Policy Analysis of Small and Middle-Sized Enterprises Based on Content Analysis Method

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Abstract. The state of small and middle-sized enterprises as the main body of innovation is constantly upgrading. However, they are still facing many difficulties during developing. It is necessary that the government continues to publish some policies to maintain small and middle-sized enterprises development, and enhance the environment. The paper focused on the policies for supporting small and middle-sized enterprises development in the past fourteen years by the state. It mainly used the method of qualitative and quantitative analysis. The results show that the number of policies of small and middle-sized enterprises is increasing year by year, and the main body of policy is diversified, it is difficult to operate and so on.

Introduction

The state of small and middle-sized enterprises (SEM) is more and more important since entering in twenty-first Century. They have become the main force to promote the development of social productive. The position of SEM can’t be separated from the affect in the national economy development. As one of the part of “Mass innovation, multitude innovation”, their influence is not incomparable by large-sized enterprises in creating employment opportunities, in improving the scientific and technological innovation and promoting economic growth. Nevertheless, SEM generally exists in the high mortality compared with large enterprises. There are only 5% of SEM have successfully entered the ranks of large enterprises in large group [1]. In other words a large proportion of SEM has closed down in the early stage of entrepreneurship.

In order to solve the problems encountered in the development of SEM and the problems of the transformation and upgrading, the governments and the departments of nation have formulated a number of supportive policies. In order to understand the subject, the object, and the implementation tools of these policies, the policies to support the development of SEM of the past 15years policies have been analyzed and studied in the paper.

Analysis on the Current Situation of the Policy of Supporting SME

The domestic research of support policy of SME shows regional characteristics. For example Jin Jing researched on Korean SME support-policies in the past 30 years and countermeasures [2]. Liao Shijian compared and evaluated SME policy characteristic of Japanese in different stages after World War II [3]. Zhai Zhiyin thought the key of supporting policy for SME should insist on special funds, carry out systematic training, and actively play the role of financing guarantee system [4]. Hao Chen constructed the evaluate system of policy environment for SME development on basis of policy environment assessment theory [5]. At the same time there were some qualitative researches on the policy of SME. Such as the survey method was made by Zhang Shuming [6], comparative study method was employed by Zhang Zhichao [7], case analysis method was adopted by Fu Jianfeng [8] and so on.

There are two aspects research: theories and practice in foreign. For instance David Come H. proposed the policy model for effectively solving adverse environment of SME development on the United States [9]. Geooge Nakos & Keith D. Brouthers suggested the government to reduce
procurement threshold of SME \[10\]. Shelagh Heffernan analyzed the pricing behavior of UK financial institutions to provide loans for SME by constructing econometric models \[11\]. Wen-Hsien Tsai put forward to an integration model of DEMATEL, ANP and ZOGP that can evaluate the innovation policy \[12\]. Guillermo Cardozaa \[13\] researched consequence from the perspective of system theory of the interaction between public policy and other incentive mechanism.

Selection of Policy Text

The research object of this paper is to determine the policies to support the development of SME. Which is a form that the government action to support the development of SME. The research scope was limited policy text by the central government for China. Since the government has pay attention to the SME higher and higher in the past fourteen years, the number of policy texts has become more and more. Therefore, the text data sources were initially identified as nearly fourteen years of policies, the collection method was mainly the official website collection. The course is according to three major principle—the principle of openness and authority, the principle of pertinence and the principle of timeliness. Ultimately we determined the 112 representative support-policy of SME as an effective research sample.

Analysis on Policy Text

Analysis on Policy Text Type

According to the types of national normative documents types, above 112 policies have been classified law, regulations, opinion, planning, methods, notice, rules 7 more types. The notice was the largest number of 58, accounting for 58.6% of the total number from Figure 1. This shows that the policy have a strong regulatory and binding. The second is that opinion was 39, accounting for 39.4%. This shows that the guide of the superior to the lower is better during the actual implementation. And law, regulation and is only 1, this shows that the policy of legislation is weak in our country. Although it is also considerable attention to government, but the size of the authority of document is still to be improved.

Analysis on Policy Date

It is an increasing trend of numbers of policies year and year in the past fourteen year, but there are some fluctuations from figure 2. Which grew faster in 2006, 2011, and 2015, and the sum of policies arrived at 18 in 2011 and 2015. We divided into 4 stages according to the policy release time: The one stage is “the exploration stage” from 2002 to 2005. The second stage is “the
development stage” from 2006 to 2009. The third stage is “the fluctuation stage” from 2010 to 2013. The present is “the rapid development stage” from 2014 to today. It can be directly reflected the distribution in accordance with time from figure 3. It is worth noting that the total amount of “the rapid development stage” is relatively small due to the statistics that is only 2014 and 2015.

Figure 2. Relation of number of document and date.

Figure 3. The stage of policies distribution.

The one stage is “the exploration stage” from 2002 to 2005. What the mainly focused was financing credit, special funds and legislative support, etc. for SME in the stage. It is worth mentioning that there was born the only one law of supporting SME development so far in China, and it has laid a solid legal basis.
The second stage is “the development stage” from 2006 to 2009. Which the number of policies arrived 29, it grew 4 times more than before. This is mainly because it is becoming more and more aware of the government to SME, and the government intensify help them survive the crisis. The forms and means of government support tend to be diversified in the stage. These create a good external environment for the development of SME in the financial crisis.

