

The Prominent Problems and Countermeasures in the Optimization of the Business Environment of the Small and Medium-sized Cities

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Abstract Business environment is the core competitiveness of one region, which directly reflects the development of local economic and is regarded as the “thermometer” and “barometer” of economic development. This study gives the overview of business environment in small and medium-sized cities in China, analyzes the concept of business environment, explores the development trend of business environment optimization, clarifies the problems existing in the optimization at the present stage and puts forward reasonable strategies according to the actual situation.

1. Introduction

Small and medium-sized cities in China actively optimize their business environment and construct a new normal of economy, in order to promote economic development. However, in the course of business environment optimization, there exists many constraint factors, like urban environment, talent, government affairs, financing, etc., which directly impacts the promotion of the optimization of the business environment. Therefore, it is necessary to innovate reasonably and identify the problems, so as to optimize the business environment of small and medium-sized cities.

2. Overview of Business Environment in Small and Medium-sized Cities

2.1 Concept

The Emergence of business environment was marked by the “Doing Business” project undertaken by the International Finance Corporation of the World Bank Group in 2002. Its essence refers to the business activities carried out for the benefits, together with the behavior of the enterprise. The concept of business environment is gradually improved, which includes the conditions and social environment in the whole process of business activities, and covers the beginning of the production and management of the enterprise and the enterprise to the end. The business environment contains many influential factors, such as economic factors, political factors, social factors, legal factors and so on. It can be said that the business environment involves all aspects of social economy, and directly affects the local economic development, which has an impact on the production and operation of enterprises. The business environment is an important part of the economic development of the modern society and is of significance to the economic development of local region. It is necessary to make innovations from multiple angles, to further carry out the optimization and construction of the business environment, to ensure the functioning of the business, and to adapt to the development of the times ^[1].

2.2 Evaluating Indicator

It is necessary for enterprises to deal with the external and internal environment in the course of development, of which the external environment is the basis of the production and operation of the enterprises and has direct influence on the production. From many angles, the business environment can be divided into the external environment of enterprises’ development, covering all aspects of enterprises’ development, such as policies, measures, institutions, geography, resources and so on. The evaluation indicator is the basis of the business environment. The international observation

organization evaluates the business environment from the aspect of the interest rate, the degree of information disclosure, corruption and market flexibility [2].

3.Optimization Trend of Business Environment of Small and Medium-sized cities

Under the background of the current era, economy gradually prospers and enters to the new normal, which was based on fairness, efficiency, quality and sustainable development, adapts to the new economic normal and improves the national economic level of our country. Therefore, the business environment presents a new development trend, mainly including the following aspects:

Firstly, the business environment takes innovation as the core, it is needed to optimize according to the development of the times, actively carry on the innovation of government affairs practice, establish the new system, standardize the market, open the comprehensive window, divide the stage to parallel examination and approval, improve the investment environment, reduce the operation cost of the enterprise and construct the predictable and fair business environment [3].

Secondly, the business environment is based on coordination and requires to coordinate the relationship between the government and enterprises. It also needs to innovate according to the development of the times, construct new channels, actively encourage the development of enterprises, improve the business environment, which provides impetus for enterprise development, raise the efficiency of government work, and creates an efficient business environment.

Thirdly, business environment was on the premise of opening up. Based on the development needs of the times, the business environment should actively create an open economic environment, upgrade the opening level to the outside world, stick to reform and innovation, and actively integrate with the international community, enhance China's comprehensive strength to participate in competition, and realize all-round development [4].

Fourthly, the business environment is protected by green. The integration of green environmental protection and economy has become the main development trend in the 21th century. And a good political ecological environment has been constructed. Therefore, the business environment must be combined with the political ecological environment, in order to create a good advantage of opening up to the outside world and achieve all-round development.

Fifthly, the business environment takes sharing as the goal, actively carries out reform and innovation, speeds up the reform of urban upgrading, clarifies the development goals at the present stage, optimizes the business environment, strengthens the government's infrastructure construction and environmental construction, creates a good market order, improves the quality of government service, strengthens the construction of the legal system, and innovates from the aspects of social governance, ecological civilization, and so on, in order to improve the satisfaction of the people.

