

# Influencing Factors of Asset Evaluation Quality

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## ABSTRACT

The main purpose of assets appraisal is to evaluate and estimate the value of assets at a specific time point legally and reasonably, and to safeguard the legitimate interests of all parties related to the assets. The quality of asset appraisal is the soul of the asset appraisal industry. With the development of the industry, the scope of appraisal services is expanding, and the users of appraisal reports are demanding more and more for the rationality and accuracy of the appraisal results. Therefore, the quality of asset appraisal has become the focus of attention. The accuracy of asset appraisal will be affected by the users of appraisal information, the characteristics of appraisal institutions and assessors, the regulators of appraisal industry, market environment, policy environment, information environment and integrity environment.

**Keywords:** Asset appraisal, Quality, Factor

## 1. INTRODUCTION

The main purpose of asset appraisal is to legally and reasonably assess and estimate the value of assets at a specific point in time, and to safeguard the legitimate interests of all parties related to the asset. Asset-based method, market method, and income method are commonly used evaluation methods in practice. Different evaluation methods involve different evaluation processes and evaluation parameters, and they also have different scopes and limitations. For a specific economic action, under the same market conditions, the same assets in the same state are evaluated, and the evaluation results should be objective. There will be no big differences due to the adoption of different evaluation methods. The business needs of enterprise value evaluation continue to grow, and the scope of asset evaluation services continues to expand. Users of evaluation reports have put forward higher and higher requirements for the rationality and accuracy of the results of enterprise value evaluation. Evaluation information users, the characteristics of evaluation institutions and evaluators, evaluation industry regulators, market environment, policy environment, information environment, and integrity environment will all have an impact on the accuracy of asset evaluation.

## 2. INTERNAL FACTORS AFFECTING THE ASSET APPRAISAL INDUSTRY

The pricing of assets to be evaluated is closely related to the interests of many investors. This requires a professional third-party evaluation agency to evaluate and estimate the fair value and provide a reference for investment and transaction pricing in the capital market. The main participants in the evaluation process include

customers, regulators, evaluation agencies and evaluators, as well as evaluation report users, who collectively influence the evaluation results and thereby affect the quality of the evaluation. The relevant parties in the asset appraisal have different focuses in the appraisal process: the appraisers of information demand generally hope that the valuation results provided by third-party institutions can meet their own needs. On the one hand, they expect reasonable and reliable high-quality valuation results. On the one hand, it is hoped that the evaluation agency can evaluate and estimate the evaluation value it wants according to its own wishes to achieve the corresponding purpose. The evaluation agency most expects to obtain a higher income in order to maximize the benefits, that is, as far as possible without violation of regulations. In order to obtain the maximum output with the smallest input; the evaluation industry associations, the government and other regulatory agencies regulate the market, supervise evaluation activities, and punish violations. [1] From an economic point of view, a game relationship is formed between the client, the appraisal agency, and the regulatory authority. The result of the game affects the quality of asset appraisal to a certain extent. Customers have low demand for so-called high-quality asset evaluation. In order to achieve their goals, they will exert influence on the evaluation agency so that the evaluation agency can evaluate according to its own wishes, otherwise it will be replaced with a new evaluation agency; the evaluation agency has a low position in the game. Especially small institutions are not easy to maintain independence. Under the influence of customer pressure, they will weigh the benefits of meeting customer requirements for illegal operations and the size of the losses that may be investigated and punished, and then choose whether to meet the needs of customers to perform illegal operations; [2] Evaluation industry regulators pay too much attention to industry protection, which may lead to ignoring the interests of information users such as the

general public. If there is a lack of effective supervision and the cost of violations of evaluation agencies and personnel is too low, it may be given to evaluation agencies take advantage of this opportunity" to succumb to customer pressure or perfunctory in the evaluation process. Under the combined effect of motivation, opportunity, environment, means, etc., sometimes the evaluation agency, the evaluator and the client reach a consensus, so that the evaluation result deviates from the reasonable range. [3]

### **2.1. Information demanders**

The assessment information needs mainly include asset transferors, asset transferees and other stakeholders. The entrusting party entrusts an appraisal agency to assess the value of the assets to be traded. The assessment result that satisfies the assessment information needs should be the most likely to exchange the estimated value.

