

# Problems and Countermeasures in Economic Management of Modern Enterprises

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**Abstract:** Under the influence of global economy, modern enterprises are facing great challenges and opportunities. In order to strengthen the economic management of enterprises, the problems existing in the economic management reform should be solved, a sound modern management system should be established and corresponding solutions should be formulated. In this way, the healthy and stable development of the enterprise can be effectively promoted. This paper mainly discusses the existing problems in the economic management of modern enterprises and the corresponding countermeasures.

**Keywords:** Modern Enterprises; Economic Management; Problems; Countermeasures

## 1. Introduction

Due to the social and economic development, enterprises in China are facing innovation and changes, and ushering huge challenges and opportunities. At present, many enterprises in China have been in extensive status in terms of economic value-added. Moreover, the problems of backward management concepts, large-scale flow of human resources and internal sporadic problems have seriously affected the progress of enterprises and increased the cost of enterprises. In order to solve these problems, a clear strategic goal has to be established, and corresponding adjustments according to the actual conditions of enterprises should be made to ensure that enterprises can develop rapidly and steadily.

## 2. Problems Existing in Economic Management of Modern Enterprises

### 2.1. Lack of systematic concept of economic management

According to the development of modern enterprises, it can be seen that there are many problems in the economic management of modern enterprises. The main reason is that there is no systematic economic concept. The management mechanism in many companies is in a mass, so the rights are also in a mass in the issuance of instructions. After a problem arises, the person responsible for the accident cannot be identified and all functional departments just shirk their responsibilities. So, many grassroots employees do not know which department they belong to, or who their managers are. Once an emergency problem occurs, it cannot be timely reported, causing serious economic problems. While some enterprises have

higher work efficiency and a clear division of labor, according to the overall situation of the enterprise, it does not make effective use of its resources. Therefore, in order to achieve the overall optimization of the enterprise, they must pay attention to the focus of enterprise performance management, and focus on the management of the power system.

### 2.2. Backward management organization of enterprises

At present, the economic management organizations of many enterprises in China are relatively backward, mainly expressed in the following aspects. The first one is that the economic management mode of the enterprise is too single. Although some enterprises are large in scale and have a good development situation, traditional management methods and concepts are still used in economic organizations. Such backward management methods have seriously hampered the development of enterprises. In addition, when carrying out economic management, lots of economic management work is supervised by the heads of enterprises. In this way, the progress of work of the enterprises will be seriously affected and the development of the enterprises will also be affected. Moreover, there are many interlacing situations between the functional departments of modern enterprises. Therefore, various contradictions often occur, leading to the fact that enterprise's activity information is prone to error and thus affects the operational decision-making of enterprises.

### 2.3. Confusion of internal management responsibilities

Any enterprise will take the economic benefits as the development goal in the work. However, the economic

benefits of enterprises cannot explain the position occupied by enterprises in the market. Especially for now that the pace of development of the market economy is too fast, the economic management of an enterprise must consider the economic benefits of the society and the economic benefits of the enterprise as well as the connection between them. Otherwise, it will seriously affect the development of enterprises. Moreover, due to the development and progress of the society, modern enterprises have set up targeted economic management departments and employed professional personnel in the development process. But due to the impact of traditional management concepts, there are many problems among the enterprise departments, which seriously affect the normal development of enterprises. In particular for some daily management responsibilities, there is phenomenon that departments often compete with each other and shirk its responsibility. This is also caused by the fact that there is no clear division of responsibilities and obligations between functional departments, which limits the room for growth of staffs in the economic management departments of enterprises, and to a large extent creates chaos in the functional economic management.

#### **2.4. Large flow of human resources**

As the human resources of enterprises are too fluid, they cannot ensure the progress and quality of their work in carrying out every work. Besides, the development policy of enterprise has not been effectively integrated with human resources so that no professional training has been provided for newly recruited employees, resulting in a low level of human resources throughout the enterprise. At the same time, enterprises cannot retain the core talents, resulting in a large number of brain drains. Besides, the unreasonable incentive system also causes the complicated and chaotic structure between staffs, resulting in a great loss of human resources. However, the unreasonable performance appraisal system has led to the loss of a large number of elite talents and neglected the material and spiritual needs of staffs. Finally, due to excessive brain drains, affecting the strength of enterprises.

#### **2.5. Low use of funds for blind investment**

With the rapid social and economic development, many enterprises in China want to expand their scales, so they have begun to increase their investment and expand their own sphere of influence so as to set the corporate reputation. However, many enterprises are blind when making their investments so that there is no direct proportion between the invested capital and profits. Besides, some enterprises are still in a vague situation regarding the future development situation. Therefore, enterprises increase investment with drifting and cannot make ends meet. This blind and extensive investment will only result in a large amount of capital loss, leading to problems

in the liquidity of the enterprises and thus a scene of poor turnover, which will seriously damage the development of the enterprises. In serious cases, the bankruptcy may occur.

