

Thoughts on the Application of Management Accounting in Financial Management of Colleges and Universities

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Abstract: *With the development of the times, the level of accounting work has also been improved, and various universities have increasingly attached importance to the accounting management construction system. Only through continuous development can new breakthroughs be found in future financial management, learning, and work. However, under the new accounting system, there is still great room for progress in the development of accounting in various universities. This article starts with the application of management accounting in university financial management, analyzes the current situation of the development of university accounting management application level, analyzes its necessity, and the main direction in university accounting management. Finally, it proposes relevant strategies.*

Keywords: *Management Accounting; Financial Management in Universities; Strategic Development; Development Level*

1. Introduction

In the context of information big data, the core of university education should be on quality improvement. In the past, financial management still operated the most traditional mode, which obviously cannot meet the needs and development of every university. For some dynamic data, such as budget accounting, financial accounting, accounting information, financial payment systems, etc., the most advanced network systems can be used for data screening and analysis, and obtain the data that the financial management center really needs. It can be seen that the role of accounting management cannot be underestimated, as it plays a very important role in financial management.

2. The significance of management accounting in university financial management

In universities, the utilization rate of resources is relatively low, that is, each resource is not developed in a balanced manner, which affects every decision-making and planning activity, resulting in no way to meet current management needs in performance appraisal. Over time, it is difficult to achieve substantial improvement in financial management.[1] Therefore, colleges and universities should maximize the use of their own resources and make good use of existing resources, make reasonable use of management accounting information, and use management accounting applications as a "sword", so as to maximize the use of management accounting methods and tools, improve their own financial management level, and lay a better foundation for school education and teaching. In other words, if you want to develop, you must integrate the current situation, plan the implementation and construction of each content of management accounting in the most scientific manner and methods, and make financial management more dynamic, in order to enable the financial department to play its core "power", rely on "human, material, and talent", improve the overall financial management level, and stimulate the creative ability of the university. In management accounting, the management entity determines the application entity, that is, it can be a school, an internal department or institution, and it can also be a project, a large-scale activity, and so on. Obviously, management accounting has a wide range of applications. Attaching importance to and improving accounting management in colleges and universities has many advantages. It is conducive to improving the level of public management services and management performance, strengthening internal management in colleges and universities, making the development of colleges and universities more meaningful, and improving the level and quality of running schools.

3. The role of management accounting in university financial management

3.1. Adapting to the target positioning and reform of current accounting development

In the ideological guidance of the "14th Five Year Plan Outline for Accounting Reform and Development" issued by the Ministry of Finance, various universities need to pay more attention to the role of management accounting, and need to put it into the guiding role.[2] Efforts should be made to explore and try out updated tools and application methods, so as to improve the internal management level of schools. According to the current and promulgated accounting systems, every university should understand the internal and external conditions and factors of the school. Only by "taking both internal and external factors into account" can the internal management of the school be optimized, and a good atmosphere can be created in management accounting, including establishing a correct management accounting concept, creating a good sense of management accounting application and making every employee of the school participate in and support the work of management accounting, and so on. In every step of accounting management and financial accounting, colleges and universities should comply with the development of accounting reform in the process of facts, so as to better meet the development and requirements of current colleges and universities. This measure has extraordinary significance for the management of performance objectives in colleges and universities.[3]

3.2. Conforming to the trend of information data application in the current era

The era and technology are both developing rapidly. In daily life, we often hear about "big data, artificial intelligence, and the Internet." In the economic era led by cloud computing and new technology, accounting management has also reflected the vitality of updating. Management accounting can conduct data transfer and data analysis based on previously occurring data, and control, implement, evaluate, and assess the business currently occurring and experiencing, in order to further improve and update the decision-making, forecasting, and planning of future economic transactions, the above belongs to "flexible management accounting".[4] Colleges and universities maximize the integration of information technology, network technology, and accounting data. According to the characteristics of management accounting (openness), the methods and tools used are also variable, that is, according to current practice and the rapid development of society, the methods and tools used in management accounting should be more diversified. Colleges and universities should also keep up with the trend of information change, learn to "leverage", use the convenience of current information capture, gradually expand, and comb out the advantages and disadvantages of current accounting management processes, so as to conduct financial management based on the application of management accounting, promote all-round development, make it more operable, and provide more reliable and specific information for future management and decision-making of schools.

3.3. Making the performance management of current college education more smooth

Budget reform has been implemented in all aspects in China, and one of the most important components of financial expenditure is the education expenditure of colleges and universities. How to use the education expenditure will be reevaluated to strengthen the performance evaluation results, which is also the focus and focus of attention for each college and education department. The investment demand for education funds is also increasing year by year, and the efficiency of using education funds cannot be improved and the evaluation and measurement of performance is complex. Colleges and universities can use various data from management accounting for analysis, which can accurately know the investment proportion of each fund in each college of the university, and clarify the specific removal of each fund. Each college has different contributions to the university. According to the above, it is possible to control the recent output and input of each college in order to control financial expenditure and quantify the indicators of each college's financial resources. Evaluating the performance of each college's teaching, social services, and research can accurately analyze the details that need to be strengthened in management. We should adjust the current resource allocation based on the final performance evaluation results, so that projects with low performance can receive more resource allocation and the overall performance of the school can be effectively improved. At the same time, it can also more clearly understand the difficulties in the development of the school at each stage to provide better solutions and provide more powerful support for subsequent decision-making, planning, and development.