In the appraisal activity, the client has an entrusted relationship with the appraisal agency. The client provides relevant information and pays a certain fee to hire the appraisal agency to evaluate the appraised assets; the appraisal agency accepts the entrustment, makes professional judgments on the value of the appraised assets based on the information, and issues an appraisal Report, charge a set fee. Due to different positions in the asset trading market, different evaluation purposes need to be achieved. The demanders of asset evaluation information will have different expectations on the value of the asset being evaluated: the asset transferor generally hopes that the evaluation agency can overestimate the value of the asset, So as to achieve the purpose of charging higher prices, occupying more shares or obtaining more loans; and the asset transferee will hope that the appraiser can underestimate the value of the asset in order to achieve the purpose of completing the asset transaction at the most economical price. [4] At the same time, judging from the development history of my country's appraisal industry, the development of my country's asset appraisal industry is closely related to the reform and development of state-owned enterprises, which leads to the following fact: all parties involved in asset appraisal often lack the enthusiasm to pursue assets To assess the accuracy of value, pay more attention to whether the assessment result reaches the expected value and expected rate of return. [5] Therefore, as stakeholders from different perspectives, assessing information needs play a game in the asset trading market. They always hope that the asset assessment results can meet their own needs, and they can influence the value judgment of the assessor.

A related party transaction of a listed company refers to an event that occurs between a listed company or its controlling subsidiary and an associated party of the listed company that may result in the transfer of resources or obligations. Related party transactions are based on legal and legitimate channels that can save commercial transaction costs, reduce transaction costs, and improve transaction efficiency. However, there are cases where

some companies seek benefits under the banner of related party transactions. The core issue is whether the pricing of related party assets is fair and reasonable. The company's largest shareholder uses the concealment of related transactions to strip non-performing assets through unfair related party transactions, manipulate the company's profits, whitewash performance, and realize the transfer of benefits. In transactions, the price of related-party transactions is often determined by the evaluation results. The controlling shareholder uses this to manipulate the evaluation value with the evaluation agency, harming the interests of related parties and reducing the rationality of the evaluation results. [6]

The quality of the financial information of the assessed company also has a greater impact on the quality of the asset assessment. The low quality of the financial information of the enterprise and the low degree of informatization will increase the risk of uncertainty in the asset assessment and affect the quality of the asset assessment. [7] From the perspective of the internal structure of assets of the appraised company, asset characteristics such as fixed asset appreciation rate, current asset proportion, intangible asset proportion, intangible asset appreciation rate, and enterprise scale have a significant impact on asset appraisal appreciation rate. In addition, if the assessed company is in a different industry, its assessed value-added rate will also be significantly different. [8] If the appraised company uses its own advantages to falsify accounting information and conceal assets and liabilities, it will reduce the quality of asset appraisal. This requires appraisers to standardize the inventory of assets and reduce the risk of uncertainty in asset appraisal. Generally speaking, a trustworthy client will provide more authentic and detailed information about the assessed object, and the possibility of assessment risk is relatively small; if the assessment client has imperfect management, the property rights of the assessed asset are unclear, and the finances are confused Even deliberately providing inaccurate financial information, then the possibility of asset evaluation risk is very high. [9]

### **2.2. The provider of asset valuation information**

The providers of evaluation information are professional evaluation agencies and appraisers. The appraisers perform the appraisal project, and the signed registered asset appraisers and project leaders are directly responsible for the asset appraisal report, and the appraisal agency bears the ultimate responsibility. The influence of asset evaluation information providers on the quality of asset evaluation mainly comes from the evaluation process.

The existing research on the impact of asset appraisal agencies on appraisal quality mainly focuses on the following three aspects: First, the impact of the scale of asset appraisal agencies on asset appraisal quality. When constructing the asset evaluation quality evaluation index system, the scale of the evaluation institution is one of the

necessary evaluation indicators, which has an important impact on the evaluation quality. [10] Generally, large-scale firms have more internal control standards, and provide higher salaries and better development platforms. They could attract professional talents, stabilize the organization's talent team while meeting the spiritual and material needs of employees, forming a "passing and helping" situation, broadening the team's experience reserves, enhancing synergy, and improving work efficiency. At the same time, large-scale appraisal agencies have strong ability to solicit business, and appraisers have accumulated practical experience in a large number of business volumes, reducing their sensitivity to business income from a single customer, and maintaining a higher degree of independence in the face of righteous choices. [11] Compared to grasping immediate benefits by resorting to fraud, large institutions cherish their reputation more, while small-scale asset appraisal institutions have relatively small business volume. In order to grasp their business, they will not hesitate to give up their professional ethics and have strong Motivation to provide low-quality asset evaluation services. The outstanding advantages of large-scale asset appraisal agencies make them generally higher than small-scale asset appraisal agencies in terms of competence and independence, and thus provide higher asset appraisal quality. [12]

