing investment”, dividing existing funds according to different fields and time periods, which helps to diversify the company's financial investment risks. In terms of financial investment control, professional personnel can also be arranged to track and investigate different investment projects, real-time grasp the activity of investment projects, which helps to adjust investment management plans in a timely manner and effectively control financial investment risks. In addition, enterprises need to adjust their investment plans and strategic plans appropriately according to the actual situation of the investment industry, formulate investment plans that are in line with the development goals of the enterprise, and provide support for the healthy and long-term development of the enterprise.

5.5. Strengthening the construction of a team for financial investment management

To better leverage the value of financial investment management in enterprise operations, it is necessary to strengthen the construction of the enterprise's financial investment management team. According to the current financial investment situation of Company A, it can be seen that the financial investment management force mainly consists of the investment department, business department, finance department, etc., and the investment department plays a significant role in it. Therefore, companies should raise the standards for hiring investment department personnel, such as must possess enterprise asset management and financial investment analyst qualifications, in order to ensure the professionalism of financial investment management personnel in the investment department and enhance the overall ability of the team. In addition, it is necessary to regularly organize multi departmental exchanges. For example, allowing the business and finance departments to learn more about financial investment management knowledge, enabling the investment department to have a better understanding of the company's business situation and the significance of financial planning, thereby achieving better collaboration among multiple departments and strengthening financial investment management.

5.6. Innovate management methods and enhance management effectiveness

To better leverage the value of financial investment management in enterprise operation and management, it is necessary to actively innovate investment management methods, improve management efficiency through modern management methods, and achieve management goals. Internet technology is of great significance for all activities of enterprise operation and management. Enterprises should introduce big data and artificial intelligence technologies, build a database of financial investment experts and neural network structures, and collect business operation data, industry development data, and investment environment data for intelligent analysis, automatically generating financial investment analysis reports. At the same time, real-time data should be obtained and process analysis should be conducted to timely detect changes in investment prospects, providing a basis for companies to withdraw funds and stop losses in a timely manner. In addition, enterprises should establish an investment supervision mechanism, strengthen the management of financial investments through supervision mechanisms and assessment systems, and establish a financial investment management and audit department internally, composed of financial personnel and leaders, responsible for auditing and implementing supervision investment projects. In addition, enterprises should establish internal regulatory systems that comply with industry regulations related to investment management, and propose standardized supervision processes and regulatory standards for various aspects of investment management in accordance with laws and regulations, in order to promote more standardized financial investment management.

6. Summary

In order to fully realize the practical value of financial investment management in enterprise management, enterprises must clarify the positioning of financial investment activities and manage

them purposefully. In future business management, enterprises should start from the perspectives of institutional construction, risk prevention, team building, and innovative management methods, and comprehensively establish an internal financial investment management system. In addition, in the operation of the management system, it is necessary to always adhere to the system as the main basis for financial investment management, and always adhere to risk prevention as the main purpose. Risk prevention, confrontation, and emergency measures should be taken to fully enhance the effectiveness of financial investment management.

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