### **3. The Corresponding Countermeasures for the Existing Problems in Economic Management of Modern Enterprises**

#### **3.1. Establish a systematic economic management system**

For the enterprise's economic management system, the main content is the managers of enterprises using a systematic economic management system for enterprise funds management. Therefore, the economic management system should be regularly tested and evaluated to find out the unscientific parts in time. Then, make timely changes according to the actual situation. In addition, the traditional management methods should be given up, managers can not only focus on the immediate interests but have to make long-term plans for the future development of enterprises, and establish long-term development goals, so that the economic management system can play a role to the extreme.

#### **3.2. Renewal of the concept of enterprise economic management**

The concept of economic management of modern enterprises must be promptly updated to guide the correct direction of enterprise development. Moreover, in order to strengthen the management of an enterprise, it is necessary to timely update the management idea of top managers in an enterprise so as to create a good management environment. In the operation and management of enterprises, the awareness of crisis management should be raised and a strategic guideline for the future development of the enterprise should be formulated so as to ensure that enterprises can form a global management concept in the course of business. The economic management of modern enterprises involves many fields. Therefore, when carrying on the innovation of the management concept, it is necessary to deeply analyze the risks existing therein and make bold innovations and practices. In this way, the development of enterprises can be promoted and the strength of enterprises can be enhanced.

#### **3.3. Strengthen the optimization and review of economic management system of enterprises**

The economic management system is mainly decided by the managers of the enterprises; however, in the specific implementation and supervision process, it is decided by the heads of each functional department. According to the characteristics of the economic management system of modern enterprises, the implementation process can be

optimized and reviewed. It is necessary to break the steps of assessment, combine with many factors to determine the final assessment results, and then put forward the overall optimization. Besides, the managers of the enterprises should organize the inspection team on a regular basis to evaluate the operation and management system of the enterprises, and determine the efficiency of the economic management department based on the final assessment results. For the management system with problems it must be improved to increase the efficiency of business management. In addition, in the enterprise's economic management system, the evaluation results of each step must be implemented in every functional department and employee in the enterprise, so as to effectively identify the responsible persons and lay a solid foundation for the reform of the enterprise.

### **3.4. Effective integration of human resources**

For the current economic competition, the key lies in the enterprise's elite talent. Therefore, human resources are an important guarantee for the stable operation of enterprises. The enterprises must integrate and optimize the human resources within the enterprise, explore the potential of the talents, and pay attention to the development of the enterprise's core. For example, enterprises need to regularly carry out staff training in order to enhance the employees' professionalism and comprehensive ability. In particular, the economic management personnel in enterprises have to pay attention to the training of professional knowledge and the business proficiency. In addition, enterprises need to constantly improve their own organizational structure and establish an effective performance appraisal system and incentive system, so as to enhance the employees' attention and ensure the stable development of the enterprises. Finally, one of the ways in which talents can be retained is about employees' benefits and social security. Therefore, enterprises should pay attention to these material aspects and spiritual aspects as well as employees' benefits and other aspects. In this way, the enterprises can lay a solid foundation for the future development, thus retain the talents and ensure the strength of enterprises.

### **3.5. Strengthen risk management**

Risk management is the key to promoting enterprises development and avoiding risks, but also an important condition for the stable development of enterprises. It mainly involves the following aspects of work, and one of them is the management of financial risks. Financial risk is an important management content in economic management. In order to ensure financial security, the risk awareness of enterprises managers, financial departments and other departments has to be strengthened. Especially in the decision-making formulation, implementation and production, sales and other aspects, a good risk

management system need to be established to improve the quality of management. The second one is to focus on the collection and organization of information; especially the information of market, the relevant agencies and other agencies need a reasonable analysis, so as to provide managers with reliable information. The third one is to strengthen the overall risk concept of the enterprise, which means to focus on the atmosphere of risk management, so that employees can maintain the risk crisis awareness all the time and develop their awareness of risk. On the other hand, managers need to take economic development as an important core for the development of enterprises. Moreover, it is important to consider the inner thoughts of the staffs in the enterprise and integrate into the human feelings, and respect employees in the work activities so as to obtain employees' recognition in a relaxed working atmosphere and effectively promote the enterprise' development.

### **3.6. Determine the economic development target of enterprises to ensure the healthy and stable development**

As long as determine the economic development target of enterprises can a healthy and stable development of enterprises be ensured. For example, during the project research, evaluation and testing, it is necessary to firstly grasp the development of the market situation, and then put forward a comprehensive test based on users' needs. In this way, the future economic development target of the enterprise can be determined. After the two parties of cooperation are satisfied with the test results of the product, the production and service work of the enterprise product will be supervised and controlled, and certain standards are set according to the nature of the product so as to ensure that the enterprise can achieve the expected goal of the economic development mode. Therefore, it is very crucial for the economic management target of the enterprise, the development situation in all aspects should be combined so as to effectively ensure the steady development of the enterprise.

## **4. Conclusion**

In summary, the deficiencies in enterprise management should be understood, and then, timely solve these shortcomings in accordance with the economic management system of the enterprise. In this way, the comprehensive ability and professionalism of the economic management team can be effectively improved. At the same time, a long-term development target and the future direction of business development goals should be established and determined, and also forbid blind investment. In this way, the ultimate goal of development can be determined in accordance with the social and economic development and ensure a healthy and stable development of the enterprise.

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