

Discussion on the Application of Industry-Finance Integration in Warehousing Enterprises

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Abstract: In recent years, the transformation of warehousing enterprises has garnered widespread attention. The integration of industry and finance in management accounting can provide financial management support for the transformation of warehousing enterprises, deliver accurate and effective financial and business information, facilitate managers' decision-making, and achieve the benign development of enterprises. This paper discusses the problems in the application of industry-finance integration in warehousing enterprises, including the low degree of informatization, inefficient internal cost control, and mismatched staff quality, and then proposes corresponding measures, such as establishing and improving information systems, establishing a comprehensive budget management system, and establishing management measures for the integration of industry and finance in warehousing enterprises, so as to strengthen the application of industry-finance integration in warehousing enterprises.

Keywords: Industry-finance integration; Warehousing enterprises; Modernization transformation

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1. Introduction

With the development of China's economy, the domestic logistics industry continues to maintain a high degree of prosperity. Warehousing enterprises, which are the key components of the logistics industry, are expanding their functions. Modern warehousing enterprises are in a period of transformation, and their businesses are becoming more diversified. They are not only restricted to traditional warehousing and preservation businesses, but a logistics supply chain for warehousing has also been established, and the diversification of warehousing enterprises has raised the bar for pertinent financial workers. In order to provide more valuable financial information, financial workers must reorient their work and have a thorough understanding of the business. The concept of industry-finance integration in recent years has provided theoretical guidance for financial workers to delve deeper into the business. However, the integration of industry and finance originated from practical experiences; the theoretical research on their integration is still in the exploratory stage, and the application effect of this integration in warehousing enterprises is still flawed.

2. Research background and significance

Under the background of economic globalization and supply chain integration, warehousing enterprises have developed into warehousing-based logistics enterprises that are mainly engaged in warehousing

business, providing customers with warehousing services, such as cargo storage, transit, and other services, and have a certain scale of warehousing. In recent years, the concept of industry-finance integration has been widely discussed. Academic and practicing experts have unanimously agreed that the future development direction of corporate finance is the integration of industry and finance. Modern warehousing enterprises are in a period of transformation and exploration, and the integration of industry and finance in modern warehousing enterprises will be able to engender the transformation of warehousing enterprises and better realize the value of financial personnel.

3. Literature review

The academic research on the integration of industry and finance mainly focuses on its theory and application, whereas the research on warehousing enterprises mainly focuses on the new characteristics and existing problems in the process of its transformation.

Scholars have different views on the definition of industry-finance integration, but the similarity is that they all revolve around certain keywords, including “industry-finance integration,” “informatization,” “comprehensive budget,” and “resource allocation.” There is also a consensus that the integration of industry and finance belongs to the category of management accounting. Xiaofeng Zhou ^[1] believes that in the process of industry-finance integration, financial data and business data are not unified, the management system needs to be optimized, the enthusiasm of various departments for the integration of industry and finance is seriously lacking, and the lack of innovation in the integration of industry and finance is a prominent problem in the current integration of enterprise industry and finance. Yifeng Guo ^[2] believes that in the context of the integration of industry and finance, enterprises are required to have a risk governance culture. However, most enterprises lack risk awareness. The management of enterprises does not pay enough attention to risks, and the ability of enterprises to cope with risks needs to be improved. There is minimal research on the application of industry-finance integration in warehousing enterprises. Yingshuang Liang ^[3] believes that enterprises should promote “smart finance,” establish and improve a comprehensive budget management system, improve the financial indicator system, realize the whole process control of warehousing enterprises, as well as improve the risk management and control level of enterprises. At present, there is still a gap in the academic research on the application of industry-finance integration in warehousing enterprises. Hence, it is of vital theoretical and practical significance to investigate the problems existing in the application of industry-finance integration in warehousing enterprises and propose corresponding improvement measures.

In investigating the existing problems of warehousing enterprises, scholars generally believe that the problems of modern warehousing enterprises mainly arise in the transformation process. Xiuzhang Duan ^[4] believes that during the process of transforming traditional warehousing enterprises into modern warehousing and logistics enterprises, many new situations and problems relating to the safety management of enterprises surfaced. Min-hsien Au and Junlan Gao ^[5] believe that the main problem in the integration of logistics enterprises in industry-finance integration is the cost management problem; China’s logistics enterprises lack professional logistics talents, the overall professional quality of personnel is low, and the enterprise management methods are outdated with traditional management concepts, resulting in low cost management efficiency. Libing Ma ^[6] believes that the development of artificial intelligence has greatly assisted the transformation of warehousing enterprises by playing a role in solving problems, such as warehouse site selection, warehouse layout, and warehouse technology.