The third stage is “the fluctuation stage” from 2010 to 2013. Because of intensive policy in 2009, there is relatively small number in 2010. But the policy of “Opinions on encouraging and guiding the healthy development of private investment” has played a positive role to help SME rapidly development and survive financial crises. The number of policies reached peak in 2011, the policy covered aspects the management of SME, and assisted SME development. It was mainly that the policy in this stage was to supply and strength for the previous stage.

The present is “the rapid development stage” from 2014 to now. There are many policies by nation and department of nation for private enterprises and SME. There policies have great positive impact on the development of private enterprises.

Analysis on Policy Object

It found that there were a total of 28 units involved in making policy after arrangement. According to its authority, these policies can be divided into three levels. They are respectively National People's Congress, the State Council, the State Council Ministries, and the agencies directly under the State Council. Of course these also contained the relevant supporting policies jointly issued. In this paper, the 112 policies text was divided into two forms including independent dispatch form and joint dispatch form. The independent dispatch is involved in the dispatch of departments only one, while the joint dispatch is involved in two or more than two of the multi-sector joint. There are a few policies jointly issued by the 12 departments.

There are 51 independent documents issued by a single department, accounting for 45.5% of the total, and are 61 jointly issued a document accounting for 54.5% of the total in 112 policies. The specific situation was shown in Figure 4. All reflects the issues of SME support policies: (1) Independent dispatch combines with joint dispatch, and it was mainly two or more sector join issued. (2) The body is more diversified. Jointly issued reflect the participation of government department, and they provide policy support to promote the development of SEM from their own functions.

Figure 4. Number of policy quantity and department.
Table 1. The number of policies by independent dispatch and joint dispatch.

<table>
<thead>
<tr>
<th></th>
<th>Independent dispatch</th>
<th>Joint dispatch</th>
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</thead>
<tbody>
<tr>
<td>National People's Congress</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>The State Council</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>National Development and Reform Commission</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Ministry of Finance of the People’s</td>
<td>4</td>
<td>44</td>
</tr>
<tr>
<td>Ministry of Science and Technology of the People’s Republic of China</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Ministry of Industry and Information Technology of the People’s Republic of China</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>State Administration of Taxation</td>
<td>2</td>
<td>25</td>
</tr>
<tr>
<td>China Banking Regulatory Commission</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Ministry of Commerce of the People’s Republic of China</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>The people’s Bank of China</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>State Administration for Industry &amp; Commerce of the People’s Republic of China</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China</td>
<td>1</td>
<td>1</td>
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Analysis on Problems

The characteristic of policy text type is that the notice and the opinion are more, the implementation is less, and the specific implementation details are doubt. The number of documents has increased year by year, and there is a significant correlation between policy text and the development of SME. The major participating departments are the Ministry of Finance and the Ministry of Science and Technology. These illustrate that the participation of SME to support the policy of the main body has been more and more diversified, but which leads to the phenomenon of each department acting on its own. In short, policy system for SEM has begun to take shape, but still highlights some of the problems, to be further improved.

Suggestion on Policy

The construction of the policy system of SEM is not static, but a process of constant repeal, revision and re-establishment. This paper provides a few reference suggestion based on the above analysis and the problems exposed in the policy text.

Strengthen the Authority and Operability of the Form of Text

So far there is only law for SME development, and there is only a highest authority policy for SME development. All indicates that the effective of policy is relatively low comparative with foreign policy. Then it is necessary to promote the legislative process support policy of SEM. The government may consider making other special laws, for example “SME Technology Innovation Law”, to meet the actual needs of SME based on “SME Promotion Law”. The government should make effective guideline for key directions, scope and implementation approaches of SEM development.

In addition, the policy is the most widely used, the “management approach”, and the “interim measures” is also in the form of notice in the public. In spite of the regulatory and binding has been increase, but the operability was also reduced. Therefore, it is suggestion that the government should regulate and clean up and modify for similar policies, and release new policies, so that it make policies rise to direct easy operation and can strengthen efforts to implement.

Establishment Management Agencies for SME and Avoidable the Lack of Coordination

In recent years, the policies jointly issued are increasing and the objects are becoming more and more. However, with the participation of departments blossom, the unfavorable situation also be
caused by lack of coordination. Therefore, if it hopes the problem will be fundamentally solution, then recommendations from the following two aspects:

(1) It should deep the system reform of SME. The suggestion is that it should establish Enterprises Bureau directly under the State Council [14], may be established separately, or can also be in the Ministry, or as vice ministerial level management center, to strengthen the status of the administrative department of SEM, and define the tasks, responsibilities, status etc..

(2) It is the most important thing that should integrate the policies and form policy resultant force. The nation may try to further strengthen cooperation exchanges of various departments, to encourage all sectors to become more united and to abandon their respective interests, and to exert various policies influence to stimulate the development of SEM. It is clear the relevant department of the rights in the process of policy making. It is strict rules to need comprehensive in-depth investigation situation before make a policy. It should greatly avoid the lack of coordination and management, improve administrative efficiency, and reduce administrative costs, and to solve the problem of redundant policy fundamentally.

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Reference