4.Prominent Problems of Optimization Trend of Business Environment of Small and Medium-sized cities

4.1The shortcomings of the existed policies

During the process of development, China has innovated the policies at the present stage, released a large number of relevant policies and created a high-quality policy environment, so as to promote the prosperity and development of private economy. China has also created a high-quality policy environment to ensure the stable development of enterprises at the present stage. But in fact, enterprises often have obvious difficulties in choosing of policies and do not know which preferential policies to choose and ultimately affect the implementation of the policy in the face of the current policy environment. On the one hand, some policies are very professional. The staffs can't fully understand the specialized contents in the course of practical application. It is also very difficult for enterprises to master the policies at this stage. Therefore, it is often hard for enterprises to ensure they can enjoy comprehensive preferential policies, which affects the development of enterprises. On the other hand, due to the lack of control over the whole current policies, it is difficult for some departments to enjoy the preferential policies at the present stage. Some departments are unable to

implement the policies because of their own reasons, and gradually fall into the predicament of development ^[5].

4.2 Lack of overall Supervision

Supervision is the basis to ensure the optimization of the business environment. Only reasonable supervision can ensure that all aspects are reasonably optimized, so as to meet the needs of current development. In fact, there exists obvious lacking in supervision and formalization in the process of business environment in small and medium-sized cities in our country. The reason lies in the weak regulatory power, slow reform pace, back forward existed regulatory technology and bad profession. During the process of supervision, there is no perfect regulatory standards but regulatory lag, and even there is obvious “uncontrollable” situation, resulting in serious lack of supervision and formalization and malign effects. Meanwhile, there is still an obvious “too much” situation in the process of supervision, because part of the inspection can’t be carried out according to the actual situation. Frequent inspection, repeated law enforcement and inspection chaos increase the economic cost of enterprises at the present stage.

4.3 Fail to Realize Technological Advantage and Lack of Information Sharing

The failure of information sharing is also the main problem in the process of business environment optimization at the present stage. Affected by the factors of development environment at this stage, the lack of financial support and top-level design are the main reason for the low degree of mutual recognition of information interconnection between departments, leading to obvious information islands and information barriers, which affects the overall optimization. In fact, the failure to form effective information sharing has become the main limited factor of business environment optimization in the process of development at the present stage, and even worse, hindered the development of the overall environment in our country. For example, due to the limitation of information sharing at the present stage, it is difficult for enterprises to construct a credit evaluation system covering regulatory content, cancellation content, financial content and tax content in the process of development, which leads to the failure of enterprises to establish a perfect credit basis in the process of development, and often appears formalization in the process of examination and approval system reform, which ultimately affects the credit of enterprises. The main reasons for the common credit difficulties and low quotas of enterprises are the lack of information sharing and the imperfection of the existing regulatory mechanism. The problems are caused by the source, so it is difficult to realize the linkage between various departments. The joint punishment is insufficient, which ultimately affects the development of enterprises.

4.4 Low comprehensive literacy of talents in enterprises

Small and medium-sized enterprises pay insufficient attention to talents during their process, which leads to the low professional level and low comprehensive literacy of talents recruited in the development of enterprises. Their narrow channels of talent recruitment and lacking in specialization affects the development of enterprises, as it is difficult to attract high-level talents. For small and medium-sized enterprises, it is not possible to establish a comprehensive talent supply and demand platform for small and medium-sized enterprises, owing to the curb of their own scale factors. In the process of personnel training, the two-way selection of the platform and the talents has not been established. For example, although the reward for high-end talents is great in some regions, the threshold is larger, which gives few talents to enjoy the welfare and affects the development of enterprises. For the middle- and low-end talents of small and medium-sized enterprises, the overall welfare treatment is less, the reward strength is low. Enterprises are hard to retain talents for low attraction degree of talents.

