

An Analysis of Digital Transformation of Enterprise Finance Based on Financial Sharing Model

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Abstract: In the context of the digital economy era, the financial sharing model provides strong support for the digital transformation of enterprise finance. The goal of financial digital transformation is to achieve joint and integrated management of internal and external resources of enterprises through digital technology, combined with development concepts such as symbiosis and collaboration. Under the financial sharing model, the digital transformation of enterprise finance not only helps to innovate the financial management model and improve the effective utilization of funds, but also promotes the deep integration of business and finance, achieving the integration of business and finance. This transformation helps enterprises improve financial management efficiency, reduce operating costs, enhance risk prevention and control capabilities, and lay a solid foundation for the overall transformation, upgrading, and high-quality development of the enterprise. This article delves into the digital transformation of enterprise finance based on the financial sharing model, aiming to provide a practical and feasible transformation path and methodology for enterprises, help them better cope with the challenges of the digital economy era, and achieve sustained and stable development.

1. Introduction

With the profound changes in the global economic landscape, the Chinese economy has also entered a new normal. In this context, numerous enterprises have formed multi format and multi branch enterprise groups through diversified and cross regional expansion [1]. However, with the rapid expansion of enterprise scale and the increasing complexity of business, traditional financial management models have gradually exposed many problems, such as weak timeliness of information transmission, insufficient centralized financial control, low efficiency of data sharing, and high financial risks and hidden dangers [2]. These issues not only affect the operational efficiency of enterprises, but also constrain their further development. To address these issues, enterprises need to seek a more efficient, transparent, and flexible financial management model [3]. In this context, the financial sharing model has emerged. The financial sharing model, as an emerging financial management model with service delivery as the core, is gradually changing the traditional financial operation mode [4]. It improves the efficiency and accuracy of financial management by centralizing the processing of enterprise financial data, achieving the sharing and standardization of financial information.

Meanwhile, the financial sharing model can also help enterprises reduce operating costs, optimize resource allocation, and improve risk prevention and control capabilities [5]. In the digital transformation stage of enterprises, the financial sharing model has played an indispensable role [6]. Digital transformation is one of the key measures for enterprises to address the challenges of the digital economy era, and the construction of financial sharing centers is an important component of digital transformation [7]. The construction of a financial sharing center requires the leading role of the chief accountant and finance department of the enterprise, as well as the support of information technology experts [8]. This is because the foundation of digital transformation of enterprise finance lies in building a sound and perfect information management system, which mainly relies on modern information technology to integrate employee workflow and financial statements, integrate them into an information carrier, and then complete the input in the modern system.

In the financial sharing model, the goal of digital transformation in enterprise finance is to use

digital technology and development concepts such as symbiosis and collaboration to achieve internal and external integration, and to unify the management of unstructured and structured data. This transformation not only requires enterprises to change their traditional financial management models, but also requires comprehensive reforms from multiple aspects such as organizational structure, business processes, and talent cultivation. Through the financial sharing model, enterprises can achieve real-time sharing and transparency of financial information, improving the accuracy and efficiency of financial decision-making. Meanwhile, the financial sharing model can also help enterprises optimize resource allocation, reduce operating costs, and improve risk prevention and control capabilities. This article delves into the digital transformation of enterprise finance based on the financial sharing model.

2. The Significance of Enterprise Digital Transformation

2.1. Improve Financial Operational Efficiency

The significance of enterprise digital transformation in the field of financial operations is profound, especially in promoting financial sharing models, introducing automated tools and systems, which has significant positive impacts [9]. The financial sharing model enables enterprises to concentrate their financial transactions on one or more centers for processing, thereby achieving optimized resource allocation and efficient utilization [10]. Through centralized financial processing, enterprises can significantly reduce repetitive financial operations and processes between different departments or regions, and reduce redundant work. The financial sharing model is often accompanied by digital and automated data processing processes, making data input, organization, and analysis more efficient and accurate. Digital transformation has introduced advanced automation tools and systems that can automatically perform a large number of repetitive tasks, such as data input, approval processes, invoice processing, etc.