The second is the impact of the reputation of asset appraisal institutions on the quality of asset appraisal. As an intermediary agency, the service quality of asset appraisal agencies will be affected by reputation. The higher the reputation of the asset appraisal agency, the higher the ranking, the smaller the difference between appraisal value and transaction price, the more accurate the appraisal result, the higher the asset appraisal quality, and further research shows that the greater the uncertainty in the environment At the time, the reputation of the asset appraisal agency has a greater positive impact on the quality of the appraisal. [13] Good reputation is one of the soft energy of institutions. Many country's asset appraisal institutions focus on branding and have significant effects. Although there are also cases of bad practice of individual famous brand institutions, usually high reputation does mean high quality. Reputation has an adsorption effect, and high-reputation asset appraisal agencies tend to attract more outstanding high-level talents, a larger customer base, and more policy support. On the one hand, institutions with high reputations generally have stronger teams, reasonably allocate project team members, and appraisal professionals have deep professional knowledge reserves, rich practical experience, and superior competence. It is easier to reduce the degree of information asymmetry between the parties to the transaction and to set prices. It is also more fairly, ensuring the quality of evaluation results to a certain extent, and good evaluation quality also feeds back the reputation of the institution. [14] On the other hand, for the long-term development of the organization, a high-reputation asset appraisal agency tends to maintain its hard-won high reputation. When faced with the bad requirements of the client, it will account for the undesirable operation of the institution. It is difficult to

make up for the losses caused by violating the rules and catering to customers. To a certain extent, it also serves as a good warning for the maintenance of independence. The existence of these objective circumstances promotes high reputation asset appraisal agencies to be better than small Institutions provide a higher quality of asset evaluation.

The third is the impact of internal governance and supervision of asset evaluation institutions on the quality of asset evaluation. The corporate culture, internal control level and implementation of the evaluation agency have an important impact on the quality of asset evaluation. The corporate culture of an appraisal agency includes business philosophy, entrepreneurial spirit, values, development strategies, talent training, etc. It is directly related to the quality of the asset appraisal agency's practice and the quality of the products issued. Strong risk awareness, implementation of the quality management system, and long-term development strategies that focus on the internal construction of the organization may have a positive impact on the quality of the assessment. [15] The evaluation report issued by each evaluation agency will maintain the certain "inertia". Only by strictly controlling the quality of the evaluation process and standardizing the content of the report from the beginning to the end, can a high-quality evaluation report be issued, and only strict risks .The control system can promote the diligence and due diligence of appraisers and appraisers, and issue appraisal reports that are compliant and reasonable. The asset evaluation report is a manifestation of the results of the benefit balance. [16] If the asset appraisal agency lacks a standardized and effective self-management mechanism and supervision system, this may cause the asset appraisal agency to lower its professional ethics standards in order to win customers, agree to the unreasonable requirements of customers, falsely report the value of assets, and seek personal gain. As a result, the quality of asset evaluation is low. [17] To improve the quality of asset evaluation, the internal control and supervision of asset evaluation agencies must be strengthened.

Asset appraisal is a process in which asset appraisers and appraisers use their knowledge and experience to make professional judgments and decisions on the value of the appraised assets. Appraisers are direct participants in asset appraisal activities, the main body and the core. Due to the particularity of the asset appraisal industry, the immature development of the current stage, and the imperfect market economy system, my country's asset appraisal environment has greater uncertainty. Uncertainty runs through the entire appraisal process and faces these uncertainties. Factors, appraisers need to use professional skills and appraisal experience to analysis and judge, analysis market prices and future trends on the basis of a more comprehensive understanding and grasp of the essence and value of assets, make professional judgments on the value of assets, and arrive at a reasonable and fair In conclusion, this plays a vital role in evaluation activities. If the professional competence of the asset appraiser is insufficient, there may be problems such as unreasonable use of appraisal assumptions, inappropriate selection of appraisal methods, insufficient income forecast basis, and

lack of support in case selection, which may lead to unreasonable appraisal results; Evaluation agencies may be involved in a wide range of businesses such as mineral property evaluation and equipment evaluation. Therefore, asset appraisers with a professional background in asset evaluation may also face problems beyond their own capabilities and require the assistance of more professionals in this field. [18]

