

The Optimization of Centralized Accounting in Ruian Company Driven by Informatization

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Abstract. Accounting centralized accounting risk is one of the risks that enterprises must face during their operational development, significantly impacting their economic benefits and sustainable growth. Many enterprises frequently encounter issues, such as centralized accounting risks, during their development, which can impact their subsequent progress. Stable financial support is a strong guarantee for the sustainable development of enterprises. This paper examines Ruian Company Limited as a case study and, drawing on relevant theoretical frameworks, analyzes the risks associated with its centralized accounting practices. It identifies key issues such as the limited scale of centralized accounting, narrow accounting channels, and insufficient risk prevention measures. The root causes lie in weak risk awareness, low accounting efficiency, and growing exposure to accounting risks. In response, this paper proposes expanding the scale of centralized accounting, diversifying accounting channels, and strengthening risk management. These measures are intended to enhance the company's value-creation capacity and overall market competitiveness.

Keywords: Centralized Accounting, information technology, enterprise management, optimization strategies

1. Introduction

To maintain its competitiveness, Ruian Company, a long-established home appliance manufacturer, has adopted centralized accounting as a core approach [1]. In recent years, as the market economy and management standards have advanced, centralized accounting has become crucial to improving capital efficiency, strengthening internal controls, and mitigating financial risks. However, existing research mainly concentrates on accounting models and informatization development in large enterprises or groups, while specific issues such as accounting scale, channels, and risk prevention in small and medium-sized manufacturing enterprises have received little attention. In particular, there is still a lack of practical improvement plans aligned with these enterprises' actual needs. Thus, this paper analyzes working capital management within a centralized accounting system through a case study of Ruian Company, thereby addressing problems like limited scale, single channels, and inadequate risk mitigation. Furthermore, it investigates the key factors of these issues and proposes ways to optimize the accounting system, improve financial management, and boost the company's competitiveness [2]. Through literature review and case examination, it identifies weak links and potential risks in Ruian Company's centralized accounting system and proposes targeted solutions to

optimize accounting processes, improve capital utilization, and strengthen risk prevention, while also providing practical insights for similar enterprises.

2. Problems existing in Ruian Company's centralized accounting

2.1. Lagging shared platform

The shared platform aimed to boost the efficiency of internal accounting information management and promote centralized accounting, but practical implementation at Ruian Company and similar businesses still reveals major weaknesses [3]. Many managers lack a full understanding of financial software and shared platforms. As such, despite migrating account information, they have not fully tapped into data integration and automation, and overall operations remain below expectations [4]. Additionally, existing accounting systems still focus on basic bookkeeping without expanding into cost accounting or budget management, which limits the full use of the software [5]. Besides, some large enterprises lack adequate data backup and security measures, exposing sensitive financial and customer data to possible loss or breaches [6]. Insufficient emphasis on big data security, combined with weak safeguards and flawed processes, has resulted in unreasonable allocation of employee permissions and responsibilities, raising the risk of internal leaks. In addition, lax management of backup files leaves them vulnerable to copying or tampering, thus reducing their effectiveness. The widespread use of online payment methods also makes it harder for companies to monitor non-cash transactions, thus posing new challenges for centralized accounting. Though centralized accounting played a key role in China's financial management reform during the Twelfth Five-Year Plan and still shows promise in the big data era, traditional shared platforms have yet to meet the needs of enterprise expansion and business diversification [7]. For instance, due to a decentralized system and uneven standards, some staff at Ruian Company still rely on traditional or manual methods, missing out on the platform's integrated advantages. Besides, misaligned incentives for fundraising personnel reduce implementation effectiveness, constraining both accounting efficiency and returns on investment.

2.2. Data security risks

In the big data environment, Ruian Company faces multiple data security risks in its centralized accounting processes [8]. Outdated hardware and software, as well as delays in updating computers and storage devices, create vulnerabilities in data storage and transmission. Hardware failures could result in the loss of critical information, undermining system stability and data integrity [9]. Besides, insufficient investment in network security, including the lack of systematic firewalls and intrusion detection systems, leaves the company exposed to hacking and malware threats. The lack of regular virus scanning and security audits further heightens these risks. Unlike traditional paper records, electronic files created in the big data era pose distinct challenges in access control, backup, and long-term readability, which the current management system has not yet effectively resolved [10]. Despite accelerating hardware and software advancements, its outdated IT infrastructure does not ensure secure and isolated data protection, heightening the risk of leaks and system breakdowns. At the personnel level, insufficient awareness of data security and non-adherence to safety protocols increase the chance of human error. Furthermore, the lack of consistent data protection policies and standard operating procedures undermines overall security capacity [9]. More importantly, without a clear understanding of centralized accounting risks or a systematic risk control and emergency

response plan, the company struggles to operate its accounting system effectively. This weakens capital management and hampers the company's long-term sustainable development.

