

## Analysis of common risks and control countermeasures of corporate financial investment in the new era

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### Abstract

In today's era, the market economy system has been formed, and the market environment facing enterprises is becoming more and more complex. In the process of participating in financial investment, it is necessary to improve the level of enterprise management, strengthen management standards, and improve risk response capabilities by improving the financial investment system. In general, enterprises participating in financial investment in the new era may face various conventional risks, but enterprises need to change their own financial investment philosophy and pay attention to information management and analysis in the process of risk response, so as to detect hidden risks in a timely manner. Avoid possible economic losses. This article first discusses the background of corporate financial investment in the new era, explains the necessity of risk response in corporate financial investment, then introduces the common risk types of corporate financial investment, and finally gives risk control strategies for corporate financial investment in the new era, hoping that companies can increase risk resistance, and develop effective financial risk management strategies.

### Keywords

New era; financial investment; common risks; control strategies.

### 1. Introduction

Financial investment itself is a high-risk and high-yield investment method, which can help companies or individuals obtain the highest benefits in a short period of time. In the stage of operation and development, in addition to operating its own business or products, enterprises also need to actively cater to the trend of financial investment, focusing on the benefits that financial investment will bring to the enterprise. However, many enterprises are not professional financial investment institutions themselves, and it is relatively simple to cooperate with some professional institutions in the market. Financial investment will be interfered by many external factors, not only unable to grasp the various investment laws in the financial market, allowing enterprises to face Various uncertain negative factors will also make enterprises fall into financial investment risks. In order to improve this situation, enterprises need to actively formulate effective risk response plans, hire professional venture capitalists, obtain relevant information on the financial market, and understand the changes in the financial market at the first time, so as to ensure that the financial investment risks of enterprises can be avoided, and that the enterprise can always be maintained. In a state of stable operation, maximize the value of corporate capital.

### 2. New era corporate financial investment background

Our country adheres to the policy of reform and opening up, actively introduces more foreign-funded enterprises, and continues to advance the financial reform work. It strives to improve the domestic financial mechanism and achieve a state of parity with the international financial level as soon as possible. The international financial system has been formed, and developed

countries have used their development advantages in the financial industry to become the leading organizations in the international financial market, while my country is still in the initial development stage of the financial system[1]. In a passive position, once the developed countries launch a financial war, my country's economy is easily affected. The emergence of the financial crisis has impacted the economic systems of the World Bank and some developed countries. More and more countries need to rebuild their financial systems. This situation provides opportunities for the development and reform of my country's financial industry. Therefore, our country needs to actively participate in it[2].

At present, my country's economic development is very fast, and it has great potential for development in many aspects. In the future economic development, my country is bound to develop into a waking up global lion, and has a pivotal influence in the world. It is hoped that as China's economic development is more in line with the global trend, my country should be more active in the restructuring of the global financial system, which will be of great benefit to my country's economic development. Therefore, my country is in the process of restructuring the global financial system. In the process, I clearly put forward my own point of view, and cast my most critical vote in the election, in order to strive to seek more rights and interests for its people in international financial organizations, and once the equity is redistributed, my country will also participate in it[3]. Among them, in order to strive to occupy more proportion in international financial organizations, in order to increase the right to speak in international financial organizations in the future. China is still the developed country with the largest population in the world. Although the most used currency in the world is still the RMB, but because China is still a developing country and its economic status in the world is not large, very few foreigners use the RMB. . The internationalization of the renminbi is necessary if China is to promote its international influence. The first step in the internationalization of RMB is to strengthen cooperation with international financial institutions around China and further improve the peripheral settlement function of RMB. In this way, the utilization rate of RMB in capital exchanges around the world will increase, which will not only enable the country to The financing cooperation between them is more convenient, and the global influence of the renminbi can also be enhanced. When the RMB enters the market of neighboring countries, it is likely to enter other developed countries, so that the use rate of the RMB in the world will be greatly increased, and the goal of RMB internationalization will be closer. However, my country should limit the use value of the post-RMB, and cannot undermine my country's rights and interests by internationalizing the RMB[4]. Actively participating in global coordination and cooperation is an important means to realize China's globalization strategy. When major events occur in the world, China must actively join in and work with other countries in the world for international coordination. It can increase China's participation in international affairs, and also enhance the cooperation between China and other countries in the world, so that our country can not only learn more things, but also play a more important role in the world. In today's global financial crisis, my country needs to actively participate in the reconstruction of the international financial system, fully cooperate with other countries in the world, and establish a mutually beneficial cooperation pattern, which will further enhance the comprehensive strength of my country's economy in the world. Augmentation has important implications. Active participation in global coordination and cooperation is a necessary means for my country to move towards globalization[5].

