

# *Analysis of the Transformation from Financial Accounting to Management Accounting under the Background of Artificial Intelligence*

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**Abstract:** Artificial intelligence is the general trend of social progress and technological development in the future, and it is no longer rare in the accounting industry. Due to the influence of artificial intelligence, the financial accounting has turned into management accounting. This paper discusses the necessity of the transformation from financial accounting to management accounting under the environment of artificial intelligence and the relevant countermeasures to deal with the transformation.

## **1. Introduction**

Artificial intelligence is an important part of machine learning, which enables machines to imitate human thoughts and thoughts, eventually replace human thoughts and behaviors, and create new decision-making paths or use them as decision-making tools. Putting computer algorithms at the center of the leap revolution, artificial intelligence can imitate human intelligence. Ai (low level) performs simple tasks, while AI (high level) performs production plans and solutions. Artificial intelligence is an increasing trend to replace machines with the development of accounting industry. Nowadays, the “artificial intelligence” in the accounting market is more the product of automated learning or thinking processes than the computers based on integrated algorithms that people use to analyze business data or improve operational efficiency. However, the application of artificial intelligence in accounting is an important factor, and its main goal is to improve the work efficiency of the financial industry.

## **2. Existing Problems in the Financial Accounting Industry**

### **(A) The lack of scientific budget management of funds**

At present, there is a lack of scientific management of fund allocation and budget resources. Most enterprises often lack the necessary knowledge of fund management, and the time cost of funds is low, which leads to the abuse of funds and unscientific financial analysis methods, resulting in low and unscientific efficiency of fund allocation [1]. The resource management lacks scientific rigor, the use of funds before and after the budget is difficult to control effectively, and the cash balance is very wrong, which damages the quality of accounts.

First, the accounting information system is insufficient. We recognize that financial and accounting information is necessary and necessary for accounting purposes. Especially in recent

years, many changes and developments have taken place in the field of financial accounting, including the dissemination of information systems and databases. But in this respect, there are still some companies that don't have financial transaction calculation systems. This leads to erroneous information supporting the execution of financial transactions, inaccurate accounting and significant risks in the calculation of financial transactions. The reason is that some companies are often rude to data. If there is no reliable accounting system to provide correct basic information for financial accounting, it is difficult to provide complete and detailed data processing. This aggravates the risk of settlement.

(B) The existing accounting management system is not sound enough

Most small and medium-sized enterprises in China don't pay attention to the internal financial system of enterprises, and their responsibilities are not clearly defined, which leads to many problems of shirking responsibilities, resulting in many drawbacks. The reasons are the inefficiency of various departments and the inefficiency of the accounting department, and the existing quality needs to be improved. The performance of the accounting function needs the support of the operating accounting system. However, due to many defects in the accounting system, the control function cannot be effectively performed, and accounting irregularities are widespread. Second, the monitoring of accounting risk assessment is insufficient. With regard to the company's financial statements, although accounting risks are closely related to the daily work of the accounting team, this is mainly due to the lack of supervision to avoid accounting risks. The company has no reliable control mechanism to avoid accounting risks, which is equivalent to increasing accounting risks. The longer it takes, the greater the loss the enterprise will suffer. Today, the financial departments of many companies are in a difficult situation. Even if special supervision is set up, this situation seems to be smaller. The reason is that the company regulators lack the corresponding professional knowledge in the accounting field.

(C) The general comprehensive quality of accountants is not high.

In the analysis stage, most employees in China's accounting industry belong to the situation that the overall quality level of the set-up team is low, which affects the overall quality of financial accounting. This is especially true in the following areas: weak labor market rules; Most accounting procedures only need professional recognition; The proportion of workers in middle and high positions is obviously too low; The proportion of senior managers is low, and many financial managers lack sufficient ability, which greatly increases compared with ordinary accountants, and they lack experience in auditing and financial management. The absence of new rules leads to unscientific accounting work and mistakes.

### **3. Factors Influencing the Transformation of Financial Accounting to Management Accounting under the Background of Artificial Intelligence Era**

(A) The promotion and guidance of policies

With the improvement of China's policies, the level of science and technology has also been significantly improved, and the different applications of accounting in various fields of life have also been deepened. However, from the current situation of the industry, there is a general shortage of talents in accounting reform. Fully aware of the importance of political guidance, the government will also improve the formulation and implementation of relevant policies, comprehensively guide and support accounting reform, speed up the training and development of high-quality accounting professionals, and greatly speed up accounting training [2]. Through various effective policy subsidies, we can help quickly transform financial accounting into accounting ability.

