

ON THE SELECTION AND IMPLEMENTATION OF THE OBJECTIVES OF FINANCIAL MANAGEMENT IN CHINESE SPORTS CLUB

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Key words and phrases: goal; implementation; financial management; selection; sports club.

Abstract: On the basis of the main principles of target management and financial management, this paper formulates the objectives of financial management and clarifies the essence of social responsibility of a sports club with regard to its features and national situation in this stage of China. As an important part of club management, financial management can permeate all areas of the club's performance. The managers of a sports club should take into account the current national situation, build up good and effective financial management system to improve cohesion and promote healthy and sustainable development of the club.

Research Background

The 17th Party Congress has clarified the essence of the scientific concept of development and building a harmonious society as well as ways of its implementation. The achievement of economic growth and all-round social progress requires joint efforts of the whole society. Since the Olympic Games in Beijing, China's sports business has been flourishing and people have become more involved in national sports. Under favorable conditions, sports clubs can play a positive role in the construction of a harmonious society, taking on more social responsibility for its development. Since 1900, social responsibility has been one of the major issues discussed by scientists and legislators. It is universally believed that social responsibility is a duty of an individual or an organization to act so as to benefit society at large. An enterprise should take responsibility for the staff, society and environment when generating profits,

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maintaining the interests of shareholders, abiding by business ethics, production safety, professional ethics, protecting the lawful rights and interests of workers, conserving resources, etc. Thus, a sports club as a cell of society and part of the main body of microcosmic society, must adapt to the social environment, take on social responsibility, determine the goal of financial management in order to have a benign cycle, develop constantly and lay the foundation for the development of physical health of the nation.

The Role of Financial Management

2.1. Money Management.

At present, the majority of sports clubs are facing up to three main problems of financial management. Firstly, insufficient funding forces the clubs to make ends meet; secondly, the allocated funds are used improperly; thirdly, there is lack of transparency in the use of funds. Finding the solution to these problems has become the priority objective of financial management. Of course, clubs need to find new sources of funding and increase earnings; another thing to do is to eliminate the gap through the short-term fundraising and investment; and finally, clubs have to track funds, ensuring the appropriate use of special funds.

2.2. Constraint Mechanism.

The key to improve the club's performance is to have a unified, open, clean and honest leadership team and strengthen financial supervision. Unlike the traffic rules, there are neither red light constraints, nor freedom of green light. Making full use of financial supervision is of particular importance in the constraint mechanism. Financial managers must have a high sense of responsibility, work according to the rules of the financial system, and report any problematic situation to the relevant department. The club's financial personnel are totally responsible for the club's assets, but not for a specific boss. By law finance managers must implement their duties, protect individual rights and interests, and only then, they can play the role of financial supervision.

2.3. Encouraging Enthusiasm through Scientific Incentive Mechanism.

The company is engaged in the distribution of profit, distribution of net profit in accordance with the relevant provisions of the state, and the decision of investors. A sports club is an economic entity, whose distribution of profits is the main economics leverage that can properly deal with the club and all aspects of economic relations, encourage enthusiasm and promote the development of the club. The distribution by labor and factors of production must become the main form of distribution of profits. In the new situation, it is a new challenge for the club's management and financial staff to develop the incentive mechanism of the club to be more reasonable, play the role of economic leverage, and mobilize the enthusiasm of all members of the staff.

Formulating the Goal of Financial Management in China

In order to eliminate the existing problems in the area of financial management, the author makes an attempt to set the financial management objective: to implement economic growth-oriented policies in accordance with

the socialist essence, to put forth the sustainable development strategy, to achieve maximization of income per capita, to improve economic benefits for the owner of the club (shareholders), to increase the wealth of managers and staff. The author believes that this objective corresponds to the basic requirements and the economic essence of financial management in this stage of the country development.