4.5 Hard and expensive to finance

For small and medium-sized enterprises, the capital is unstable due to their own nature in the process of development, which needs to face greater development risks, resulting in financing difficulties and affecting the development of enterprises. Small and medium-sized enterprises show a new model,

new business type and new industries in the development, which form a unique economy. However, because of their own strength, financial institutions are more cautious about their loan approval, reducing their loan success rate. Meanwhile, the standard floating and discounted interest rate floating of the benchmark interest rate of developing loan are affected by the kinds of bank factors, which leads to the gradual increase of interest rate in the process of loan, especially for small and medium-sized enterprises, which increases the financing cost, weighs on enterprises of development burden and affects the economic benefit of enterprises [7].

5. Optimization Strategy of Business Environment of Small and Medium-sized cities

5.1 Carry out rational policy analysis

In the process of development, small and medium-sized enterprises should make clear the positive promotion of enterprises' preferential policies, explore deeply, carry out reasonable investment, deepen the implementation of the existing policy system, create a good development environment for enterprises, and realize the optimization of business environment in small and medium-sized cities. Specifically, it can be done in the following two ways:

On the one hand, it is necessary to give full play of the government, take the government as the basis, and establish perfect institutions according to the actual situation. Through interpreting and preaching the work through the establishment of institutional policies, governments analyze and improve the relevant policies existing at the present stage, carry on the detailed analysis from the processing process, the scope of application, the relevant materials, the corresponding departments, etc., They also need to do a good job of accurate interpretation, compile by industry, make relevant operation manuals. According to the actual situation of dynamic management and timely update, so as to ensure the accuracy of information. At the same time, according to the current industrial policy implementation, the sub-industry carries out related publicity, and the current policy is deepened, and the whole process optimization is realized.

On the other hand, policies needs to be perfected according to the development situation of enterprises. It is necessary to choose the representative enterprises in different industries to establish the policy model with characteristic, and fully take the advantage of staffs, make the interpretation of the policy, choose the most reasonable preferential policy for the actual situation of the enterprise at the present stage, create a high-quality development environment for the enterprise, and make a policy package to promote the development of the enterprise. For example, the current case is applied flexibly for policy penetration. Government should actively make publicity and set up a good demonstration, create a good development environment for enterprises, provide personalized and accurate policy support to meet the current development needs.

5.2 Strengthen Supervision comprehensively

In the process of optimizing the business environment, small and medium-sized cities should strengthen supervision according to the actual situation and demand, perfect the concept at the present stage, realize the comprehensive strengthening, give full play to the advantages of the system, and create a good development environment, in order to promote the development of enterprises. Specifically, it can be done in two ways.

On the one hand, the development of enterprises need to innovate the existed regulatory methods, optimized the existing concepts based on the actual situation, create a good development environment, in order to adapt to the development of the times. It also needs to carry out technological innovation in an all-round way, flexibly use high technology to improve supervision quality, optimize information level, and establish a good environment. On the basis of modern advanced technology and through the transformation of traditional human supervision mode via technical equipment, it is important to optimize the whole, perfect the development concept at the present stage, take the Internet as the technical medium to construct the network supervision platform, realize the comprehensive supervision through the platform. At the same time, it is needed to carry on the round-

the-clock monitoring, create the safe and stable operation environment for the enterprise, and realize the normal production and management [8].

On the other hand, it is necessary to carry on the comprehensive deepening reform according to the current development environment, construct the comprehensive supervision pattern, in order to ensure the comprehensive supervision, discover the problems existing in the development, and promote the development of the enterprise. For example, media news supervision and supervision platform can be set up, take the existing network, app, client, and traditional paper media as the carrier, in order to expose the existing problems, and form typical cases for people to refer to. It can also give full play to the advantages of trade associations, based on the existing industry standards, eliminate the traditional regulatory standards are not unified, avoid the arbitrary problem of law enforcement, and meet the development needs at the present stage. Meanwhile, the industry credit information system can be improved. It is important to flexibly use the Internet to interconnect information, optimize the idea at present stage, integrate each department as a whole, realize the linkage response and form a linkage mechanism, which one place violated, other related parts will be restricted or even punished. It is necessary to strengthen the enforcement of joint law enforcement in the multi-sector, to promote the elimination of the situation of repeated law enforcement through joint law enforcement, through joint law enforcement at the present stage, to ensure one-time completion of all inspection items, to reduce the frequency of law enforcement and to avoid over-law enforcement. Through a variety of mutual cooperation, the whole development is realized, the market main body is self-disciplined, the trade association is self-ruled, the people and the overall supervision of the government is self-supervised and a brand-new development situation is constructed.

