

Current situation analysis and development strategy of listed private enterprises in Dalian

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Abstract. The overall development of private enterprises in Dalian operates well. Especially, after the "opinions on creating a better development environment to support the reform and development of private enterprises" issued by the State Council, more and more private enterprises were encouraged to reform, financing and list according to the relevant policy. In this paper, we described the development status of private enterprises in Dalian, following with development and challenges of private enterprises, and eventually proposed the development strategies for them. The informative study provide the effective data and opinions on healthy developments of private enterprises in Dalian.

1 Introduction

Since the reform and opening up, private enterprises have played irreplaceable roles in promoting social development, promoting scientific and technological innovation, increasing social employment, improving people's livelihood conditions and expanding market opening. Private economy also has become an important part of the common development of various ownership economies with public ownership as the main body. In order to further stimulate the vitality and creativity of private enterprises and give full play to the important role of private economy in promoting supply side structural reform, promoting high-quality development and building a modern economic system. Meanwhile, in order to create a better environment for supporting the reform and development of private enterprises, the Central Committee and the State Council officially issued the "opinions on creating a better development environment and supporting the reform and development of private enterprises" (termed as "Reform Opinions" for short) in December 2019.

The "Reform Opinions" stated clearly that enterprises are encouraged to carry out direct financing, improve the stock issuance system, improve the audit efficiency of private enterprises' initial listing, and qualified private enterprises to carry out listing activities and serve the sustainable development of private enterprises according to the current policy. Therefore, the introduction and release of "Reform Opinions" will help to enhance the confidence of private entrepreneurs, mobilize the enthusiasm of private enterprises, attract

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more private enterprises to participate in the reform and development, and make more private enterprises have more vitality in capital operation and company development.

The overall development situation of private enterprises in Dalian develops well, which is mainly reflected in the improvement of GDP, tax, profit, fixed asset investment and so on. In addition, some private enterprises also have actively changed the mode of development, innovated the mode of operation and management, increased investment in scientific research and innovation, and constantly expanded the domestic and foreign markets[1]. Besides, the central government has issued a reform plan for private enterprises, which provides convenient conditions for enterprise financing and listing. However, the present listing of private enterprises in Northeast China are still in a backward position compared with the eastern coastal areas. The main reason is that private enterprises do not fully interpret the policy, and not be active in the implementation of the policy, and importantly the implementation methods are not perfect. These problems strongly hinder the development of private enterprises in Northeast China. In view of the above problems, this paper investigates the current situation of Dalian private enterprises, such as listing potential, financing, enterprise science and technology investment, encouraging enterprises to go public in combination with the "Reform Opinions" and their operation after listing. Through the introduction of the basic situation of the listing of private enterprises in Dalian, this paper preliminarily discusses the operation and development of listed private enterprises in Dalian, and puts forward the Countermeasures for the development of private enterprises in Dalian, in order to provide effective basic information and opinions for the healthy development of private enterprises in Dalian.

2 Overview of listed private enterprises in Dalian

According to the latest big data of securities, there are 50 listed companies in Dalian. Among them, there are 16 in Shanghai and Shenzhen stock markets and 2 on GEM, with a total market value of about 2 thousand billion RMB. Among them, the total market value of private enterprises such as Dashang Co., Ltd., Dalian Zhiyun and Dalian electric porcelain ranked top among private enterprises, with market values of 10.9 billion RMB, 9.1 billion RMB and 8.5 billion RMB, respectively, and the total market value of Yixing energy saving ranked last was 146 million RMB. Among the listed private enterprises, the main business scope was distributed in commodity retail, automation equipment, high-voltage power transmission and transformation, aquaculture and processing, environmental protection and related materials, advertising media, bioactive substances, big data, etc. The above-mentioned private enterprises have a wide range of business, which mainly meets the requirements of the overall economic development of Liaoning and Dalian, and some enterprises have high influence in the industry.

