

# A Brief Analysis of the Application of Information Technology in Financial and Economic Management

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**Abstract:** With the rapid development of network technology and information technology, China has successfully entered the information age. The development of information technology has penetrated into various fields and played a role in accelerating the growth of various industries. In the application and innovation of financial and economic management, informatization has not only created greater opportunities for development, but also significant challenges. It is urgent to make effective changes to further promote the development of financial and economic management. Therefore, the focus of this paper is on analyzing the current situation and importance of applying information technology in financial and economic management as well as proposing specific suggestions to assist financial enterprises in improving their information levels and enhancing their market competitiveness.

**Keywords:** Information technology; Financial and economic management; Application

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## 1. Introduction

The application of information technology in financial and economic management mainly refers to the use of modern network technology and advanced information technology by enterprise managers in financial and economic management to maximize the economic benefits of their enterprises through a variety of information and resources, in-depth market analysis, integration of various resources, and the constant exploration and improvement of enterprise competitiveness as well as the methods of operation and management. The application of information technology in the field of financial economy is not only of great significance to the development of the financial industry itself, but also plays a vital role in global economic integration. On the basis of the development of existing science and technology, it constantly broadens information channels, excavates more timely and accurate information resources for enterprises, provides strategic decision-making reference for enterprises, and drives a healthy, stable, and rapid development among financial enterprises.

## 2. The importance of information technology in financial and economic management

### 2.1. Scientific and rational allocation of enterprise resources

With the increasingly fierce competition in global economy, a considerable number of financial enterprises have set up subsidiaries around the world, which has further promoted the development of information technology and laid a foundation for information technology management. This decentralized management

paradigm requires the support of information technology. Generally, there are many obstacles in consent management in different regions. Therefore, information technology management has become an inevitable solution. Information technology management allows the integration of enterprises and departments in different regions, facilitates the management and docking of enterprises, solves the drawbacks that hinder the management and operation of financial enterprises in different regions, and ensures that financial enterprises are under a unified management system at all times.

## **2.2. Strengthen the supervision of financial enterprises**

For a long time, the majority of financial enterprises in China have assumed a more rigid and traditional management mode and method. Due to the influence of many factors, such as the untimely grasp of information, management technology, and management system, enterprise managers have not been able to fully and accurately grasp the real financial situation in the operation. Therefore, information technology is particularly important in the management of financial enterprises. In the field of financial and economic management, the application of information technology enables financial managers to use modern electronic equipment to monitor and manage the development of financial markets and financial enterprises in real time, accurately and comprehensively grasp the market trends, identify the various problems existing in the production and operation of enterprises, maximize the strengths of enterprises, and make rational use of them, so as to ensure a sound financial and economic management. In addition, if an accident occurs in an enterprise, the application of information technology enables the enterprise to identify the fault in time, discuss and analyze it, as well as take corresponding measures to solve the problem, thus effectively preventing risks and minimizing losses. In the process of financial and economic management, information technology helps enterprises to accurately gauge their own financial structure and market development trends, as well as lays a solid foundation for ideal decision-making and real-time supervision.

## **2.3. Improve the core competitiveness of financial enterprises**

Under the trend of economic globalization, the continuous social progress. and the rapid development of market economy, enterprises are facing a more complex market environment and stronger competition. Under such great pressure, enterprises should emphasize on innovation and development, analyze and grasp the dynamics and direction of the development of market economy, timely adjust and optimize the modes and methods of financial economic management according to the changing requirements of the market, enhance the construction of information technology, comprehensively deepen the reform, and assume the information technology management of modern enterprises. In that way, enterprises will be able to enhance their comprehensive strength and market competitiveness, as well as maximize their economic benefits.

## **3. The application of information technology in financial and economic management**

### **3.1. Weak information technology concept among financial enterprises**

Generally speaking, the financial and economic management of enterprises based on information technology is primarily the financial and economic management mode accomplished with the assistance of internet technology. It does not only help enterprises improve their operation efficiency and enhance their comprehensive strength as well as core competitiveness, but also play an important role in improving the development of enterprises and enhancing their benefits. Modern enterprises rely on modern network technology and computer technology to develop innovative models of financial and economic management. With these models, enterprise managers can timely grasp the real state of enterprise development, identify the various problems existing in the operation of enterprises, and propose effective solutions based on these problems, or appropriately adjust the development strategy of enterprises. In terms of the current state of Chinese enterprise development, certain enterprises are facing difficulties in the construction of information