2.3. Lack of accounting standards

Existing centralized accounting standards and related policies remain incomplete and lack sufficient rigor, which limits the standardization of accounting activities. Consequently, Ruian Company has yet to adopt a coherent system, resulting in irregular operations that compromise data accuracy and consistency [10]. In the rapidly evolving market economy, existing accounting standards remain relatively basic and fail to meet the practical needs of enterprise growth and diversified operations [11]. Meanwhile, relevant countermeasures and safeguard mechanisms are still underdeveloped, and the shortage of skilled accounting professionals further constrains the progress of centralized accounting. As an integral part of enterprise management, accounting demands significant human, material, and financial resources, especially when standards and systems are inadequate. However, the outcomes usually do not match the input, and resource allocation efficiency cannot be ensured. Some enterprises pay insufficient attention to centralized accounting and have weak risk awareness, leaving accounting risks unresolved [12]. To ensure centralized accounting strategies are practical and implementable, enterprises should take into account their actual situation, internal management base, business procedures, and external market dynamics. Failure to address accounting risks in a timely manner may pose significant threats to daily operations and sustainable growth.

2.4. Limited information disclosure

Limited information disclosure remains a challenge for Ruian Company's centralized accounting. As a result, the authenticity, completeness, and timeliness of its information are reduced, ultimately damaging its credibility and market transparency. Specifically, some financial information may be distorted; for example, revenue is sometimes inflated or costs hidden, which misleads investors about the company's real profitability [13]. Besides, disclosures are frequently incomplete, omitting key information, such as related-party transactions or contingent liabilities, either deliberately or inadvertently. As a result, stakeholders find it difficult to obtain an accurate and timely picture of the company's actual operating situation [14]. Furthermore, the timeliness of information disclosure remains inadequate. By disregarding disclosure deadlines and failing to publish financial reports or major announcements as required by law, some enterprises create difficulties for investors and other stakeholders [15]. In addition, the lack of standardized disclosure processes leads to inconsistencies in data reporting and omissions in required submissions, undermining the accuracy and consistency of disclosures. To compensate for incomplete disclosures, some companies deploy extra resources, driving up costs and reducing efficiency. Research indicates that if financial information systems remain distorted for an extended period and lack effective governance and oversight, superficial audits and internal controls may become mere formalities. This undermines management credibility and corporate governance standards while increasing legal and compliance risks. Thus, distorted or delayed financial disclosures not only weaken the information base for external decision-makers but also threaten normal operations and the healthy development of capital markets.

3. Proposed optimization strategies for Ruian Company's centralized accounting

3.1. Platform development acceleration and efficiency gains

Under the current framework, enterprises should optimize their accounting processes and data flow mechanisms in core areas such as registration, declaration, and tax planning to improve accounting efficiency and risk response capabilities. For Ruian Company, it is particularly urgent to accelerate platform development, promote process automation and data integration, thereby reducing manual intervention and improving both processing accuracy and overall accounting quality. In system implementation and data processing, Ruian should strengthen information sharing and collaborative management by leveraging big data [16]. Internally, improving data interaction mechanisms can enhance the real-time accuracy and consistency of financial and operational information. Externally, drawing on advanced practices can help align financial management, tax coordination, and risk prevention more effectively. Besides, institutional and technological measures should be adopted to prevent tax evasion, thus improving the data security and regulatory compliance of the accounting system [17]. The construction of a centralized accounting system should also integrate employee career development, aligning individual growth with system improvement. In this regard, targeted training and well-designed roles based on clear career paths can enhance employees' adaptability and engagement. Moreover, a talent development mechanism aligned with corporate strategy helps build mid-level and grassroots management capabilities, ensuring the platform's stable, long-term operation. In parallel, on the technological front, efforts should focus on increasing processing speed, enhancing data compatibility and sharing across systems, and reducing manual intervention. These measures will raise processing efficiency, lower error rates, and improve the transparency and traceability of financial information [18]. In specific business areas such as sales management, optimizing accounting processes based on actual needs will help advance financial management toward greater precision and digitalization. To address potential risks, supporting measures should be developed to continuously enhance the overall effectiveness of centralized accounting.