Some scholars designed questionnaires from multiple dimensions such as self-interest, temptation, threats, deception, and consequences, and studied the moral values of registered asset appraisers. The results showed that the difference in professional ethics and values of appraisers is based on age, experience, educational background and relevant .Above professional ethics education. [19] The accumulation of professional knowledge and experience allows appraisers and appraisers to have a greater influence on the collection of relevant information, understanding and application, and the choice of appraisal methods in the appraisal process. The evaluators are required to have relatively solid professional knowledge, rigorous practice attitude, rich practice experience and good professional ethics. [20] The study found that when the appraiser is aware of the appraisal results, it will automatically reduce the collection of relevant data and information, which will affect the final appraisal value of assets due to deviations from the normative procedures. [21] The higher the actual competence and independence of the appraiser, the higher the risk of instability and the improvement of the quality of asset appraisal. [22] According to the questionnaire survey on the perception of Chinese asset appraisers' assessment judgments, among the many factors that affect asset appraisers' high-quality judgments, professional ethics has the highest impact, accounting for about 43%, followed by legal liability. [23] The professional ethics of the asset appraiser determines whether it can maintain independence in the assessment process, refuses to cater to the improper requirements of the relevant parties, and obtains the most objective and fair assessment results. [24] Empirical research shows that the practice experience of an asset appraiser is positively correlated with the quality of the appraisal. The more experienced the appraiser, the more accurate the appraiser's valuation judgment and the higher the asset appraisal quality.

Existing research further finds that, compared with male asset appraisers, female appraisers provide appraisal information more delicately, more independently and objectively in the appraisal process. After comprehensive analysis, female appraisers are positively correlated with asset appraisal quality. The quality of asset appraisal is often higher in projects undertaken by appraisers. At the same time, because high-reputation asset appraisal agencies have more confidence in resisting risks and negotiating with customers, the losses caused by personnel violations are often greater than the benefits. From all aspects, they will have stronger binding force on the appraisers and have more motives for violations. The difference caused by the gender of appraisers is difficult to show in high reputation appraisal agencies, while in low

reputation appraisal agencies, women's refusal of unreasonable requests from customers and the cautiousness in assessing and avoiding risks bring more differences. Teachers are more likely to have an impact on the quality of asset evaluation. [25]

### **2.3. Asset evaluation supervisor**

Asset evaluation is a professional service industry, which plays a fundamental role in the modern market economy. Effective market supervision can promote the improvement of the quality of asset evaluation services. The asset appraisal supervisor is an organization or department that supervises and manages asset appraisal activities in order to ensure the quality of appraisal. It mainly includes relevant government regulatory agencies and appraisal industry regulatory agencies. At present, my country's government regulatory agencies mainly include state-owned asset management agencies, financial agencies, and securities regulatory agencies. The appraisal industry regulatory agencies are mainly asset appraisal associations. From the perspective of the Asset Appraisal Industry Management Association, it implements a self-discipline mechanism for the supervision of asset appraisal information. The association regulates the actions of asset appraisal agencies and personnel by formulating asset appraisal standards, reviewing the qualifications of appraisal agencies and registered asset appraisers, etc. Nowadays, the government has changed from an all-rounder to a service-oriented, and the evaluation industry associations are constantly developing and improving. At the same time, there is currently no unified management department in the asset appraisal industry. The Ministry of Finance, the Ministry of Construction, and the Ministry of Land and Resources can all manage and supervise the asset appraisal industry. These government functional departments refer to different laws and regulations. The requirements are also different. Although new documents and new systems have been continuously introduced in the area of asset appraisal management, because different administrative entities have introduced different management systems, appraisal agencies and appraisers must not only comply with the regulations of the directly-administered department, but also consider indirect management systems. The requirements of the administrative department have caused confusion in the asset appraisal agency. [26] This has caused chaotic management of my country's asset appraisal industry, poor coordination, weak supervision system, lack of strict supervision in the asset appraisal process, and no authoritative laws to follow in the entire asset appraisal industry, leading to problems such as low asset appraisal quality. [27] The state has issued corresponding regulations to regulate this issue, but the market economy is huge. With the lowering of the entry threshold of the asset appraisal industry, the composition of the industry has become more complex. [28] The road to self-regulation of the asset appraisal industry still has a long way to go.

