

The Problems and Suggestions of Management Accounting in Coal Enterprises in the Background of "The Belt and Road"

Xiaoyan Sun

Inner Mongolia University of Technology, Inner Mongolia 010051, China.

15124725202@163.com, 752874660@qq.com

Abstract: The 21st century is the era of science and technology, and it is an era of great economic integration. Faced with the wave of economic globalization, under the leadership of General Secretary Xi Jinping's "The Belt and Road" strategy, China has made great strides and introduced it boldly, taking management innovation as the most important driving force for the development of the company's economy. As the necessary carrier of economic development, enterprises play an irreplaceable role in this process. Among them, coal companies are an indispensable part of the green and healthy development of China's energy economy. However, in the course of development, problems such as irrational structure and extensive management have emerged. Therefore, the innovative development of management accounting is imperative. In the context of the "Belt and Road" strategy, this paper analyzes the problems of management accounting in coal companies with the example of China's coal companies, and draws lessons from foreign advanced concepts and specific measures for the development of management accounting, and proposes the innovative development of China's management accounting. Suggestions for improvement will promote the sustainable development of the health of coal companies in China.

Keywords: Management accounting, "The Belt and Road", coal enterprises.

1. THE BACKGROUND OF THE "THE BELT AND ROAD" STRATEGY AND THE IMPORTANCE OF MANAGEMENT ACCOUNTING

1.1 Background of the "the belt and road" strategy.

The "The Belt and Road" is based on the economic background of China's rapid development and is a strategic policy that helps promote the common development of China and parts of Europe, Southeast Asia, South Asia, West Asia, and East Asia. From the perspective of domestic economy, the "The Belt and Road" strategy goes north to Inner Mongolia, Heilongjiang and other regions, south to Guangxi, Yunnan, etc., West to Shaanxi, Tibet and other regions, east to Shanghai, Zhejiang and other regions, and passes through 18 provinces and cities in China. Under the new normal economic situation, a new pattern of comprehensive reform and opening up has been formed. To provide a strong guarantee for China to achieve

"three goes and one drop" and maintain a healthy and balanced development of the domestic economy. Judging from the international pattern, emerging international economies have emerged one after another, and the global political economy has gradually become more integrated. This process is still accelerating. Only by following the pace of world economic development can China stimulate its own potential internal driving force and create new opportunities for domestic and international economic development.

1.2 The importance of management accounting.

Since the introduction of management accounting in the 1970s in China, the application of management accounting by enterprises has gradually developed from the micro level to the macro level. Under the current "The Belt and Road" strategy, management accounting is no longer just a tool to provide data and participate in decision-making within an enterprise, but is a comprehensive information system that integrates functions of planning, organization, control, evaluation, etc. with financial accounting. Diligence and thrift are the traditional virtues of the Chinese nation. This ideology is reflected in the production of enterprises. Chinese enterprises have always paid great attention to cost savings. In order to respond to the call of the "Belt and Road" strategy to enable enterprises to better get out of the country, Chinese companies have applied management accounting ideas to specific business decisions, rationalized the division of costs and expenses, reduced unnecessary waste of resources, and optimized enterprises. Operating costs, but also increase the efficiency and effectiveness of investment. On the other hand, management accounting is internal accounting, and the construction of a comprehensive management accounting system can make all parts of the company form an interrelated whole, which helps to optimize the organizational structure, integrate enterprise resources, and expand the enterprise value chain. In order to promote corporate management accounting, improve internal management, and promote economic transformation and upgrading, the Ministry of Finance issued the "Basic Accounting Guidelines for Management" in March 2017 to guide corporate management accounting practices. The introduction of this guideline is conducive to China's enterprises to comprehensively promote the construction of the management accounting system.

2. CURRENT MANAGEMENT ACCOUNTING PROBLEMS IN COAL COMPANIES

2.1 The theory is not perfect, lack of innovation.

With the continuous deepening of the pattern of reform and opening up, the gap between China's enterprises and developed countries in technological innovation is getting smaller and smaller, but the development in management innovation is not satisfactory. In terms of refraction to coal companies, there is no comprehensive management accounting system to guide the development of enterprises. Even some coal companies have to follow the trend blindly and copy the management accounting models of foreign companies in order to speed up the economic development, resulting in the company's strategy. In the absence of concrete actions in the implementation of targets, people, finances, materials, and resources are not well

utilized, which ultimately results in the waste of resources and economic decline. In the current “Belt and Road” economic cooperation new structure, if there is no effective management accounting system, coal companies in China are likely to miss the opportunity to go international.

2.2 There is a mismatch between theory, information, and talent.

The “One Belt and Road” strategy is based on Asia as the core, and it is a major regional cooperation mechanism that focuses on economic development and improving people’s livelihood. Among them, the passages facing coal-rich regions such as East Asia and West Asia have great development opportunities for coal companies. However, the theoretical research on the management accounting of China's coal companies is not deep, and the actual operation of management accounting by management personnel at all levels is not very clear. The accounting personnel and management personnel of most coal enterprises still remain in the pursuit of value-added operations. Can not engage in more valuable work, unable to achieve the development of financial accounting to management accounting. This means that it is difficult for coal companies to make full use of management accounting as a comprehensive information system to achieve international strategic goals, and it is not easy to integrate and optimize the use of all resources owned by the company. At the same time, China's coal companies lack scientific management tools, training and education for management are less, and the construction at the ideological level needs to be improved. There is a serious disconnect between coal companies' theory, information, and talent on management accounting.

