

Risk Analysis and Countermeasures of Financial Investment in Enterprise Financial Management

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Abstract

Financial investment risk will have a direct impact on enterprise's capital flow, financial management, investment income, etc. Therefore, in enterprise financial management, it is helpful for enterprises to avoid market risks and improve their financial management level by analyzing financial investment risk and combining their comprehensive development needs. Therefore, this paper analyzes the risks in enterprise financial investment and their causes, and based on the whole process of financial investment, puts forward the establishment of coping mechanisms of pre-risk assessment, in-process risk control and post-event risk management, aiming at realizing enterprise financial investment risk prevention and control and improving financial management level.

Keywords

Financial Management; Financial Investment Risk; Finance.

1. Introduction

The existence of investment risks will have a direct impact on the financial cost and economic benefits of enterprises. Therefore, in the financial management of enterprises, it is necessary to optimize the financial management process and the financial analysis ability of enterprises by combining the gross output value and benefits of enterprises and the risk assessment of financial investment, which can improve the comprehensive level of financial decision analysis and investment risk prevention and control of enterprises. In the financial management of enterprises, it is necessary to prevent and control the financial management mode and investment process through financial investment risk assessment, so as to reduce the probability that the invested funds cannot obtain effective income. In the process of buying and selling financial assets, the lack of effective risk assessment will increase the capital risk of enterprises and affect their sustainable development[1]. Therefore, in financial management, we should attach importance to financial risk assessment and prevention and control, control the whole process of financial investment, and improve the prevention and control effect of financial investment risks of enterprises.

2. Financial Investment Risk Analysis in Enterprise Financial Management

2.1. Market Risk

In the financial investment business of enterprises, market risk will have a direct impact on the financial investment income of enterprises. The fluctuation of financial market will lead to the change of financial exchange rate and the instability of trade and investment, which will have a direct impact on investment costs and income risks[2]. In financial investment activities, the market environment assessment is not in place, and enterprises can't judge their own

investment risks through market analysis, which is easy to blindly follow, which will have a negative impact on the financial management and cost control level of enterprises.

2.2. Operational Risk

In the financial investment business, most enterprises set up professional teams to evaluate the investment risk, but the investment decision is still dominated by the enterprise management, which will have a direct impact on the financial investment business operation and follow-up. The standardization of financial investment operation and the lack of transparency of enterprise financial information will have a direct impact on enterprise financial management and wind direction control[3].

2.3. Decision-making Risk

From the perspective of the development of financial investment market, in financial investment behavior, investment procedures and decision-making are directly related to the financial income level of enterprises. In order to maximize the benefit of financial investment, enterprises lack effective investment decision-making plans in their continuous financial investment activities, which increases the blindness of financial investment and expands the negative impact of financial risks. Moreover, in the risk analysis of financial investment decision-making, there is a lack of effective financial information statistics and management, which can not reduce the financial investment risk of enterprises through financial management, and will have a direct impact on the strategic development of enterprises[4].

2.4. Control Risks

When enterprises carry out financial investment activities, if the risk control mechanism is not perfect, it is impossible to plan financial investment activities systematically, which leads to the lack of effective risk emergency mechanism in financial investment activities and further increases the investment risk of enterprises. In addition, in enterprise financial management, if the investment amount is large, it will easily lead to the risk of enterprise capital chain breakage and increase the difficulty and risk of enterprise financial management.

3. The Causes of Financial Investment Risks in Enterprise Financial Management

3.1. The Lack of a Sound Financial Investment Risk Control System

In enterprise financial management, the occurrence of financial investment risk is directly related to the construction of enterprise financial investment system. External market factors and financial policy factors are irresistible factors, so the lack of a perfect financial investment risk control system in financial investment risk analysis will have a direct impact on the operation, decision-making and risk control of financial investment[5]. In the financial management of enterprises, the financial investment process should establish a financial investment system from the perspective of financial management decision-making, optimize the financial investment process, evaluate the financial benefits and risks of enterprises, and form a financial investment feasibility report, which can provide reference for subsequent financial investment practice. On the one hand, enterprise investment managers should conduct a comprehensive analysis of the financial investment market environment, relevant policies and the financial level of enterprises, and determine whether financial investment projects are carried out; On the other hand, in the actual financial investment activities, some investment managers still have the psychology of blindly following the trend and gambling, and lack a perfect feasibility assessment report, which further increases the risk of financial investment. In the financial investment of enterprises, enterprises lack effective solutions to relevant risks, which further expands the risk of financial losses of enterprises[6].

3.2. Lack of Comprehensive Financial Investment Decision-Making System

(1) In the risk assessment of enterprise financial investment, there is insufficient risk assessment beforehand, inadequate risk control in the process and lack of effective emergency response plan afterwards, which will have a direct impact on enterprise financial investment.