### **3. EXTERNAL FACTORS AFFECTING THE ASSET APPRAISAL INDUSTRY**

The environment is the objective existence that causes, stimulates, and restricts the existence, generation and development of the evaluation industry. It not only directly affects the healthy and rapid development of the evaluation industry, but also indirectly affects the evaluation industry through interaction. The asset evaluation practice environment includes not only the market environment, the rule of law environment, and the policy environment, but also the information environment and the integrity environment. [29]

#### **3.1. National Policy**

Establishing a sound management system is one of the important guarantees for the development of the industry. On December 1, 2016, the "Asset Appraisal Law" and the 2017 "Asset Appraisal Industry Financial Supervision and Administration Measures" were promulgated to a certain extent to compensate for my country's asset appraisal industry laws. The gaps on the above, the assessment industry injected new vitality. Under this guidance, the Ministry of Finance and the China Appraisal Association revised the basic standards for asset evaluation, the professional ethics standards for asset evaluation, and other substantive and procedural standards, and improved the asset evaluation guidelines and guidance. The gradual improvement of laws and regulations has created a well-documented practice environment for improving the quality of asset evaluation, which can better improve the quality of the asset evaluation industry. [30]

However, there are still certain problems. On the one hand, China's current social and economic development is rapid, the country is facing reforms, the economic fields involved are increasing, economic operations are becoming more and more cumbersome, and the existing relevant policies cannot be fully covered. The problems encountered in practice may not be able to find answers in the guidelines. Due to the particularity of the industry, the evaluation guidelines can often only put forward some principled professional requirements, such as "fair use of evaluation assumptions", which gives the evaluation A certain degree of discretion of personnel, evaluators may "take loopholes", which will have a negative impact on the quality of the evaluation and be detrimental to the credibility of the evaluation industry. The interests of practitioners and the interests of society and the public will be ignored to a certain extent. Therefore, regulators need to consider and maintain the smooth operation of the industry at a higher level. [31]

The establishment of a legal and regulatory system for the appraisal industry is a "double-edged sword". It protects the steady and positive development of asset appraisal, and at the same time makes strict regulations on the practice of asset appraisal. It can be said that appraisal agencies and appraisers are both affected by it. Protection is restricted

by it. The degree of perfection of the evaluation legal system is positively related to the quality of evaluation. The more complete the relevant legal system for evaluation, the more rigorous and rigorous the practice of the evaluation agency and evaluators, and the higher the quality of the evaluation; on the contrary, the less the evaluation legal system, the more standard punishment Lax, the greater the possibility of the evaluation agency and the evaluators operating in violation of regulations, and the more difficult it is to ensure the rationality of the evaluation results.

#### **3.2. Economic Policy**

The development of the asset appraisal industry complements the economic market. Nowadays, the market economy is highly developed, and asset appraisal, as the main body of the appraisal market, provides services to the society. While assuming its due obligations, it is also facing market competition as an independent economic entity. Orderly market competition is conducive to the survival of the fittest in the industry, improves the professional level of practitioners, and improves the quality of asset evaluation. Correspondingly, disorderly market competition will form a vicious circle, leading to a decline in overall evaluation quality.

Looking at the level of development of the asset appraisal industry in various countries in the world, the asset appraisal industry is often growing along with the development of the national economy. The asset appraisal level of developed countries and regions is higher than that of places with relatively backward economic levels. my country's evaluation industry started late, but its development speed is very fast. The evaluation market is unbalanced. Demand for evaluation services does not necessarily come from the entrusted-agent relationship. The trustee entrusts an evaluation agency to perform the evaluation business, not depending on the quality of its evaluation. It is whether the evaluator can issue an evaluation report in accordance with its requirements. At the same time, after the "Asset Appraisal Law" was promulgated, the market access barriers were relaxed, market vitality was greatly stimulated, the access barriers for appraisers were lowered, the conditions for setting up appraisal agencies were relaxed, new appraisal agencies have sprung up like mushrooms, and the industry has flooded with many people. However, in order to grow rapidly, many small and medium-sized institutions pay more attention to income and the number of projects. The game between supply and demand will inevitably lead to unfair competition in the market, and even some institutions have started price wars in order to compete for business, which seriously weakened evaluators. The objectivity and independence of the project, in order to reduce the cost of the project, neglect the process specifications, and may also falsify, resulting in a negative impact on the quality of the evaluation. [32]