(B) Financial Sharing Center

So far, many companies have established financial markets and provided information. The

calculation function of the financial trading platform can not only process a large amount of financial data more accurately in a short time, but also help your enterprise to calculate implementation of accounting and funds better, thus saving time and cost and improving continuous financial efficiency [3]. For enterprises, this is a very economical process; This is because financial service centers are hard to replace. Therefore, in order to survive and develop in such a social background, accountants must make a thorough change, not just stop on the traditional financial basis, track the development of society, and complete the task of changing to accounting management in time.

#### (C) Financial robots

Under the background of artificial intelligence era, intelligent robots have been developed and manufactured more and more deeply, and these intelligent robots have been applied to related industries, which has greatly improved the efficiency, productivity and cost of traditional human labor. Accounting departments have also seen financial robots that can ensure efficient and accurate financial accounting in traditional financial accounting, ensuring maximum data accuracy, which has had a significant impact on traditional financial accounting departments. To do this, financial analysts who want to remain competitive in the era of artificial intelligence must constantly improve their global management potential and introduce talents into management accounting.

### **4. The Necessity of Transforming Financial Accounting into Management Accounting**

With the progress of modern technology, the development of artificial intelligence from traditional accounting to advanced accounting is also accelerating. The transformation from traditional accounting to accounting audit is based on traditional accounting, which can greatly reduce negligence and mistakes in work. Effective use of management accounting standards will enable you to manage the company in the future. Considering the characteristics of traditional accounting and work functions, we can improve and improve the accounting work of the management to obtain the required results. On the other hand, adjusting the most appropriate quantity, helping enterprises to achieve efficient savings in labor costs, and better managing the risk of enterprise change and enterprise development are inseparable from the support of financial accounting. Change can improve the economic analysis ability of enterprises, meet the global demand of industry economic participation, promote the strategic development of enterprises, improve the overall stability of enterprises and move towards the direction of social development.

#### (A) The current objective needs of enterprises

In the 21st century, economic globalization and the explosive growth of emerging market economies have led to economic convergence and hindered economic development [4]. In this case, the development of the company is full of many uncertainties, forcing managers to accurately assess the risks they face, not only in basic skills, but also in management. To improve these skills, companies need financial information about the value of their activities and decisions. Therefore, competition forces companies to change from accounting to management accounting, make more use of management accounting, and improve their management potential.

#### (B) The application of artificial intelligence provides conditions for financial transformation

In recent years, artificial intelligence has been widely used in the accounting field, and it automatically performs daily accounting tasks, which enables financial teams to spend more time and energy on analysis. And business activity forecast. That is, management accounting, so it is another condition of financial reform. When the company has internal and external structural conditions, the transition from finance to control is inevitable.

#### (C) The needs of financial accounting

To meet the current situation of business development, the ability of big data can be used to meet the financial needs of the company. In order to ensure the work efficiency, the financial supervisor

must gradually improve the work quality and efficiency, shift from financial accounting to accounting, improve general accounting and keep financial accounting up to date.

## 5. Countermeasures of Accounting Profession and Accountants

(A) Pay attention to the comprehensive quality construction of accounting personnel, and combine it with artificial intelligence.

With the rapid development of artificial intelligence technology, many accountants worry that artificial intelligence technology will completely replace accounting work and lose their jobs. However, accountants must acquire correct artificial intelligence technology, adjust their thinking and improve their coping ability. Artificial intelligence technology is still in the initial stage in the accounting industry, which is incomplete and unreliable, and there are some drawbacks at present. Humans have inherent intuition and intuitive judgment on complex situations, but artificial intelligence technology is mechanical and lacks real human thinking. At present, artificial intelligence technology can't analyze accounting data and make independent decisions like humans. Therefore, with the continuous improvement of China's accounting system, accountants must actively respond to the benefits brought by technological progress, and at the same time improve their ability to learn computer technology, and flexibly use artificial intelligence technology to improve their efficiency [5].

(B) The financial management concept should be changed according to the current situation of the times.

The integration of artificial intelligence and financial accounting industry has pushed the financial accounting industry to a new level of development. In order to adapt to the changes of the industry situation, accountants must grasp the trend of the times and make changes to themselves. Among them, the most basic thing is that financial accountants must change their personal financial management ideas. First of all, they should form a correct and objective cognition of the industry situation, profoundly grasp the essence and connotation of the financial accounting industry under the background of the new era, and adapt to the changes of the industry through continuous learning and self-improvement [6]. On the basis of constantly enriching one's own financial knowledge, we should improve the ability of data collection, analysis and processing, and constantly expand the knowledge reserves of management and risk control. While constantly improving one's comprehensive quality, we can also face the challenges brought by artificial intelligence to the financial accounting industry with a better appearance. In addition, under the background of artificial intelligence, the connection between the world is getting closer and closer. Therefore, financial accountants should continue to broaden their horizons, learn relevant international laws and regulations, and strengthen their financial knowledge. While broadening their horizons, they should learn from the experience of foreign financial accounting transformation, absorb the outstanding achievements of other countries, and on this basis, promote the smooth transformation of their financial management, and help enterprises reduce the negative effects brought by artificial intelligence to the greatest extent.