(2) In the risk analysis of enterprise financial investment, there is a lack of a unified decision-making system before, during and after the event, an accurate grasp of the external environment such as market, interest rate and policy, an insufficient analysis of the internal production and operation of enterprises, and a lack of scientificity and feasibility in risk assessment and risk decision control of enterprise financial investment, which will directly affect the overall risk prevention and control level of enterprise financial investment[7]. For example, the interest rate in the financial market is constantly changing and the financial market fluctuates obviously. From this perspective, the "butterfly effect" will occur, which will lead to information asymmetry or information distortion in the financial economy and affect the timing and investment income of enterprises' financial investment.

4. Coping Measures for Financial Investment Risks in Enterprise Financial Management

4.1. Pre-Stage Enterprise Financial Investment Risk Assessment

To carry out the financial management of enterprises, scientific methods should be adopted to evaluate and plan the investment projects before the financial investment activities of enterprises, so as to reduce the investment risk within the controllable range, which is helpful to ensure the investment income of enterprises[8]. Enterprise financial investment is a long-term activity. Therefore, in enterprise financial investment activities, it is necessary to establish an effective investment plan in combination with the actual needs of enterprises, and design the financial investment plan of enterprises in stages according to the strategic development goals of enterprises, select the industries familiar to enterprises, and transfer or reduce risks by means of portfolio investment, so as to improve the development level of enterprise financial investment activities. In the prior financial investment risk control, it is necessary to understand the market environment and the development trend of relevant industry policies beforehand, establish an enterprise financial investment risk assessment plan from the perspective of macro risk control, and establish a financial portfolio investment plan by using various financial investment tools, so as to realize the decentralized management of financial investment risks. And through information integration, analysis of market changes and changing rules, the risk of enterprise financial investment will be minimized, so as to improve the economic benefits of enterprises in financial investment. When choosing financial portfolio investment, enterprises can choose robust and value-added investment tools according to their actual development needs, so as to reduce and disperse the risks of financial investment and improve the return on financial investment. For example, in choosing value-added investment tools, we can choose investment activities from the perspectives of securities investment funds, trusts, foreign exchange transactions, real estate, stocks and futures, and reduce the financial investment risks of enterprises according to exchange rate changes and financial investment needs. After defining the financial investment tools, it is necessary to improve the risk assessment level of corporate financial investment, understand the nature of financial investment projects and market conditions, comprehensively analyze financial investment risks, and accurately evaluate different risks to minimize the risks of corporate financial investment activities. At the same time, in the process of risk assessment, clarify the relationship between market competition and avoid the situation that vicious competition affects corporate financial investment[9].

4.2. Enterprise Financial Investment Risk Management Mechanism in the Middle Stage

After determining the financial investment projects of enterprises, we should improve the risk control level of financial investment, and fully understand the project risks in the process of financial investment on the basis of risk assessment, so as to make the financial investment content concrete. And the establishment of financial investment risk early warning system, risk early warning of financial investment process, so as to improve the level of enterprise financial investment risk prevention and control and financial management[10]. In order to achieve this goal, standardize the business operation of financial investment, improve the business process and reduce the risk of financial investment of enterprises. The financial service needs of enterprises are combined with the business and development needs of enterprises to optimize the business process of financial investment, thus reducing the risk of financial investment of enterprises. In this process, a stable financial and financial organization management system can be established through the optimization of financial investment business processes. Under the adjustment of the internal structure of the financial system, the business process and organizational structure can be adjusted according to the needs of financial investment projects, and the information, capital circulation and financial management of financial investment projects can be managed with emphasis, so as to establish a flat financial investment management framework. In order to avoid uncontrollable financial risks in financial investment activities, we should determine our own investment orientation and rationally allocate financial investment funds in combination with enterprise system and market demand[11]. Establish a complete financial investment management system from the perspective of bank-enterprise cooperation; From the perspective of financial investment evaluation, investment prospect and capital operation, the probability of financial investment risk of enterprises can be reduced. For example, in the financial investment business development of defense materials companies, financial investment projects can be selected from the perspectives of research and development, manufacturing, processing and sales of defense materials, and the market income and investment cost of different defense materials can be tracked and evaluated. On the basis of understanding the industrial policies and financial management requirements of anti-maintenance materials, financial investment risks can be classified, and the financial investment process can be tracked and managed to ensure the quality of anti-maintenance materials, reduce the investment cost of anti-maintenance materials and improve the comprehensive income of financial investment. At the same time, in improving the financial investment mechanism of enterprises, according to market conditions and related policies, the rights and obligations of each post are clearly divided, and effective supervision and management institutions are established to test and evaluate the financial status of financial investment activities, so as to minimize the overall risk of financial investment of enterprises. In the related financial management of enterprises, we can calculate and analyze the financial data of enterprises, and choose the financial investment and risk prevention mode suitable for enterprises, so as to ensure the standardized and standardized development of financial investment. In the process of risk control of financial investment, enterprises should fully construct organizational structures, establish risk management teams in combination with financial investment needs, and conduct unified management of different risks of financial investment projects; Combined with the actual needs of financial investment projects, effective risk prevention measures are established to ensure that financial investment projects can be operated in strict accordance with relevant norms in the process of development, and to improve the ability of enterprises to resist financial investment risks[12]. In addition, it is necessary to track the investment risks of financial investment projects in the whole process, and make full use of big data technology and information technology to analyze the feasibility of financial investment projects. According to the development of financial