3 Development status of listed private enterprises in Dalian

The overall development of private enterprises in Dalian were in a healthy state in Liaoning and the whole northeast. However, restricted by regional economic development and some policies, the development scale and operation characteristics of private enterprises in Dalian were still in the characteristics of small scale and few leading enterprises compared with the eastern coastal areas. According to the enterprise core competition evaluation system, the comprehensive score of core competition among listed private enterprises in Liaoning was relatively low, which was 0.24. This shows that the comprehensive competitiveness and operation level of listed enterprises were generally poor. In the evaluation system, the Internet industry of listed private enterprises in Dalian (such as Tianshen entertainment)

possessed the highest comprehensive competitiveness, and the evaluation score of enterprise profitability index was the highest. This shows that the Internet industry has a high profit margin among the listed private enterprises in Dalian, and these enterprises have become one of the main forces of the listed private enterprises in Dalian.

In addition, due to the global epidemic, many listed private enterprises in Dalian now are facing "internal" problems. This makes some listed private enterprises, especially those focusing on export sales, had sharp decreases in orders, sluggish market, difficult product digestion, a certain backlog of inventory, increased transportation costs and compressed profits. This also led Dalian listed private enterprises in the current situation of changing the marketing development mode, actively digesting small profits and increasing capital, changing innovative business model and developing domestic and foreign markets.

4 Development challenges of listed private enterprises in Dalian

The establishment of private enterprises in Dalian mostly developed in the late stage of planned economy and the early stage of market economy. The development space of most private enterprises was limited, and enterprises generally showed problems such as insufficient funds, poor credit and weak sense of science and technology. Therefore, the development of private enterprises in Dalian, especially listed private enterprises, still were in great challenges. These challenges were mainly reflected in high costs, low profits, reduced orders, sluggish market and so on. Under the background of revitalizing the old industrial base in Northeast China and the "Reform Opinions", accelerating the development of private enterprises, especially encouraging more enterprises to go public, had become an important work and development challenge for the development of private enterprises in Dalian.

4.1 Epidemic background: economic tightening

The impact of the epidemic on the global economy is huge, and the economic ties at home and abroad are seriously disjointed. The problems of reduced profits and high costs caused by the increased costs of transportation, raw materials and personnel directly affected the development of enterprises. Dalian private enterprises are highly dependent on foreign trade, accounting for a high proportion of foreign export enterprises. Most private enterprises are at small business scale, long delivery cycle, low capital turnover rate and poor anti pressure ability of enterprises affected by the epidemic [2]. Therefore, in the context of the global epidemic, the reduction of enterprise orders, the increase of long-distance transportation costs and the slowdown of foreign economic growth showed a great impact on the development of private enterprises. At the same time, the sluggish export also affected the product backlog of enterprises. The retail industry and bulk products were subject to the competition of domestic enterprises, and even the phenomenon of "internal roll" once appeared. This phenomenon directly impacted the increase of enterprise costs, lower profits and sluggish market circulation, which have also become severe challenges for the development of private enterprises.

4.2 Backward of management mode of private enterprises

Most private enterprises in Dalian were established and developed after the reform and opening up. Due to the constraints of funds and talents at that time, most private enterprises mainly carried out the "family" management mode in the early stage of development. This model was of its unique advantages in the early stage of market economy. Most private

enterprises even though achieved certain benefits because of their small scale and low management requirements. However, in today's market economy, listed private enterprises required higher requirements for various service teams and their construction, especially in enterprise capital operation, enterprise financing planning and risk management. In addition, the development of private enterprises needs targeted, differentiated, long-term and reasonable planning combined with their own characteristics, which requires enterprises to have a more scientific and reasonable management team to serve the development of enterprises. This is also another challenge for the management talents mainly lacking in the existing private enterprises in Dalian.

4.3 Low core competitiveness of private enterprises

Listed private enterprises in Dalian were mainly concentrated in food industry (such as peach and plum bread), steel industry (such as Daikin heavy industry), Internet industry (such as Tianshen entertainment) and chemical raw material industry (such as Baiao chemical). The main feature of these private enterprises was the single production product structure and lack of sufficient sense of science and technology and innovation. This also resulted in the low comprehensive score of the core competitiveness of most listed private enterprises. Especially in the aspects of enterprise capital operation management, scale strength, development ability and technological innovation ability, which become another challenging issue for the development and effective operation of private enterprises in Dalian.