3.2. Security system reinforcement and data protection

Data security is vital for the effective functioning of centralized accounting, and enterprises should continually upgrade their security frameworks to safeguard the stability and reliability of accounting activities. To protect sensitive information, network firewalls must be robust enough to ensure high confidentiality levels [19]. Besides, when users access the system, intrusion detection tools, together with encryption hardware and software, should be deployed to secure devices and transmitted data. To further strengthen protection, companies can set up dedicated infrastructure, such as separate server rooms or customized hosting environments, and enhance the management of magnetic media to guarantee safe and reliable data transfer across different storage channels [20]. To reduce the risk of electromagnetic radiation and interference, paper documents and electronic carriers should be stored in parallel and supplemented with electromagnetic shielding technology. In addition, sound server room management, together with data encryption, role-based access controls, regular security audits, firewalls, and intrusion detection systems, can help prevent security breaches and strengthen emergency response capabilities. In a highly networked context, centralized accounting is exposed to risks from intentional misconduct and accidental errors. Thus, enterprises should implement clear role separation and hierarchical management to adapt accounting tasks to the digital environment [21]. Besides, enterprises should adopt specialized security measures to guard against cyberattacks, effectively preventing hacker intrusions and safeguarding the operational security of centralized

accounting. To reinforce security mechanisms, companies must keep accounting processes up to date with technological progress, while improving employees' capabilities in secure operations and data handling, thereby ensuring that centralized accounting meets security requirements in complex environments.

3.3. Institutional framework consolidation and standards alignment

With gaps remaining in Ruian Company's institutional systems for centralized accounting, there is a need to enhance frameworks and strengthen management mechanisms. By refining key business processes, boosting standardization, and improving operational efficiency, the company can better integrate big data technologies and align its accounting practices with digital trends [22]. As the market environment changes and the company expands its organizational structure should also be adjusted accordingly. Setting up a dedicated centralized accounting unit with well-defined roles and responsibilities will help meet growing operational demands. Robust data collection and analysis within accounting activities form the basis for sound decision-making, so capturing key dynamic information should be a priority to strengthen management's responsiveness and insight. At the same time, accounting standards, internal control measures, and audit procedures should be revised and improved to ensure that accounting work remains standardized and institutionalized. Moreover, municipal and county-level enterprises should strengthen oversight of local big data departments to ensure policies like deferred taxes and time value of money are effectively enforced. Evaluation and audit systems should apply data analysis and feedback, integrating accounting results into regular reviews to support continuous system and management upgrades. The competence of accounting staff directly influences how well systems are implemented. Thus, firms should reinforce training to build data, operations, and troubleshooting skills, enabling smooth human-machine collaboration and stable performance.

3.4. Process optimization and information transparency

To improve the efficiency of centralized accounting and the reliability of information disclosure, process design must be optimized. Defining clear targets helps simplify workflows and maintain smooth information transfer, ensuring timely and transparent accounting outcomes. Enterprises should establish scientific and comprehensive evaluation and audit standards and procedures for centralized accounting to ensure the standardization and scientific rigor of evaluation and audit work [23]. In practice, simplifying approval processes, introducing automation tools, and improving information integration and sharing efficiency can strengthen the application of evaluation and audit results. These results should form the basis for work improvements through careful analysis of root causes and the development of targeted solutions. To better connect with global markets and support the internationalization of financial services, China has adopted the Enterprise Accounting Standards. Under the new economic conditions, corporate management should place more emphasis on the professional ethics of financial personnel, truly enhancing their integrity, cultural awareness, and comprehensive skills to drive standardized and efficient financial work. Meanwhile, enterprises should scientifically design accounting centralized accounting plans based on their actual conditions, identifying patterns in accounting to ensure orderly and effective execution. Following this, upon completing centralized accounting, they should formulate comprehensive improvement strategies and corresponding action plans to address identified risks, refine accounting processes, enhance financial transparency, and ensure the timely and accurate delivery of information to management and stakeholders. Moreover, continuous tracking and monitoring should support timely

adjustments to management measures, thereby mitigating risks and strengthening decision-making effectiveness. Through field research and cross-departmental collaboration, enterprises can improve all aspects of accounting practice and translate research findings into feasible optimization measures. This will boost the timeliness and accuracy of information disclosure, build valuable accounting experience for future use, secure stable capital, and support sustainable growth.

4. Conclusion

For Ruian Company, strengthening its shared platform is essential to maintaining the effectiveness of centralized accounting and serves as a key approach to improving the efficiency of big data management. In the context of big data operations, the company should upgrade the hardware and software of its centralized accounting systems, refine operational details, and fully realize the intended objectives of centralized accounting. Based on targeted analysis, this study concludes that enterprises must fully recognize the strategic value of centralized accounting and implement it comprehensively to ensure alignment with practical business needs. Although Ruian Company has made progress in applying big data and centralized accounting, significant challenges persist. By adopting the proposed measures, the company can enhance financial transparency, strengthen internal controls, and better protect the interests of shareholders and other stakeholders.

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