4. Problems existing in the application of industry-finance integration in warehousing enterprises

4.1. The degree of enterprise informatization is low

The success of the application of industry-finance integration in warehousing enterprises largely depends

on the degree of enterprise informatization [7,8]. In terms of information system construction, most warehousing enterprises can carry out financial accounting, warehousing management, logistics management, and other operations on the computer. However, the lack of correlation of the information flow created by these operations prevents the establishment of a complete information system and the sharing of data generated by the enterprise's activity. In view of this, the data of the business department and the financial department are prone to certain deviations, with outdated information [9,10]. In addition, following the transformation, the business types of warehousing enterprises are gradually diversified, but the financial system of warehousing enterprises remains unfocused, making it difficult for the company's financial management work to be carried out in line with the company's characteristics. The outdated and unfocused data have created considerable obstacles to the informatization of warehousing enterprises.

4.2. Internal cost control is inefficient

The procedures involved in the operation of modern warehousing and logistics enterprises are more complex and cumbersome. The allocation of responsibilities for the internal management of enterprises and the management efficiency of enterprises are particularly important for small-scale warehousing and logistics enterprises and those in the initial stage [11]. The work responsibilities of each part of the enterprise cannot be distributed fairly, and it is difficult to coordinate between the various parts of the enterprise, which will lead to the inability to create an ideal internal control system for warehousing costs, the low level of cost management, and the intensification of the input of enterprise warehousing costs, which in turn affects the income of enterprises and the long-term stable development of warehousing enterprises.

4.3. The quality of employees needs to be improved

Modern warehousing enterprises are not only serving suppliers but also buyers. Their business has also expanded from commodity storage to inspection and acceptance, sorting, distribution, labeling, and repacking. It is more systematic, refined, and diversified [12,13,14], as shown in **Table 1**.

Table 1. Comparison of business characteristics between traditional warehousing companies and modern warehousing companies

	Traditional warehousing company	Modern warehousing company
Manage objects	Manage warehouses	Manage items
Management means	Manual, stacking card, form	Information system
Management method	Extensive	Normative, refined, individual
Service object	Single enterprise	Supply chain
Service function	Single storage and custody	Serialized value-added services

5. Optimization suggestions for the application of industry-finance integration in warehousing enterprises

5.1. Establish and improve the information system

Enterprise informatization construction is an important part of the integration of industry and finance, in which the establishment and improvement of the information system are of great significance to the application of industry and finance integration in warehousing enterprises [15,16]. This includes promoting the interconnection and interoperability of financial data systems and business data systems, standardizing the writing and reading of financial data and business data, as well as realizing the use of unified coding rules for financial data and business data. Priority is given to the collection and collation of major data,

such as suppliers, customers, basic address books, and warehouse material information; the sharing of key data such as industry-finance integration is the first to open up, so that the key financial data obtained by the management is more accurate, safe, and efficient; the effective allocation of core resources is also given priority, and the depth of the integration of industry and finance of the enterprise is gradually expanded.

5.2. Establish a comprehensive budget management system for the integration of industry and finance

An important role of industry-finance integration is comprehensive budget management. Through comprehensive budget management, cost control for enterprises can be carried out more efficiently, thereby improving corporate profits and enhancing enterprise competitiveness^[17,18]. The finance of warehousing enterprises needs to fully consider the management needs of logistics enterprises, improve the management and cost management measures of logistics enterprises, as well as expand the space for profit appreciation^[19,20]. The finance department can formulate a comprehensive budget management plan on the basis of a certain understanding of the operation of each business link and business process. Through a comparative analysis of the budget and the actual value, a trend analysis of financial data and business data can be carried out, the efficiency of the business department in accurately identifying the deficiencies in the internal control process and the security risks can be improved, and the key points of cost reduction and efficiency increase in its business process as well as the boundary points of profit and loss can be identified, so as to ensure that the enterprise achieves its own strategic goals.

5.3. Formulate management measures for the integration of business and finance of the company

The core of industry-finance integration is not the management of accounting data, but the pre-budget plan established by comparing and analyzing accounting data and business data, so as to achieve the refined management of enterprises. This requires financial personnel to not only have a high sense of data, or in other words the ability to check the validity and authenticity of data, but also to master basic data analysis software and possess a certain data analysis ability. Therefore, enterprises need to clarify the specific operation of industry-finance integration, establish and improve the assessment and supervision mechanism, evaluate the performance of employees, standardize the behavior of employees, and commence from the management level to improve the awareness of all employees of the company on the integration of industry and finance.

Disclosure statement

The authors declare no conflict of interest.

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