(C) To promote the internal reform of enterprises and improve the comprehensive quality of financial department personnel.

First of all, enterprises should re-examine the work contents and duties of the financial department. For financial staff, their duties are no longer limited to the traditional bookkeeping, making statements, etc., but they should also participate in the daily management and control, risk management, etc. In order to cope with this change, enterprises should make appropriate adjustments to the positions and duties of financial staff. Secondly, enterprises should optimize and improve their internal systems and management processes. In order to give full play to the role and advantages of modern financial accounting, enterprises must strictly stipulate the work flow of the financial

department from three perspectives: before, during and after the event, and establish a reasonable and perfect accounting system[7]. The cost control, risk analysis, performance management, capital budget and other links should be incorporated into the accounting management system, so as to improve the participation of the financial department in enterprise management, and make full use of financial data to provide necessary reference for various business management of enterprises. Increase the training of internal financial personnel, and constantly introduce high-quality talents needed by enterprises. Talent is the power and foundation for enterprises to realize transformation. Therefore, for enterprises, first of all, we should train the current financial accounting personnel to help them form a correct understanding of the objective situation, carry out relevant training courses, and help internal financial personnel to continuously enrich their theoretical knowledge and gain relevant practical experience through training; At the same time, enterprises should also introduce high-quality management talents through preferential policies or salary and welfare. Through internal and external integration, we can inject fresh talent blood into the enterprise and improve the talent quality of the financial accounting department as a whole; Finally, enterprises should continuously introduce information technology. Information technology has outstanding advantages in financial management. It can not only expand the search channels of information and data, but also provide necessary decision-making basis for enterprises, thus bringing positive effects to the improvement of enterprise operation and management level [8]. At the same time, on the basis of objective conditions, we should optimize the internal office system, constantly promote the intelligentization and automation of the office system, provide a necessary platform for the sharing of internal resources of enterprises, strengthen the connection between various departments of enterprises, and improve the work efficiency of various departments of enterprises, so as to provide platform support for the transformation of financial accounting management [9].

(D) Take practical information protection measures.

Enterprises should be deeply aware of the fatal harm of information and data leakage, and take efficient and feasible information protection measures on this basis. First of all, enterprises should help internal employees understand basic information protection measures through internal training, improve the standardization of employees' work, and reduce the risk of information leakage that may occur in employees' work; Secondly, the enterprise can also hire a professional network specialist or network maintenance team to regularly check the internal network security of the enterprise, and regularly upgrade the system to avoid the leakage of information or data caused by loopholes. Finally, enterprises should also build a sound early warning mechanism, so that when data or information leakage happens, the system can give an alarm at the first time, thus minimizing the loss and harm of information leakage.

(E) Build a perfect supervision mechanism for the artificial intelligence system.

Under the background of the rapid development of Internet technology, artificial intelligence technology has greatly broadened the channels through which information passes. Under this background, there are many kinds of information and data that enterprises can access, so some non-target information will be involved in the search, and the search of such information may infringe upon the legitimate rights and interests or privacy of others. In order to reduce the risks and losses brought by this kind of phenomenon to enterprises, it is necessary to build a safe and transparent supervision and supervision mechanism, supervise the enterprises' use of artificial intelligence products, and clearly define the specific responsibilities and punishment measures of personnel, so as to provide the basis for the work of relevant staff and give warning to some personnel [10]. For enterprises, we should base ourselves on the long-term and sustainable development of enterprises, resolutely put an end to unethical behaviors of abusing information and infringing on the legitimate rights and interests of others, and build a good cultural mechanism and benign working atmosphere within enterprises to provide a good enterprise environment for the transformation of financial

accounting management.

## 6. Conclusion

To sum up, artificial intelligence, as a kind of high-end technology, has not only brought positive and promoting effects to all walks of life, but also brought different levels of challenges and impacts to all walks of life. In the face of artificial intelligence technology, the mainstream trend of human development, all sectors of society should take practical and efficient measures to make full use of the functions and advantages of artificial intelligence and minimize the negative and adverse effects of artificial intelligence on the industry. As far as enterprise financial accounting is concerned, only by adjusting the internal system and system of enterprises and optimizing and perfecting the quality of talents can we better conform to the development trend of artificial intelligence.

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