### 3. Common risks of corporate financial investment in the new era

#### 3.1. Operational risk

Operational risk is one of the common types of risks that enterprises carry out financial investment in the new era. This kind of risk is mainly caused by human error or system failure, and may even be related to fraudulent behavior. The first definition of operational risk was given by the British Bankers Association, which believes that operational risk can be affected by factors such as procedural control, criminal activity or human error. Subsequently, in 1998, IBM continued to give an explanation on operational risk, arguing that operational risk would lead to potential losses to the enterprise, and that operational risk was more likely to occur after improper customer control systems, control system failures, or uncontrollable events. . This paper argues that operational risk is the risk that is affected by internal procedures, system improvements, and personnel operations. In the new era, the financial market environment is more complex, and enterprises participating in the process of financial investment can easily bear operational risks[6]. In terms of coverage, operational risk exists in all stages of corporate financial investment, and even spreads to investment in different financial products. Regardless of whether it is in the investment stage or the income stage, once the operation error occurs, the enterprise will face huge economic losses. Therefore, in the face of operational risks, simply adopting a risk control method obviously cannot meet the needs of avoiding risks. In the process of financial investment, there is a saying in many companies that the higher the risk, the greater the return, but in fact, this statement does not apply to operational risk. Compared with credit risk and market risk, operational risk has obvious instability, and this instability is mainly reflected in the income. Although enterprises will spend a lot of money to carry out financial investment, the increase in operational risks they face will not have an impact on investment returns. Once an enterprise encounters operational risks, it is likely to face a devastating blow[7].

#### 3.2. Market risk

Market risk is also a risk that corporate financial investment may encounter. It is a risk that affects all assets and cannot be eliminated through asset portfolios. This part of the risk is caused by risk factors that affect the entire market. These factors include changes in the macroeconomic situation, changes in national economic policies, and fiscal and taxation reforms. It refers to the influence and changes of various factors, which lead to the increase of investor risk and the possibility of loss to investors. The incentives of systemic risk mostly occur outside economic entities such as enterprises. As market participants, enterprises and other economic entities can play a certain role. However, due to the influence of various factors, they cannot fully control it themselves. They are generally relatively large, and sometimes show a certain periodicity. There are many influencing factors of market risk, such as inflation, current exchange rate, monetary policy adjustment or macroeconomic policy changes are one of the factors of market risk. In the case of changes in the above-mentioned factors, enterprises may fail to obtain market information in a timely manner, which is likely to affect financial investment decisions, and then suffer from market risks and suffer a large amount of economic losses[8].

#### 3.3. Derivative risk

Derivative risk has a very wide range and includes a lot of content. Derivative risk is the financial asset investment risk formed in the new era. This kind of risk is different from fund risk and securities risk. The impact of investment is even more pronounced. In order to expand their business scope and obtain higher economic returns, enterprises usually choose to invest in derivative financial assets. At this time, enterprises need to strengthen the control of investment funds to ensure that they can meet the investment needs of derivative financial

assets. day-to-day working capital is affected. For example, when an enterprise invests in derivative financial assets, the asset value of the enterprise will change, and the asset evaluation result of the enterprise will also fluctuate accordingly. The investment behavior of derivative financial assets is a high-risk and high-return behavior, and this obvious financial characteristic puts forward higher requirements for the financial management of enterprises. If the financial management personnel of the enterprise do not have professional knowledge in derivative financial assets at this time, it is easy for the enterprise to make wrong financial investment decisions. For example, if a company invests in option bonds, although other businesses operate relatively smoothly and can help the company obtain more economic benefits, if there is a problem with financial management, the operating efficiency of the company will be reduced accordingly[9]. In severe cases, the company's original investment will be A loss occurs. Therefore, during the investment activities of derivative financial assets, it is necessary to comprehensively consider various possible risk factors, especially to strengthen risk management such as price risk and transaction risk, and obtain market information and data in a timely manner, so as to facilitate enterprises to make accurate risk assessment judgments .