5 Development strategy of listed private enterprises in Dalian

Making rational use of policy support, improving and striving to create the external environment and software foundation of private enterprise exhibition, encouraging more private enterprises to finance, increasing the proportion of scientific research investment, and strengthening the core competitiveness of enterprises are the key to enhance private enterprises, which is also a good opportunity for the development of private enterprises in Dalian. Therefore, effective use of policies, strengthening the construction of soft environment in policies, actively adjusting enterprise structure and improving the core competitiveness of enterprises are all effective strategies for the development of listed private enterprises in Dalian.

5.1 Understand and use policies

The introduction of reform opinions is a critical moment for the continued development of China's private economy and private enterprises. The introduction of Reform Opinions plays a synergistic role with the previous relevant documents (such as the administrative measures for government procurement to support small and medium-sized enterprises), which is a superposition effect and provides a guarantee and development method for the development of private economy from all aspects[3]. Therefore, the effective understanding and utilization of policies by private enterprises showed the best way for efficient development. On the one hand, the Reform Opinions reduce the burden for private enterprises resulted in convenient financing policies. Finally, the reform opinions provided that private enterprises participate in the reform of state-owned enterprises, better break the monopoly industry controlled by state-owned enterprises for a long time, open the market main body, and provide more equal market competition conditions for private enterprises.

This requires private enterprises to integrate more actively into the market and realize an equal and open market subject.

5.2 Strengthen the construction of soft environment

The introduction of Reform Opinions provided good policy opinions for the government to better and more efficiently serve private enterprises [4]. This also required the government to provide a better soft environment for the development of private enterprises in accordance with the reform opinions. Among them, accelerating the development of a convenient, effective and perfect service system, formulating a plan in line with the local market development system, establishing a good public service platform and network service facilities, and providing an operation and monitoring platform for serving the development of private enterprises could be the main methods to strengthen the construction of soft environment. In addition, providing fair policy support, comprehensive training and legal aid to private enterprises from time to time also provided a soft environment for the development and construction of private enterprises.

5.3 Active adjustment of enterprise structure

Private enterprises in Dalian are mainly labor-intensive, resource dependent and processing trade. Most private enterprises still rely on cheap labor and some sacrifice resources and environment to maintain the development of enterprises for a long time. The introduction of reform opinions not only provided a fair and open business environment for private enterprises, but also required enterprises to adapt to the positive development of the market [5]. This required private enterprises to accelerate the transformation and upgrading from traditional fields to emerging industries. At the same time, combined with the advantages of the enterprise's own development, actively integrated into the field of emerging industries and cultivate new economic growth points of the enterprise. Effectively control the development of industries with overcapacity, actively participate in manufacturing, new energy, artificial intelligence, drug development and new food, consciously adjusted the enterprise structure, improve the operation capacity of private enterprises, and adapted to the development trend under the new situation.

5.4 Enhance the core competitiveness of enterprises

Innovative technology is the core competitiveness of enterprise development. Improving and enhancing the independent innovation ability of private enterprises is of great significance to the development of private enterprises. During the Sino US trade war, private enterprises had the same views on the technical content of their products and the core competitiveness of innovative products. This required private enterprises to increase investment in their own scientific research and development, actively carried out scientific research cooperation with scientific research institutes and colleges and universities, actively participate in and organize the implementation of national key R&D and major engineering projects, and constantly improve their own core competitiveness.

6 Conclusions

Dalian private enterprises developed well among private enterprises in Liaoning Province, and the effective profit growth momentum of enterprises was strong. With the help of "Reform Opinions", the vitality and creativity of enterprises have been further stimulated.

However, there are still some problems and challenges in the development of private enterprises in Dalian. This required enterprises to correctly understand and implement the "Reform Opinions", and also required the government to effectively guide private enterprises. Truly enjoy the benefits brought by the "Reform Opinions" to private enterprises. In addition, enterprises should also effectively promote the structural adjustment of enterprises according to the specific needs of their own development, improve the core competitiveness of enterprises, and make contributions to the development of private enterprises in Dalian.

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