4. The application direction of management accounting in university financial management

4.1. Application in university management strategy

Strategic management in universities is influenced by three factors, namely, the overall environment, the competitive environment, and the educational environment. Faced with different challenges and opportunities, it is necessary for colleges and universities to take a clear view of the overall situation, clarify their development goals, educational tasks, and future directions, and on this basis, make reasonable allocation of their educational resources, and gradually improve their core and connotation on the basis of quality first. Colleges and universities are important bases for talent cultivation and talent transfer. When conducting strategic management and planning, it is necessary to follow the pace of the current environment and the times, and consider changes in order to correctly formulate management priorities, so that the quality of the school can be improved, management accounting can play its due role, and the level of strategic management can also be improved. Through the use of management accounting, gradual benchmarking, decomposition, and refinement enable the effective implementation of management.

4.2. Application in university budget

In order to optimize non-financial and financial resources in schools, universities need to improve the efficiency of the use of funds when conducting strategic management. This objectively requires schools to learn to use various management accounting methods and tools, and apply them to the control, implementation, and deterioration of budget management. At the same time, the financial department plays a very important role in this process. When issuing current guidance budgeting and budget indicators, if each faculty member has a low participation rate and lacks a certain degree of work enthusiasm, overall awareness, and innovation awareness, it will result in a low degree of recognition and a significant decrease in the final execution ability. To sum up, if you want to maximize the effectiveness of budget management and achieve a reasonable allocation of resources, you must promptly cite the ideas and methods of management accounting, and on this basis, design a realistic goal. At the same time, you must collect the most comprehensive information to ensure that the college and various functional departments can cooperate under the same goal, synchronize the budget with the goal, and improve the budget implementation rate to make universities develop in a good environment.

4.3. Application in cost management in universities

In order to improve the financial management of major universities and make reasonable use of educational funds, cost management must be carried out. Currently, colleges and universities can build a set of cost models suitable for themselves based on the complete cost method, standard cost method, and activity based costing method. By comparing the collected financial data and cost data, they can ensure the consistency, standardization, and completeness of the data. According to current information technology and network strategy technology, we can make management processes more standardized, while improving their own cost management efficiency and financial management level. In the process of promoting refined management, it is necessary to learn to use "numbers", and establish a suitable implementation system by utilizing the intelligence of the financial department, and strengthen their own cost accounting capabilities, comprehensively and flexibly use methods and tools for managing gray machine costs, so as to maximize their own benefits.

5. The application of management accounting in university financial management

5.1. Research on improving the accounting guidance system

According to the relevant application and basic guidance of management accounting in the measures of the Ministry of Finance, every university should strengthen the practice of management accounting based on the most practical situation in financial management, so as to strengthen the theoretical research of management accounting and provide corresponding guidance for theoretical practice. The education authorities should give full play to their advantages, integrate the resources of colleges and universities, let the scientific research of colleges and universities play a central role, and gradually promote the consistent coordination of management accounting in scientific research, management, and education. We should enable two-way integration between departments, that is,

universities and scientific research bases to establish corresponding research venues, summarize past shortcomings, improve the experience of management accounting in financial management in universities, and allow two-way communication and communication between universities. By this way, the practice can be more smooth. The application and curriculum of management accounting should also be actively studied, and management accounting should be continuously improved through innovation and practice, and make improvements based on the latest achievements of the scientific research department.

5.2. Emphasizing management accounting organization and leadership

The management of colleges and universities should pay attention to management accounting work, while also strengthening leadership. Only by putting financial management work in the first place can we scientifically plan for the next work, and steadily promote the current work. Reasonable coordination, integration of school financial management and management accounting, as well as responding to the requirements and calls of the education authorities in the first place, can the linkage mechanism of colleges and universities be innovative and integrated, and we should let the management accounting work in colleges and universities get high-quality development. Attaching importance to each department and each secondary college can promote management accounting knowledge and provide a good development environment for management accounting. We should continuously carry out time research in colleges and universities, and focus on the overall strategy of management accounting.

5.3. Improving the accounting information system

Information technology is the most effective means at present, and major universities should pay attention to information technology means and establish a reasonable and effective management accounting information system based on this support. With the support of information, we can innovate and improve our university's methods and tools to make them more efficient, coordinated, and upward. Only by comprehensively establishing accounting information systems can we achieve interoperability of big data. Colleges and universities should also allow further research in scientific research, give full play to the role of scientific research, and enable every piece of information to be communicated and shared, coordinate management accounting work towards a smoother direction to transform the accounting intelligence of schools. Every intelligent department should learn to use management accounting systems and information to obtain the resources and information they really need. Only when the data is comprehensive and information is comprehensive can useful data be shared, thereby better coordinating with financial management work.

6. Conclusion

Colleges and universities are the base for talent transfer, so it is also necessary to focus on quality and develop in a more connotation direction. The most core position in management accounting is management accounting, which is inseparable from the overall development of schools. It can be seen that its role cannot be underestimated. The development approach with connotation as the core requires that management accounting be applied to practice, and the resources of schools should be reasonably coordinated and allocated. Attention should be paid to and promotion of management accounting, so that both tools and methods of management accounting can be further utilized, so that the level of financial management can be qualitatively improved, the core competitiveness and comprehensive strength of universities can be developed, and more outstanding talents can be cultivated.

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