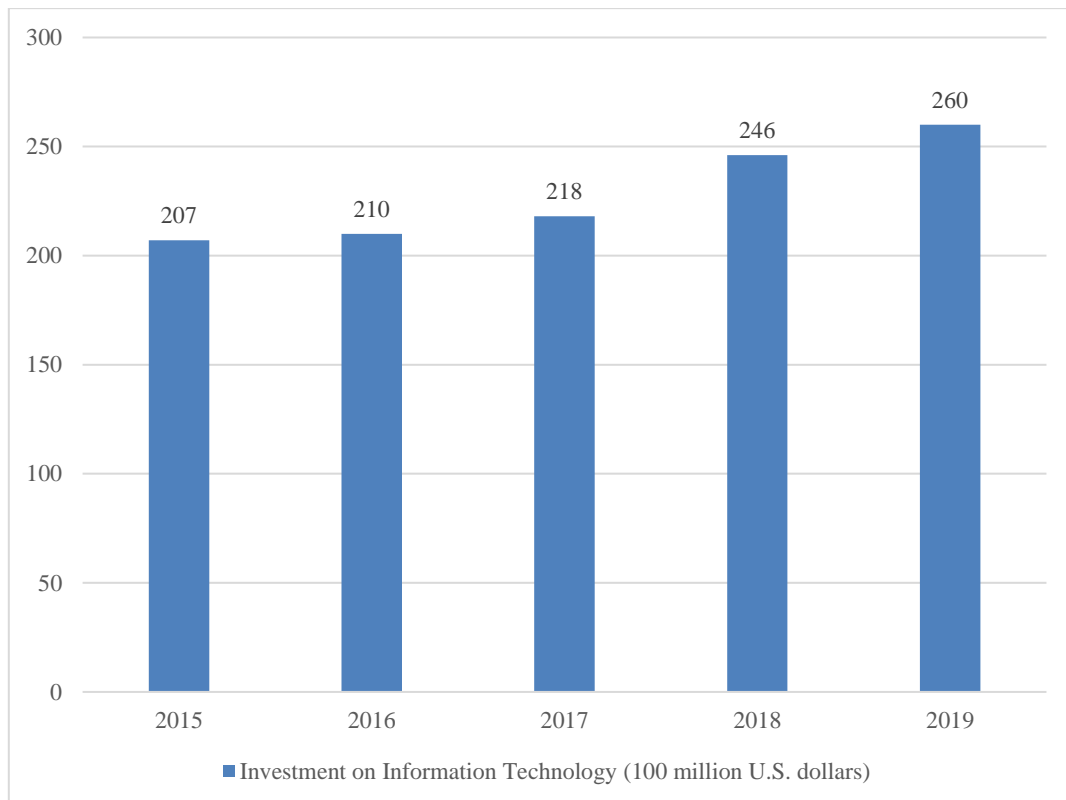
technology, especially the development concept of information technology, which is severely behind. They lack the correct understanding of financial and economic management, in which their understanding is neither comprehensive nor profound. In the information technology era, there is a mismatch between the traditional management model and the development of the new era. Simultaneously, some enterprises focus solely on improving and pursuing economic benefits as their only development goal, while neglecting the development of financial economic management, thus making it difficult for the financial economic management model to be fully utilized and affecting the actual development of enterprises.

### **3.2. Low information technology construction level among enterprises**

At present, with the rapid development of global economy, many Chinese enterprises are developing the construction of information technology in financial and economic management, but the information management level of most enterprises is still relatively low. The main problem is that there is no perfect information technology platform. On the one hand, some enterprises only focus on the development of their businesses and the maximization of benefits; they believe that financial and economic management talents have a limited role in the development of enterprises, and in view of the lack of education and training of management talents, there is a lack of financial and economic management talents in enterprises. On the other hand, effective cooperation cannot be achieved due to the clustered personal business ability and comprehensive practical ability within enterprises. Additionally, the long-term development of enterprises is not in accordance with their past. It has a significant impact on the enthusiasm and efficiency with which enterprises develop and utilize information technology platforms, which will eventually influence the information construction level.

There are several reasons for the low level of enterprise information technology construction. The lack of attention to the construction of informatization in financial and economic management is a problem for some financial enterprises. The construction of informatization technology platform requires financial support, but some enterprises are not aware of this, resulting in the relatively backward construction level of financial and economic management equipment and infrastructure. This plainly diminishes the importance of informatization construction in financial and economic management and causes financial enterprises to lag behind in obtaining data, all of which are not beneficial to the long-term and steady development of enterprises. On the contrary, some enterprises have come to acknowledge the role of information technology in financial and economic management, give full support in terms of financial and material resources for information technology construction, as well as utilize computer technology, network technology, and information technology in the whole operation process, thus further improving their information technology management levels.

The competitive orientation with science and technology as the core has resulted in an annual increase in information technology investment by major financial institutions around the world. The specific amount and growth are shown in **Figure 1**, which also serves as a useful reference to China's financial enterprises.



**Figure 1.** Amount of investment in information technology by international leading financial institutions from 2015 to 2019

### 3.3. Backward information technology platform construction

China's computer technology is progressing and maturing. Network technology has become an important part of people's life, providing people with fast and high-quality services. Most enterprises use computer information systems that can provide multiple services. Through computer information systems, unified consumption, payment, door-to-door delivery, and other services can be realized, all of which meet the requirements for services. At the same time, there is a higher demand for the service quality of the financial industry. The construction of computer information management system can timely grasp the diversified needs of customers, meet their needs in time, and improve the management level of the financial industry. However, in a significant number of financial management firms, a unified information platform has yet to be developed, diverse information systems cannot be connected, information synchronization has yet to be achieved, data gathered is inaccurate, and data cannot be shared. Furthermore, the enterprise management lacks a robust information base, making the efficacy and scientificity of information data unreliable. Giving full play to the quality of the information technology management platform, which affects financial and economic management, poses a challenge.