Automated tools can quickly complete tasks, reduce the time cost of manual operations, and thus accelerate the entire financial process. Automated tools can reduce human errors, improve data accuracy and consistency, and reduce financial risks. With the automation and simplification of financial processes, enterprises can reduce their reliance on financial human resources and invest more human resources in more strategic and innovative work. Reducing the demand for financial human resources means that companies can reduce related salary and training costs, and improve overall operational efficiency. Digital transformation improves financial operational efficiency through automation and simplification of financial processes, enabling enterprises to respond more quickly to market changes and make wiser decisions. By improving financial operational efficiency, enterprises can respond more flexibly to market competition, improve customer satisfaction, and thus enhance their competitiveness.

2.2. Strengthen Decision Support

Strengthening decision support is one of the core goals of digital transformation in corporate finance (as shown in Figure 1). By implementing financial digital transformation, enterprises can actively build intelligent financial systems, which not only helps to efficiently solve financial problems in daily operations, but also enables them to better adapt to the development trends of the information age. Digital transformation can integrate information from various departments and data sources within the enterprise, break down information silos, and achieve data sharing. The integrated data provides management with a more comprehensive and consistent data view, which helps them understand the financial situation and performance of the enterprise from a global perspective. In a digital environment, enterprises can utilize advanced data collection and analysis technologies to track and monitor their financial data in real-time. Digital financial systems can automatically process and analyze large amounts of data, reduce human errors, and improve data accuracy.

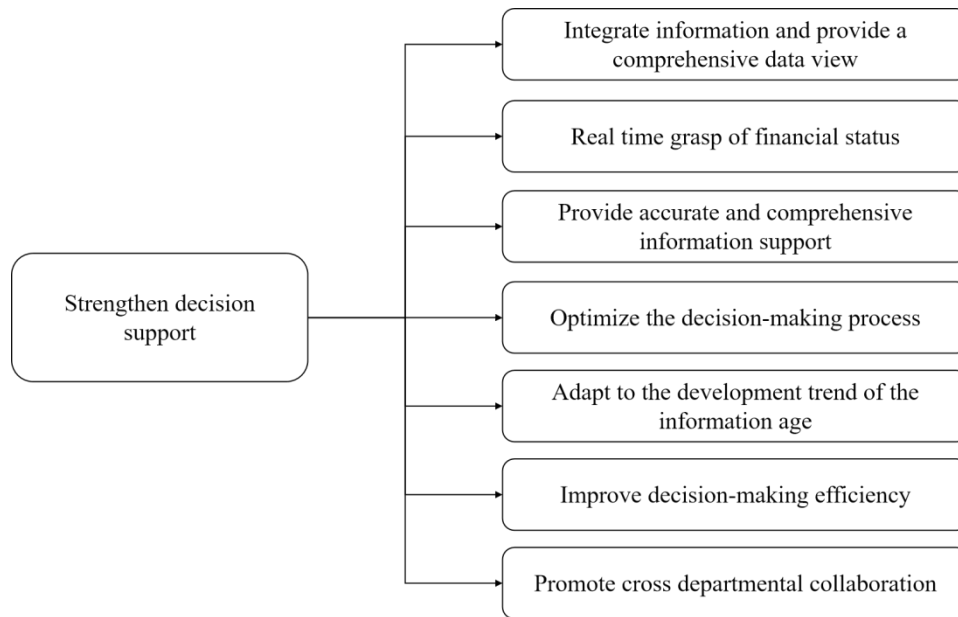


Figure 1 Enhanced decision support

Comprehensive information support enables management to more accurately evaluate the financial situation of the enterprise and provide scientific basis for decision-making. An intelligent financial system can utilize data analysis tools for prediction and simulation, providing management with multiple decision-making options. By comparing the potential risks and benefits of different options, management can choose the optimal decision plan and reduce decision risks. With the continuous development of information technology, the operational environment of enterprises is also constantly changing. Financial digital transformation enables enterprises to keep up with the pace of the times, adapt to new market environments and technological trends. By continuously introducing new technologies and methods, enterprises can maintain competitive advantages and achieve sustainable development. Digital financial systems can automate the processing of tedious financial data and analysis tasks, reducing the time and energy investment of management. The digital transformation of finance is not limited to the finance department, but also requires the support and cooperation of other departments. Through cross departmental collaboration, enterprises can better integrate resources and information, and improve overall operational efficiency.