5.3 Innovate the Existed Technology and Construct the Information Sharing Platform

In order to meet the needs of the times, we can make use of the existed advanced technology to carry out innovation, carry out reasonable reform and innovation based on the government's requirements, provide high-quality service for enterprises and the masses based on the demand of public service reform, and build the information sharing platform aiming at high quality work. For example, it is needed to flexibly utilize the advantage of current e-government network, deepen the technical reform and accelerate the non-network-access government affairs information system to realize the overall sharing. The problem of information island and information barrier existed at the present stage is eliminated, the importance of constructing enterprise information and supervision information sharing platform is clarified, and the information sharing efficiency is improved. Governments will actively set up a perfect electronic file to store information on the basis of information technology, help the enterprise to build an information base, and store the important information generated in the development of the enterprise through the information input, such as financing information, credit information, fiscal and tax information, etc., and improve the safety of the information storage, so as to realize the high-quality sharing of the information.

5.4 Reasonable Personnel Training and Absorb High-quality Talents

Government needs to make clear the importance of talent training to the development of enterprises, actively introduce relevant policies and measures, improve the talent policy at the present stage and provide talents for enterprises. For example, it is necessary to improve the treatment of the middle-end talents, optimize the support of the talents, help the enterprises to absorb the talents and retain the talents, give full play to the advantage of the talents and realize the overall development. Enterprises could cooperate with colleges and universities, realize talents development, and cultivate the high-quality scientific research talents and compound talents. At the same time, it also necessary to set up a perfect talent demand information release platform, give full play to the platform's advantages, perfect the talent information base, establish a two-way selection channel between the enterprise and the human resource, and set up an international and professional training institution to tap the talents. According to the actual situation, a perfect service mechanism is established, based on the market economy, the personnel training, stimulation and supervision mechanism are built, a good enterprise culture is created, the enterprise development mode is innovated, the sense of belonging to the enterprise is promoted, and the comprehensive development is realized.

5.5 Breakthrough of Restrictions of Financing and Making Innovations

Enterprises need to actively coordinate with financial institutions, innovate existed products according to the development of the present stage, enrich the current guarantee mode, reasonably conduct the credit, actively develop the credit products specific to the small and medium-sized enterprises, and give full play to the cooperation between the government and the bank. Through the intervention of the government, the trust of the small and medium-sized enterprises is promoted, and the bank is encouraged to carry out the research actively, so that the enterprises can choose a more reasonable credit path. Banks optimize the current financial guarantee system, strive for the national financing guarantee fund, form the linked financing guarantee system, and meet the current development demand. Enterprises are encouraged to establish a perfect modern system, carry out reasonable management, promote the standardized operation, and actively enhance the credit of enterprises, in order to help enterprises obtain larger loans, broaden the financing channels of enterprises, promote the listing and financing of enterprises and achieve all-round development.

6. Conclusion

To sum up, under the current background, the business environment of small and medium-sized cities has become the key of economic development, so as to promote the steady growth of our national economy. Nevertheless, in the process of optimization, there is prominent problem for small and medium-sized cities to strive for a first-class business environment, affected by many factors, such as inadequate supervision, poor environment and low level of informatization. It requires to make reasonable innovation, flexibly apply of existing information technology to build information sharing platforms, to create a good development environment for enterprises on the base of policy, help enterprises to finance, in order to achieve sustainable development.

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