2.3 Performance assessment index is too one-sided.

At present, most of China's coal companies' performance assessment indicators only consider a single financial data, and cannot fully reflect the actual situation of the company. Although some coal companies have established dual financial and non-financial evaluation indicators, there are still many loopholes in the actual implementation process, which makes it difficult to provide policy makers with adequate and strategic information. Most companies still use management accounting as an auxiliary tool for internal decision-making. Most management personnel, including financial personnel, do not pay enough attention to management accounting. Performance appraisal is a very important part of the management accounting information system. If the situation of the enterprise cannot be fully measured, it is difficult for the coal enterprise to respond to the countries “Strive to go abroad and boldly introduce it” to get the call and it will gradually lag behind the development of the same industry.

3. INSPIRATION OF INTERNATIONAL MANAGEMENT ACCOUNTING THOUGHTS TO CHINA'S COAL ENTERPRISES

In November 2014, the Royal Institute of Chartered Accountants in the United Kingdom and the American Institute of Certified Public Accountants jointly issued the "Global Management Accounting Principles", which pointed out that the purpose of applying management accounting in enterprises is to create value through high-quality decisions by analyzing related information (finance and Non-financial). The purpose of this document is to assist companies

around the world in removing their thinking on the processing and analysis of financial information, exploring new ideas for the comprehensive use of financial and non-financial information, and achieving quantitative corporate value creation goals through quantitative analysis. In the United States, the scope of management accounting includes lean management, automated management, and many other aspects. The core of the management accounting is gradually developing in terms of value creation, value preservation, customer value innovation, and resource optimization. At the same time, most coal companies in the United States emphasize “self-motivation” and “self-discipline”. They believe that employee culture plays an important role in the development of management accounting.

The use of management accounting by China's coal companies is still in its infancy. We should learn from the advanced ideas of international management accounting, innovate ideas, cultivate talents, place practicality and theory in an important position, and comprehensively advance the construction of a management accounting system.

4. MEASURES FOR IMPROVEMENT OF MANAGEMENT ACCOUNTING IN COAL ENTERPRISES UNDER THE BACKGROUND OF “THE BELT AND ROAD”

4.1 Stepping out and strengthening international cooperation.

The implementation of the “The Belt and Road” strategy has promoted the integration of the economy along the region and provided new opportunities for China to transform and upgrade under the new normal economy. As a resource-oriented enterprise, coal companies should take advantage of this trend and actively learn from the use of management accounting systems in countries along the route to integrate itself into the international development track. The reference here refers to the reference to meet the development status of oneself and does not mean to copy it. Coal companies should also make full use of their own resource advantages and some of their technological advantages to actively carry out international cooperation and discuss their own understanding and research of the management accounting system with other countries, and continue to improve.

4.2 Strengthen personnel training.

In today's increasingly diversified economy, management accounting must give full play to its role in planning, organization, control, and evaluation. This requires accounting personnel and management to have a full and complete understanding of management accounting, requiring them to have a higher comprehensive ability. Coal companies can start with the following three aspects. First, dispatch management personnel to manage the countries with better accounting development to study, and formulate preliminary improvement plans after returning home; second, train accounting personnel within coal companies to maintain advanced accounting ideas; finally, strengthen the management of enterprises. The rendering of accounting culture, full participation, brainstorming, and comprehensive promotion of management accounting in the development of coal companies.

4.3 Establish EVA-based balanced scorecard performance evaluation system.

With the continuous advancement of the "Belt and Road Initiative," coal companies are facing more and more opportunities for development. The use of EVA can provide a comprehensive assessment of corporate performance and value creation capabilities, allowing companies to identify their own development needs, and better join the trend of economic development. As an advanced management accounting idea, the Balanced Scorecard can evaluate corporate performance from the four perspectives of finance, customers, internal operations, learning and growth, and achieve a balance between internal and external, long-term and short-term, quantity and quality of coal companies. In terms of finance, we set up indicators such as cash flow, utilization rate of coal mining funds, and cost reduction rate. For customers, we establish indicators such as customer loyalty and government support. In terms of internal operations, we establish equipment utilization rate, coal consumption rate, and maintenance rate of transportation tracks. In terms of learning and growth, we set up indicators such as staff training rates, staff professional qualifications, management creativity, and so on. This will allow employees to know what they are doing and what they are good at, and it also allows management personnel to understand where in the company is weak and where to continue.

4.4 Establish a comprehensive and refined management system.

The "The Belt and Road" strategy is conducive to the expansion of foreign investment and international capacity cooperation to promote the long-term stable development of China's economy. If resource-oriented coal companies want to carry out international capacity cooperation, they must establish a multi-angle, all-round, refined management system. First, the work structure of coal mines is broken down to make everyone perform their duties and improve work efficiency and work responsibility. For example, the task of digging up the front can be divided into roadway excavation work, roadway repair work and production support work, and roadway excavation. Work can be decomposed into activities such as blasting, support, and concreting. Secondly, the combination of refined information technology and management accounting, and the use of network technology to integrate various information of the enterprise into the information needed by management decision-making; finally, The implementation of monitoring and analysis will make real-time records of the application of management accounting in each part of the coal enterprise in order to make up for the shortages.

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