

On the Comprehensive Budget Management of Listed Companies

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Abstract: Comprehensive budget management is an important part of enterprise internal management system, and also an important management mode of listed companies. However, due to the strong professionalism of comprehensive budget management, the company has produced many inevitable problems in the process of implementing budget management. This paper discusses the current situation and existing problems of comprehensive budget management of listed companies, and puts forward relevant optimization strategies.

Keywords: Listed Company; Comprehensive Budget Management; Question; Optimization Strategy

1. Overview of comprehensive budget management

In recent years, with the rapid development of China's economy, the market competition has become more and more fierce. More and more listed companies have realized the importance of comprehensive budget management, and some companies have taken comprehensive budget management as the main strategic management means^[1].

2. Problems in the comprehensive budget management system

In the implementation of comprehensive budget management, a series of problems have emerged in listed companies, mainly reflected in the following three aspects.

2.1 Managers lack of full understanding of budget management

In the management of listed companies, the level of managers is uneven. Due to the influence of different factors, some managers do not have the professional ability related to their positions, which leads to different problems. These various kinds of problems interweave together, and have a great impact on the development of listed companies. In particular, the budget management of listed companies, which is directly related to the interests of all employees of the company, so budget managers need to be more cautious, serious and responsible^[2]. However, in real work, some managers do not fully realize the importance of budget management, so they do not have in-depth understanding and systematic research on budget management. As a result, managers lack of rigor and sense of responsibility when carrying out their work, and they cannot do a good job in budget management, and there are big and small mistakes.

2.2 Listed companies lack of sound budget management system

The budget management system formulated by some listed companies is not in line with the current situation of the company's operation, cannot play a greater role and cannot bring maximum benefits to enterprises, which has a great impact on listed companies^[3]. For example, when the listed company participates in the bidding of a large project, it may make unscientific and wrong evaluation on the projects that need competition because of the improper budget ma-

management system, which will cause irreparable losses to the company. Secondly, the company's lack of sound budget management system will inevitably lead to the increase of the company's cost, cause great pressure on the company's financial revenue and expenditure, and even affect the development of the company. But the current market competition is extremely fierce, a small uncertain factor can cause great harm to the company^[4].

2.3 The executive power of comprehensive budget management of enterprise employees is not strong

The efficiency of budget implementation determines the degree of realization of budget objectives. Many companies have not established and perfected the final budget evaluation and reward and punishment system. Therefore, employees have the phenomenon of contempt in the implementation process of comprehensive budget management, and the randomness in the implementation of budget implementation is relatively large, resulting in a large difference between budget preparation and budget results^[5].

3. Optimization strategy of comprehensive budget management

The existence of these problems alone may not have a significant impact on the company, but if a little makes up a lot, it will cause irreparable losses to the company. Therefore, the following three optimization strategies are proposed.

3.1 Carry out staff training, in-depth study of budget management knowledge

First of all, as the managers of listed companies, they should be fully aware of the importance of comprehensive budget management. In the process of staff training, the company's employees should also learn the relevant knowledge of comprehensive budget management, so as to deepen their understanding of comprehensive budget management^[6]. Secondly, managers need to understand the relationship between comprehensive budget management and various departments, and implement comprehensive budget management among various departments. When problems are found, they can timely communicate with other departments and solve them, so as to promote the comprehensive budget management of listed companies. Finally, the staff in the financial department should pay more attention to the in-depth study of comprehensive budget management knowledge, so as to obtain better budget management effect. Only through the in-depth study of systematic budget management knowledge and operation process, can we further improve the budget management level of all employees and managers of the company, and obtain good budget management effect^[7].

3.2 Establishing a strategic oriented comprehensive budget management system

The company's comprehensive budget management objectives should be consistent with the company's strategic objectives. The relevant personnel of the company's management should make every employee understand that the comprehensive budget management objectives are consistent with the enterprise's strategic objectives through training and other means. The implementation of comprehensive budget management is to achieve the strategic objectives of the enterprise quickly and efficiently^[8].

3.3 Establishing the final budget evaluation system and strengthening the budget execution

Comprehensive budget management is a closed-loop management including budget preparation, budget implementation, budget analysis and budget evaluation. Budget evaluation is not only the test of budget implementation and the realization of budget objectives, but also the assessment of the importance of departments and personnel in comprehensive budget management^[9]. Budget evaluation should be fair, open and fair, with clear rewards and punishments. For some departments and employees who have completed the work objectives or even exceeded the targets, they should be rewarded. However, for some departments that have not completed the objectives, the responsible person and their employees should be punished accordingly. Only when there are rewards and punishments, can the budget execution of employees be strengthened and the budget execution of the whole company be improved^[10].

4. Conclusion

To sum up, with the trend of global economic development, the position of comprehensive budget management in listed companies is becoming more and more important. Therefore, it is necessary not only to let all employees of the company feel the importance of comprehensive budget management, but also to establish and improve the budget management system and its budget evaluation and reward and punishment system, so as to improve the enthusiasm of employees, formulate reasonable and long-term goals, and make the company more effective and go up one floor.

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