investment projects, the risk assessment and income test of financial investment projects are carried out, and the relevant financial data are analyzed to reduce the probability of financial investment risks. In the process of risk control, the actual use of relevant funds can be comprehensively tracked after the capital is invested, and the risks that have occurred or may occur can be effectively controlled, such as risk control, risk avoidance and risk transfer, so as to control the financial investment risks within the tolerable range of enterprises. After purchasing financial products, enterprises should sum up the relationship between financial investment income and risk according to their financial investment needs, optimize the actual development process of financial investment work, and reduce the risk occurrence rate under the premise of using financial investment evaluation mechanism.

4.3. Post-event Financial Investment Risk Feedback and Financial Management

In enterprise financial management, we should pay attention to the post-event control of financial investment, make full use of big data, cloud computing and other technologies, summarize and analyze the whole process of enterprise financial investment, and further improve the risk resistance of enterprises in financial investment on the basis of establishing an effective investment decision-making system. In practice, according to the scale, risk and benefit of financial investment projects, an effective financial investment mechanism is established to combine financial investment activities with the strategic development of enterprises, so as to reduce financial investment risks and improve the comprehensive management level of enterprise funds. Using big data technology to build a complete financial investment risk response mechanism, according to the financial investment projects selected by enterprises, the relevant information of financial investment is summarized, and the economic and management information of enterprises is combed and summarized, from which important financial contents are extracted, which provides reference for subsequent financial investment decisions of enterprises. With the help of financial information tools, a complete financial investment information database can be established from the perspective of financial risk investment system construction, and relevant financial data information can be stored and processed quickly, providing an effective basis for financial management decisions of enterprises. At the same time, it is necessary to combine advanced technologies such as AI in big data to compare and analyze corporate financial data in real time, so as to analyze the potential investment risks in financial investment, and use big data to prevent corporate financial investment risks and ensure the economic benefits of corporate financial investment. Maximizing customer demand is the core goal of enterprise financial investment risk prevention and control and financial management. Therefore, in the actual management, optimize the financial investment resources and processes to meet the development needs of enterprise financial investment to the maximum, so as to improve the operational efficiency of enterprises. For example, in the business process optimization of anti-insurance materials, we can optimize the allocation of funds, clarify the investment orientation of enterprises, integrate financial investment risks with financial management, and further improve the market competitiveness of enterprises. In the post-event risk control stage of enterprise financial investment, it is necessary to strengthen the risk management of enterprise financial investment, improve the ecological environment, and establish an effective internal management system through information technology to promote the healthy development of enterprise financial investment. In this process, it is also necessary to establish internal credit evaluation indicators, make statistics on the credit evaluation process of financial investment projects, and establish a financing management system suitable for enterprise development on the basis of relevant credit evaluation of financial investment projects. Based on surplus value, optimizing the development mechanism of financial investment activities, and comprehensively evaluating the capital appreciation and operational risks of enterprises will

help to further improve the core competitiveness of enterprises and thus improve the financial management level of enterprises.

5. Concluding Remarks

In enterprise financial management, the risk classification and response of financial investment should make full use of information technology and enterprise organization management system to track and manage the whole process of enterprise financial investment activities. According to the types of financial investment of enterprises, different risks are classified, and the risk prevention mechanism runs through the whole process of financial investment activities, which can improve the risk control and financial management level of enterprises' financial investment by standardizing the financial investment business operation, improving the business operation process of financial investment and strengthening the risk evaluation mechanism. In the prevention and control of financial investment risks, we should fully consider the influences of market, policy, exchange rate and other risks and our own factors, and evaluate financial investment risks with the help of information technology. On the basis of portfolio investment and risk transfer, we should clarify the relationship between banks and enterprises, improve the planning scheme of financial investment, reduce the investment risks of enterprises and improve the financial management level of enterprises.

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