

The Application of Analysis of Value Chain of Management Accounting in the Mode of Value Co-creation of the University

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Abstract

The guide of the management accounting makes it clear that value creation plays an important role in the value creation of the enterprises. As a high-level "service-industry", the institutions of higher learning have a typical behavior of value creation. This paper, through an analysis of the value creation of management accounting, makes a tentative probe into the value co-creation behavior in the value chain of talent cultivation of the application -type institutions of higher learning in China. It concludes that the analysis of value can be conducted from the perspective of internal cost analysis so that the process of students' value creation can be identified; the students' value differential strategy can be promoted by analyzing the internal value differentiation; the key activities that form the competitive advantages can be identified by analyzing the vertical chain.

Keywords

Value creation; Analysis of value link; Application-type institutions of higher learning; Talent cultivation.

1. Introduction

In 2017, China's Ministry of Finance issued the Guide to Application of Management Accounting No.801: Report of Enterprise Management Accounting, according to which, the report of the enterprise management accounting is an internal report based on the processing and reorganization of the basic information of finance and business aiming at meeting the requirements of enterprise value management and decision support.

2. Literature Review

The output of the information of the value system of the value creation of the enterprise is provided for the management and staff inside the organization. (Yu Zengbiao: 2018) Feng Qiaogen holds that (2019) the strategic orientation of the management accounting is manifested in management accounting and the all-round manifestation is covers the whole process. From the perspective of budget management, budget-making has to leave some space in budget management, and the plans and management of the fund and the personnel of the enterprise should be identical to the strategic planning and the implication and connotation of the sustainable development and value creation in order to attain the basic goal of value increase of the enterprise.

In the analysis of the value link issued by the AMA, the analysis of value chain is the process of collecting, evaluating and exchanging information with the aim to help the management to visualize the future of the organization and to carry out the business measures to competitive

edge. Value co-creation is based on man's initiatives, creativity, inter-action and the nature to seek beauty and harmony, which are well-manifested in the current era. The information system of the organizational value created by management accounting provides information for the related management and staff in order to co-create and co-share the resources so as to attain the value-addedness with the concerted effort of the organization, internal and external customers and the suppliers by building a common destiny.

3. Customers Value is End of Value Co-Creation

The analysis of value chain is a strategic analyzing tool in evaluating the value-perception of the customers and its basic concept is value. Value refers to the value, need and use of particular assets. Value activity refers a series of activities concerning the processing of the raw material (manufacture industry) to the production and maintenance of the end products.

Value chain is a system consisting of a series of inter-dependent systems, each having the purpose of adding value to the end service or product. The internal customers include those staff, departments and service units which receive information, products and service from other staff, departments and service units. Even the next staff in the same process are also internal customers, or all the activities relating to work can be regarded as a series of trade among the staff or between the internal customers and the external suppliers.

The external customers are the end-users outside the organization. Value-added activity is generally concerned with transforming the resources into the products and services needed by the external products and services, and the non value-added activities resulting from this value chain will be eliminated. The suppliers are an important link in the value chain co-created by value. The aim of the value chain of customer-supplier is to involve value into every aspect of the working process to make it efficient and effective to produce products and service with better qualities by deleting non-value-added activities.

4. Application of Value Chain Analysis Evaluated by Mycos

By using data collection, processing technology and analysis model, Mycos has provided evaluation, analysis and solutions for the management of the institutions of higher learning in China: As the end customers of the universities, the concept of value co-creation involves the student-centeredness in the whole process talent cultivation. The Mycos evaluation aims to identify the problems and find out their reasons so as to offer related improvements and solutions with the help of big data. Oriented towards those graduating students and tracing the various problems concerning the growth of the students, teaching and teachers in the value chain, there exist some non-value-added activities, and relevant improvement policies are provided to solve the existing problems in the process of talent cultivation.

5. An Analysis of the Value Chain Co-Created by the Application-Type Universities

Value co-creation is based on the whole value chain, and all the stakeholders are the participants and creators of the value with the core at value co-creating by the enterprise and the employees and discovering, meeting and creating the needs of the customers in order to realize innovation in service. The process of the analysis of the value chain used by the application-type universities in evaluating the competitive edges contains:

① Internal cost analysis

This step is a decisive factor in the constitution of the talent and the related cost of the internal process of activities. The analysis of the internal cost will identify the value creation process of the relevant universities, the cost shared by the each value-creating process in the whole cost

of talent cultivation, identify the reasons and motives behind every value creation process and the relationship between each value creation process and evaluate the opportunities of acquiring the relative cost advantages.

② Internal difference analysis

Examine the source of the creating and maintaining the differences, which mainly includes the value perception of the university service on the part of the students. First of all, it is necessary to recognize the cost and motives in the process of internal value creation and with these information, the university can make a differential analysis so as to identify the process of the students' value creation, evaluate the differential strategy used in promoting the students' values so as to formulate the sustainable differential strategy.

③ Vertical chain analysis

This includes all the value creation process in the advanced position and the lower position. Vertical chain can help identify which activities are the key to the competitive advantages, and it includes all the links from entering the university and graduating from the university on the part of the students. The analysis of the vertical chain will identify the value chain of the industry and the cost, income and capital in the value creation. It can also diagnose the cost and motives behind every value creation process and evaluate the opportunities of acquiring the relative cost advantages.

Take a case study of the VBSE. The arrangement of this course is based on the principle of systemization of the working process and it tries to introduce the real enterprise business into the classroom and focus on the three-dimensional study of professional expertise, methodological competence and social abilities in the process of emphasizing comprehensiveness and seeking overall functions so as to apply knowledge, skills and attitude in the work process.(Jiang Taiyuan, 2016)

6. Conclusion

The uniqueness of the analysis of the value chain lies in the fact that it concerns the whole value chain, and revolves around need of the end customers. For improvement, strengthen the value-added activities to change the previous quality evaluation of classroom-based teaching to the survey indicators of students' learning experience. Pay more attention to the courses that receive unfavorable evaluation, and form diagnose report after comprehensive analysis so as to provide the teachers with suggestions for improvements. As a result, the teacher-centered teaching will become student-center teaching in order to realize value co-creation. The application-type universities should always revolve around the students and maintain constant improvements on value-added activities of value chain to reduce or eliminate non value-added activities. With the help of this, more and more needed talents will be cultivated by the universities for the socialist modernization drive.

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