3. Digital Transformation Path Based on Financial Sharing Model

3.1. Strengthen the Concept of Financial Digital Management that Keeps Pace with the Times

In the wave of digital transformation, financial management, as the core part of enterprise operation, is particularly crucial for upgrading and adapting its concepts and methods (as shown in Figure 2). To ensure employees fully understand the necessity and urgency of digital transformation, the company should utilize various channels such as internal websites, social media, email, and internal meetings to regularly release the latest updates, successful cases, and expected benefits of digital transformation. The company should organize specialized training, inviting industry experts or internal experts to explain the basic concepts, principles, methods, and best practices of digital transformation to employees, enhancing their digital literacy and skills. To foster a corporate culture that embraces digital transformation, the company should integrate digital thinking into its values, encouraging employees to actively apply digital tools and methods in their daily work and creating an atmosphere where everyone participates and promotes digital initiatives. Based on the company's development strategy, clear digital transformation goals and plans should be established to ensure the orderly progress of all related work. Additionally, the company should develop and improve standards, processes, and norms related to digitalization, ensuring that all digital operations comply with enterprise requirements and industry standards.

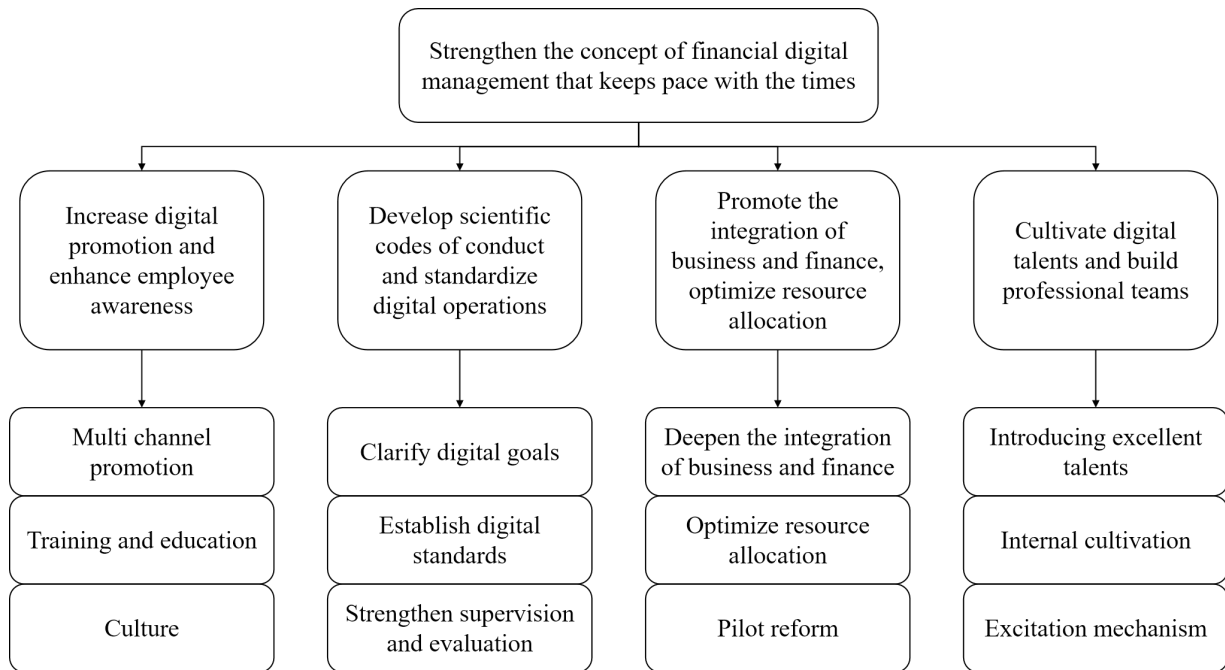


Figure 2 Strengthen management philosophy

To ensure the quality and effectiveness of digital transformation, the company should establish a digital regulatory mechanism to regularly evaluate and supervise digital operations. The company should strengthen communication and collaboration between business and finance departments, promoting deep integration between the two and achieving information sharing and data exchange. According to the future development strategy of the enterprise, the company should allocate resources reasonably to ensure the smooth progress of digital transformation. At the same time, the company should optimize internal resource allocation and improve resource utilization efficiency. The company should select some business departments or branches that have achieved results in the integration of business and finance to carry out pilot reforms of the financial sharing model, summarizing experiences and lessons learned, and providing strong support for comprehensive promotion. To support the digital transformation of enterprises, the company should actively introduce talents with digital skills and experience. Through training, job rotation, and other means, the company should enhance employees' digital skills and literacy, cultivating a professional team with digital thinking and abilities.

3.2. Technology Selection and Implementation

Technology selection and implementation play a crucial role in the digital transformation of financial business processes. Organizations should clearly define the financial business processes to be reviewed, including various aspects such as financial reporting, budget preparation, cost control, and risk management. They should conduct a detailed assessment of the current situation of each link, understand its operation mode, system and technology used, personnel configuration, etc. Organizations need to identify the problems that exist in each stage, such as low efficiency, inaccurate data, and complex operations. They must analyze the improvement space of each link, clarify the problems that can be solved and the areas for improvement through digital means. Based on the results of review and analysis, organizations should clarify the specific requirements for digitalization of financial business, such as improving processing efficiency, ensuring data accuracy, and reducing risks. They should set quantifiable digital goals, such as shortening financial reporting cycles, reducing error rates, and improving budget accuracy.