#### **4. Analysis on the Causes of Financial Investment Risks of Enterprises in the New Era**

Changes in the market economy are a key source of uncertainty. In the process of investment in the financial field, enterprises should not only pay attention to all possible investment risks, but also pay attention to all changes in the market in the process of investment. On the one hand, the investment risks brought about by the rapid changes in the market economy are often destructive disasters, and the investment risks brought about by changes in the market economy are also the most important reasons for corporate financial investment progress. Investment brings a certain degree of operational risk to both investment and investors. As mentioned earlier, changes in the market economy are changing rapidly, which also includes changes in the large market. It makes the financial market of the whole world economy more complex and elusive. Once the market has a significant impact on large-scale investment, it will affect the financial investment of small and medium-sized enterprises. Therefore, in terms of market changes, it is necessary to be highly prudent and to do basic big data analysis to make reasonable predictions and plans[10].

Exchange rate reasons are also a key factor. Under the current situation of rapid social and economic development in China, and the trend of global leap-forward and diversified economic development, many people have turned their attention to China's vast overseas international financial market, so they need to invest in the development of international finance. However, due to the ever-changing and strangely complex global economic situation, it is impossible for companies to predict the changes in the political and economic situation in the next second through the current economic operating conditions. Therefore, when foreign trade enterprises make international financial investment or choose overseas investment commodities, changes in international exchange rates will also have a direct impact. Affected by the development trend of the global market economy, foreign trade enterprises must also have great exchange risks[11].

#### **5. Countermeasures for risk control of corporate financial investment in the new era**

After obtaining information on the risks that corporate financial investment may face, in order to strengthen risk response capabilities, companies need to clarify the characteristics of the

financial market in the new era, master the laws of financial market development, and formulate financial investment risk control strategies.

### **5.1. Improve the risk management system**

As the staff responsible for the operation and management of the enterprise, not only need to have the ability of operation and management or the ability to deal with emergency affairs, but also need to have the risk awareness, can actively cooperate with the implementation of risk control measures during the participation in the financial investment of the enterprise, according to their own financial investment experience, and improve the construction of risk management system. For example, an enterprise can set up a special management department responsible for dealing with financial investment risks. This department will sort out the financial risks related to the financial investment behavior of the enterprise, and at the same time obtain risk information, conduct a comprehensive assessment of the risks, and comprehensively control the possible financial risks. risk factors. Enterprises can build an operation and management system for financial investment behaviors. This management system presents the characteristics of scientific, standardized and comprehensive, which can meet the risk assessment needs of enterprises during the financial investment decision-making period, and judge by themselves whether the financial investment behaviors carried out by enterprises are in line with the requirements of enterprises. risk control standards. Enterprises also need to build a responsibility system for financial investment, which mainly allocates various responsibilities for financial investment behavior to specific jobs to ensure that the management of investment entities can be strengthened. This financial risk system construction method can meet the needs of risk management, and can also facilitate the formulation of risk response measures to ensure that the financial risk prevention work carried out by enterprises is more standardized and strict.

In addition to the above situations, enterprises need to fully understand their actual business development before making financial investment, and build a risk early warning system for financial investment behaviors. This system can ensure that risk problems are discovered during financial investment. Accurately make financial investment decisions and minimize corporate financial investment losses. In the new era, enterprises are faced with informatization construction work. Informatization construction can be extended to the process of financial investment risk response. Using informatization construction work to build a risk early warning system, various types of financial investment risk information can be transmitted to the informatization system. With the help of big data technology, it can analyze and evaluate possible financial investment risks, and give scientific early warnings in a timely manner. Enterprises should also conduct a comprehensive and in-depth analysis of their own operating benefits, so as to conduct a comprehensive analysis and research on the profitability, cash productivity, value creation ability and enterprise development potential of the enterprise in the process of controlling and managing the investment risk of the enterprise, so as to ensure that the enterprise The risk of financial investment has always been controlled within a reasonable range.