## 4. Suggestions for the application of information technology in financial and economic management

### 4.1. Optimize enterprise resource allocation

Enterprises are facing severe market rivalry as the market economy continues to flourish. The implementation of information technology management surely plays an irreplaceable role in improving enterprises' core competitiveness and promoting a healthy and rapid development. The application of information technology in financial and economic management will not only raise the core competitiveness of enterprises to a new level and help the development of enterprises, but also greatly improve the management ability and management efficiency of enterprises, so as to fully realize the utilization of information and obtain the maximum benefit. When applying information technology in financial and

economic management, through the analysis of various data, it is possible to fully grasp the actual state of each branch enterprise, so as to optimize resource allocation, reduce operation risk, and promote a stable and progressive development. Strategic adjustments can be made in time based on the actual operation of each division, so that each division can improve its competitiveness and facilitate the integration of the business conditions of each part of the enterprise. This reduces resource wastage and improves resource use efficiency. At the same time, it is also necessary to formulate a set of scientific and reasonable financial and economic management plan, reasonably allocate financial resources, as well as maintain the stability and efficient implementation of an enterprise's internal financial and economic management.

#### **4.2. Actively construct an ideal information technology platform**

Since the 21st century, the advancement of computer network technology is obvious to all. The world has entered the information age, and it has pervaded into all walks of life, which has brought great opportunities but also challenges to China's financial and economic fields. However, China's construction of an information technology platform for financial and economic management is still far from ideal. Under the influence of the rapid development of information technology, the information requirements of financial and economic management in China necessitate a reformulation. First of all, all enterprises in China's financial and economic fields must attach importance to the construction of information technology. The cultivation of high-quality talents in information technology should become the long-term goal of enterprises. Constructing an ideal financial and economic information technology platform can bring more benefits to enterprises, such as assisting enterprises in obtaining a large amount of real and reliable data and information, monitoring the changes and fluctuations of the financial market in real time, and assisting enterprises in realizing potential financial risks, all of which can benefit enterprises in improving their efficiency and enhancing their market competitiveness. At the same time, it assists in the reasonable allocation of resources by enterprises, saves costs for enterprises, and promotes enterprises' stable and sustainable development.

#### **4.3. Further strengthen the construction of an enterprise information technology talent team**

In today's society, talent competition is the basis of market economy competition. If any enterprise wants to develop rapidly and stably in long term, it must pay attention to and strengthen the training and education of information technology talents. However, there are still significant shortcomings in the training of financial, economic, and management talents in colleges and universities in China, resulting in a scarcity of technical talents in this field and limiting the improvement of financial enterprises' management capabilities. Therefore, strengthening the construction of an enterprise information technology talent team is the top priority for enterprises to realize the financial and economic management based on information technology. First of all, colleges and universities should modify their talent training objectives based on the changes in the financial market, timely update the outdated curriculum content, and cultivate professionals with solid theoretical foundation and practical skills. Secondly, enterprises should organize regular trainings, expand the theoretical knowledge reserve of information technology talents, hire technical talents with advanced experience as consultants to guide employees, and provide continual effective aid for the development of enterprises.

#### **4.4. Build a diversified information platform**

At present, financial enterprises are evolving in the direction of diversification. In view of the changes, the construction of informatization should also change based on the changes in market requirements by improving the single business structure and their own information construction on the premise of market reform and development, as well as establishing information objectives that are more reasonable and

scientific. In that way, enterprises will not be eliminated in such fierce market competitions due to their backward informatization level. Building a diversified information platform will not only promote the benign development of enterprises, but also promote the development of China's economic construction.

## 5. Conclusion

In a nutshell, as economic globalization continues to advance and information technology becomes more widely used, the application of the latter in financial and economic management and the construction of information platforms are becoming inevitable requirements for all financial enterprises and the development direction of financial enterprises in China. Therefore, higher requirements have been put forward, especially in the training of information talents, the strengthening of information awareness, the construction of information platforms, the allocation of information resources, and the application of information technology to the field of financial and economic management, all of which will improve the management level and financial economy of enterprises as well as promote the development of China's financial market. This paper makes a brief analysis of the importance of information technology in financial and economic management as well as the shortcomings of information technology in China's financial and economic management and proposes several strategies for the application of information technology in financial and economic management. It aims to assist financial enterprises in improving their development and their application of information technology in financial and economic management. The traditional information management system will gradually be replaced by the information technology of the new era. The wide application of information technology in financial and economic management will usher in higher economic benefits to enterprises.

## Disclosure statement

The author declares no conflict of interest.

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