Organizations should select appropriate digital technologies based on needs and goals, such as cloud computing, big data, artificial intelligence, blockchain, etc. At the same time, they should also consider factors such as technological maturity, security, and cost. They need to develop a detailed implementation plan, including project schedule, personnel allocation, resource requirements, etc. Organizations must ensure that the plan is actionable and adjustable. They should integrate selected

digital technologies with existing financial systems to ensure smooth flow and sharing of data. They need to provide necessary training and technical support to employees to ensure they are proficient in using new digital tools and systems. Organizations should regularly evaluate the operation status of the financial information system, identify problems in a timely manner, and make improvements. With the continuous development of technology, they should timely introduce new technologies to update and improve the financial information system. Lastly, organizations must strengthen data security protection to ensure the security and integrity of financial data.

4. Conclusions

In the wave of the digital economy era, the value and role of financial sharing have been fully validated among many industry-leading enterprises. The demand for integrated business and finance is becoming increasingly urgent, and the limitations and shortcomings of traditional management models are becoming increasingly prominent, which requires financial personnel to face the challenges of transformation. To achieve successful financial digital transformation, enterprises need to comprehensively consider multiple factors and actively propose and implement countermeasures. Firstly, enterprises need to clarify their strategic goals for financial digital transformation, including improving financial processing efficiency, ensuring data accuracy, optimizing resource allocation, reducing operating costs, and enhancing risk management capabilities. These goals should be consistent with the overall development strategy of the enterprise and provide strong support for its long-term development. At the same time, enterprises need to attach importance to the transformation and training of financial personnel. Financial digital transformation not only requires enterprises to introduce new technologies, but also requires financial personnel to possess new skills and knowledge. Therefore, enterprises should provide necessary training and support to help financial personnel adapt to the new work environment and requirements, and improve their digital literacy and professional abilities. Finally, enterprises need to maintain an attitude of continuous learning, adaptation, and improvement. With the continuous development of technology and changes in the corporate environment, financial digital transformation will face new challenges and opportunities. Enterprises should actively pay attention to industry dynamics and technological development trends, continuously adjust and optimize digital strategies and implementation plans, and ensure the sustainability and effectiveness of financial digital transformation.

Acknowledgements

Research on Financial Sharing Models and Corporate Digitization

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