### **5.2. Strengthen risk assessment efforts**

During the entire process of financial investment and operation, the evaluation of capital risk is an important part of the financial investment control and management of small and medium-sized enterprises, and the evaluation of financial investment risk within the enterprise is a scientific decision made by enterprise managers. The main basis for decision-making, and the quality of enterprise managers' evaluation of financial investment risk will have a direct impact on the financial investment performance of enterprise managers, and the objectivity, rationality and scientificity of financial investment risk evaluation can affect the external environment. Some financial investment risks are effectively controlled, so as to reduce the financial

investment losses and risks of enterprises to a certain extent. The financial investment risk of an enterprise is not a static process. The financial investment risk is constantly changing with the changes of the environment and other factors. Therefore, in the process of evaluating the financial investment risk of the enterprise, it is also necessary to ensure that the risk assessment results are updated in real time. At the same time, only by ensuring the accuracy of the enterprise's assessment of financial investment risks in the external environment, can various financial investment risks be effectively reduced, thereby reducing investment losses to the greatest extent.

In addition, the financial investment risk assessment activities carried out by enterprises can actually provide a basic decision-making reference for the optimal allocation of risks and interests of enterprises. The main purpose of enterprises to comprehensively evaluate the investment risks of financial product projects is to do their best to realize their own interests. However, in the process of enterprise operation and development, there are bound to be various risks, but there is a difference between enterprise profits and the risks faced by enterprises. There is always a certain proportional relationship, so if an enterprise wants to obtain good financing benefits in the fierce competition, it will definitely encounter greater investment risks. Therefore, it is required that enterprises must pay more attention to financial investment risks in the process of development, so as to enhance the accuracy of risk evaluation, and make optimal choices for the risks and benefits of financial investment based on the evaluation results. It is necessary to control financial investment risks within a reasonable range and provide a basic guarantee for corporate financial investment profits.

### **5.3. Formulate financial investment guarantees**

There are certain differences in the types and nature of financial investment markets, which lead to large differences in the risks faced. In order to better control financial investment risks, enterprises need to strictly classify and control financial investment risks. At the same time, the financial investment products of enterprises will also encounter various risk problems. For this reason, enterprises need to make scientific predictions on financial investment risks, and formulate targeted solutions for different risk problems. Only by combining different types of financial products together Only by forming a reasonable investment portfolio can the investment risk of the enterprise be reduced to the greatest extent. At the same time, enterprises should also comprehensively consider the interest rate of financial investment, and only on the basis of combining market fluctuation factors, exchange rate fluctuation factors and financial investment interest rate can a scientific and reasonable investment risk emergency plan be formulated to provide a basic guarantee for the enterprise's financial investment income. Enterprises should also conduct in-depth research on their own financial products, so as to scientifically allocate the relationship between risks and returns.

### **5.4. Form a professional investment team**

With the continuous development of the economy, the main competitiveness of enterprises in the economic market is the comprehensive development of human resources, and talents have gradually become the main content of the competition of various enterprises. In the management of financial investment risk control, enterprises should establish a professional management team to better control financial investment risks. For this reason, enterprises need to control various tasks from the following points. First of all, the enterprise should carry out all-round education and training for the in-service management team, and start multi-level and multi-type knowledge education and training, and conduct staff training and education through multi-channel and multi-organization methods, so as to promote the continuous improvement of the knowledge system of the investment management team. Improve and strive to build a professional investment team with comprehensive quality as soon as possible. Secondly, actively recruit outstanding graduates from various colleges and universities, and

according to the characteristics of financial investment, transform the investment manager team, promote the further optimization of the capital structure of the enterprise, and use the age structure of employees, personnel composition, capital Based on the manager team, it promotes the further improvement of the comprehensive quality of the manager team. Finally, improve the assessment strength, so as to establish a financial investment management reward system within the enterprise. According to the actual job requirements, rectify the management team, eliminate some managers with low professional quality and lack of responsibility, encourage outstanding employees in the enterprise, establish a scientific promotion system, fully mobilize the subjective initiative of employees, and promote the enterprise. Efficient management of investment risk.

## 6. Conclusion

To sum up, the management of financial investment risks by enterprises must carry out long-term development research in order to form good control measures. Therefore, enterprises must increase the importance of financial investment risk management, and finally be able to find scientific methods for management. At the same time, it is necessary to make a comprehensive analysis of the financial market investment risks of the enterprise, and then build a scientific and reasonable financial investment risk management and control system according to the actual development of the enterprise, so as to help the enterprise gain a place in the fierce competition.

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