From the perspective of the development history of the asset appraisal industry, due to the needs of the socialist

market economy, asset appraisal came into being. Since its inception, asset appraisal has taken protecting state-owned assets and preventing the loss of state-owned assets as its main tasks, and it has played an important role in restraining state-owned property rights transactions. Corruption played an important role. According to the "Thirteenth Five-Year Plan for the Asset Evaluation Industry Development Plan" of the China Evaluation Association, the asset evaluation industry will further focus on the reform of state-owned enterprises, strategic adjustment of the state-owned economy, and capital market development to deepen and consolidate traditional evaluations such as overall assets, mergers and acquisitions, and property rights changes. The business volume and business structure of asset evaluation are often related to the corporate reform policies issued by the government. If the government issues reform policies on a certain industry, more changes in corporate property rights will occur, and the demand for asset evaluation services will increase sharply in the short term. The organization's business is overwhelmed and may be overloaded. At this time, in order to reduce the time to complete a larger workload, the "movement" and irregularities in the evaluation process will increase, and the uncertainty of the evaluation result will increase, and the quality of the evaluation will increase. It will be difficult to obtain guarantees; on the contrary, in the period when the property rights changes are less, the evaluation business volume will generally be at a low level, and the evaluation agency may have a "window period". At this time, in order to win customers and increase business volume, the evaluation Institutions may "attract customers at low prices", reduce evaluation procedures, try to meet customers' requirements for evaluation results, and reduce the quality of evaluations, which in turn affects the credibility of the evaluation industry as an intermediary industry. Therefore, the effective demand of the appraisal industry is one of the influencing factors for the appraisal industry to maintain the evaluation quality and the rationality of the evaluation results.

### **3.3. Information Environment**

The asset appraisal activity itself is a process of collecting, sorting and processing, and transmitting information. Appraisers screen a large amount of information and make professional valuation judgments on the value of appraised assets based on relevant information. The wider the range of reference objects, the richer the corresponding market data will be, and the more authentic and reliable the evaluation results will be. [33]

At present, China's market mechanism has not been perfected, and a set of effective guarantees for the open, fair and effective transmission mechanism of information has not yet been formed. This makes the information controlled by market transaction entities asymmetry. The key to the market is to find comparable reference materials. Western countries have developed market economies, readily available comparable data, and more widely used

market methods. However, China does not have complete market data. Some transaction data are stored in archives. Obtaining is not easy. At the same time, due to insufficient legal system and insufficient supervision, there are clients and property owners who provide false information to appraisal agencies in pursuit of benefits to achieve the purpose of overestimating or underestimating the value of assets; similarly, the income method also A lot of information is needed to determine the relationship between the value of the company's future earnings and the amount of existing assets. Asset valuers rely on their own experience and relevant information to carry out their work. If there is no active open market, and the information environment is not sound and perfect, it will be difficult for assessors to collect true and accurate data, and assessment costs and risks will increase, which will inevitably affect the value judgment of the assessor. Value judgments lacking the necessary information support are also difficult to be recognized by the market, which affects the quality of evaluation. Therefore, a complete and effective information environment is essential to improve the quality of asset evaluation.

### **3.4. Integrity environment**

The integrity environment of asset evaluation refers to the degree of integrity of all parties involved in the asset evaluation process. The integrity environment consists of the integrity status of the evaluation agency and the evaluators, the asset evaluation entrusting party, the evaluated enterprise, and other relevant personnel.

The integrity status of the asset appraisal client and the appraised company is the main factor that affects the integrity of the asset appraisal environment and the quality of the appraisal results. The client and appraisal company should ensure that the information provided is legal, true and complete, and actively cooperate with the appraisal Personnel performing the evaluation procedure should not interfere with the independence of the evaluator; during the evaluation process, the evaluator will inevitably come into contact with relevant social personnel to inquire and obtain relevant information. If all parties in the society provide false information, it will affect the career of the evaluator Judgment, which affects the rationality of the evaluation results; as the main body of the evaluation activities, the professional quality and integrity of the evaluation agencies and evaluators are particularly important. The evaluators need to screen the authenticity of information, adhere to professional ethics, and avoid fraud to ensure the quality of evaluation. [34]

## **4. CONCLUSION**

With the rapid development of China's asset appraisal industry, the issue of appraisal quality has also attracted the attention of the public. Ensuring the rationality of appraisal results is the basis for ensuring the rights and

interests of all the interested parties and the credibility of the industry. Accordingly, the research on the quality of asset appraisal cannot be delayed. Starting from the internal and external aspects of the asset appraisal industry, this paper summarizes the factors that affect the evaluation results, so as to perfect the appraisal industry system construction, improve the internal management of the agencies, establish a quality supervision system, raise industry standards and barriers to entry, and raise the overall quality. Ensure the quality of evaluation in both macro and micro aspects, and consummate the rationality of assessment results.

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