First of all, it is in accordance with the statement of the socialist essence. The socialist essence is aimed at satisfying the requirements of socio-economic growth and material and cultural needs. Sports club is the carrier of the people's material and cultural life and plays an active role in building a harmonious society. Comprised by owners, managers and employees, it can satisfy the needs of these three main elements. At the same time it can form a virtuous cycle and contribute to the economic growth of the country.

Financial Management Goal Based on Social Responsibility

Social responsibility taken by a sports club means that its behavior should not be harmful to the society, and should be beneficial for its harmonious development. The content of social responsibility of a sports club varies in different countries and in different periods of one and the same country. For example, social responsibility in the early stage is limited to the group activities and other sports-related core activities. The content of social responsibility has extended with the development of reforms of China's economic system and the improvement of people's material and cultural life. As a result, new "players" have been involved in social responsibility. These are shareholders, staff, customers, sponsors, communities and governments.

4.1. Shareholders

In the market economy, people are involved in the investment of stock, funding, insurance etc. The relationship between shareholders and a sports club has changed into that between society and enterprise. Therefore, the shareholder's responsibility is a part of social responsibility and it covers: a) ensuring the safety of shareholders' money; b) providing accurate management and financial information for shareholders; c) respect of the rights and interests of shareholders.

4.2. Staff

The sports club's operations are closely connected with the care for its personnel. The responsibility for the staff is the main part of social responsibility, which includes: firstly, organizing its activities in accordance with the labor legislation in order to ensure the right of choice and employment, labor law on remuneration, rest and vacations, occupational safety and health, vocational training, social security and social insurance; secondly, offering channels and opportunities for democratic participation and paying attention to the opinions and demands of the staff.

4.3. Consumers

The economic sources for the development and growth of most sports clubs come from its regular members, who are their main consumers. The key

to healthy development of the club is ensuring the rights and interests of their consumers. Those who do not have long-term planning and neglect the protection their members' interests of will eventually fail and go out of business. Thus, reasonable financial goals can maintain good relations with the customers, and provide mutual support and development

4.4. *Sponsors*

As providers of financial support, sponsors are the important stakeholders. Their responsibilities include: firstly, abiding by the contract and the transaction legally; and secondly, safeguarding legitimate rights of its members, and boosting fair trade.

4.5. *Communities*

Communities offer infrastructure, security services and ensure the normal operation of the club, so the sports club should bear responsibility for the communities. Specifically, sports clubs should actively participate in the community construction and welfare activities; make use of their own advantages to improve the employment opportunities for members of these communities; support the community's sports, improve the social economy and protect the community's environment, etc.

4.6. *Governments*

Governments provide strong support to sports clubs. Their responsibility involves the following: in accordance with the provisions of the laws and regulations clubs are supposed to pay taxes and bear the duties, accept the supervision of the government, and should not evade taxes, fraud, so that it can become positive supporters and practitioners of the nationwide fitness campaign.

Conclusion

Sports clubs take on social responsibility for constructing a harmonious society, which is reflected in every aspect of its development. Implementation of financial management objectives will have a positive role in constructing a harmonious society. Promoting a clear financial management goal is the main direction in the development process of a sports club. The club's activities should be aimed at the implementation of this goal. It will make a sports club more efficient and contribute to the promotion of nation's sports and their strength.

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К вопросу о выборе и реализации целей финансового менеджмента в спортивном клубе в Китае

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Ключевые слова и фразы: внедрение; выбор; спортивный клуб; финансовый менеджмент; цели.

Аннотация: На основе принципов целевого и финансового менеджмента сформулированы задачи управления спортивным клубом с учетом его особенностей и ситуации в стране на современном этапе в Китае. Раскрывается сущность социальной ответственности данного субъекта финансового менеджмента, который может распространяться на все области деятельности клуба. Руководителям спортивного клуба следует принимать во внимание текущую ситуацию в стране с целью создания хорошей и эффективной системы финансового управления, пропаганды здорового образа жизни и устойчивого развития клуба.

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