



Analysis of PPP Mode of Elderly Service Industry in Shandong Province Under the Background of Population Aging Analysis of the Model Horizon Based on SWOT

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Abstract. With the increasing aging trend of China's society, the contradiction between supply and demand of the pension industry is also becoming increasingly prominent, especially in Shandong province with a huge population base. Therefore, based on the basic goal of accelerating the modernization, standardization and diversification of the elderly care industry in Shandong Province, the PPP model is introduced into the elderly care industry to become a typical representative of promoting quasi-public goods and services under the diversified pattern. Based on the SWOT analysis model, this paper reviews the linkage development of PPP model application in the local pension industry, and analyzes the path and prospect of the pension industry under the PPP model.

Keywords: Pension service · industry Quasi public good · PPP model

1 Introduction

According to the data of the 2012–2017 Shandong Aging Population Statistics and Pension Supply and Demand Report, released by the Shandong Provincial Aging Office, as of December 2016, the number of elderly people over 60 years old in Shandong Province has exceeded 25.5697 million, accounting for 20.68% of the total population of Shandong Province. The total number of elderly people over the age of 65 has reached 13.0798 million, accounting for 14.17%, more than twice the international standard of the aging society. In the past 10 years, Shandong province has always maintained the status of the largest elderly province in China, and the aging rate of its own population has also been accelerating.

Contradicting with the degree of aging is the current situation of pension institutions in Shandong. Public pension institutions in Shandong province mostly by institutions non-professional operation management, institutions operating market operation is still at a low level, with different private pension service institutions management experienced professional managers operation management, compared to private pension institutions, public pension service institutions lack of strict and professional management system, which lead to pension service supply low efficiency, low market competitiveness is not

surprising [1]. The used elderly groups vote with their feet, which naturally leads to a large number of beds in the elderly service institutions but no one cares. On the one hand, it leads to structural disorders, leading to a large waste of the pension resources; on the other hand, the operation of the pension institutions is unable to make ends meet and cannot maintain the normal service supply. In terms of government responsibilities and authority, the local government in financial subsidies, land policy tilt and other kinds of special preferential policies still did not really implement, public pension institutions and PPP pension institutions often face the risk of funding interruption, in addition to private pension institutions and PPP pension social enterprise participants is also a lack of strict regulatory mechanism, vacant construction land, subsidy funds transfer, pension construction phenomenon also occurs.

As a quasi-public product pension service industry with public welfare nature, the introduction of PPP supply mode can effectively relieve the pressure of government investment, optimize the quality of public pension service, and improve the operation and management efficiency of institutional pension. This paper is based on SWOT analysis model of the author of the pension institutions PPP model realistic application theory analysis, the purpose is for the pension institutions the author PPP operation mode make reasonable Suggestions, find out the advantages and disadvantages of the PPP model in the pension project, avoid pension service industry internal structural risk, optimize the pension institutions PPP project investment and financing mechanism, which is beneficial to optimize and select the specific path in the pension institution PPP mode, and play a significant theoretical value.

2 SWOT Analysis

2.1 Advantage Analysis

In recent years, governments at all levels in Shandong Province pay great attention to the development of the elderly service service industry. In order to accelerate the advantage cultivation of the public elderly service industry, the operation efficiency and service quality of the elderly service industry, they have formulated many favorable policies to promote the optimization and upgrading of the elderly service industry [2]. At present, the application of PPP model in the elderly care industry in Shandong province has made substantial progress, and the division of labor and operation order with government policy guidance, market organization and planning, and the participation of private enterprises has been initially established. Shandong pension industry construction PPP mode applies the following four development advantages.

The main feature of the application of PPP model in Shandong pension industry is that it guides abundant private assets to participate in public pension undertakings, which alleviates the financial burden of governments at all levels in Shandong Province. At the same time, social hot money leads into the construction of real industry, which can effectively guarantee the stable return rate of social capital.

Secondly, the application of PPP mode in Shandong pension industry construction accelerates the marketization operation of public pension service products. The government and related institutions have many "government failures" in developing pension welfare institutions. In the process of construction and operation of a single public

pension mode, the contraction, absence, offside and dislocation of government responsibilities are more common, and the public pension resources in China have not been fully utilized. Finally, the pension service industry as a public service, its construction span is long, large investment scale, the return cycle is slow, especially in the early stage of the construction operation basic difficult to profit, therefore, compared to completely private pension institutions, pension industry construction PPP model application formed the principle of cooperation risk sharing, reduce the social capital pressure of investment risk alone.

2.2 Disadvantages Analysis

The first is the government asset management departments excessive intervention in public-private pension institutions. Current pension industry public-private partnerships in the government information department excessive intervention distorts the market allocation of public pension service resources mechanism, the government information department holding proportion, often in the form of administrative order in the pursuit of quantity, speed, the pursuit of market benefit rules, so neither can provide high quality pension services, also can't get good operating profits, greatly caused the waste loss of public resources and social capital.

Secondly, China's social capital to invest in pension welfare undertakings enthusiasm is not high. It is well known that the elderly care industry, as a public service product, belongs to the low-profit industry because of its strong public welfare nature. At the same time, it has a long construction cycle and the return on investment is generally low, while social capital tends to pursue large profits and is unwilling to participate in the industry with asymmetric time cost and investment efficiency [3].

In addition, Shandong province local governments to PPP model pension institutions support policies are weak. At present around the city financial pressure is high, low interest rate credit policy, tax breaks, land transfer funds preferential policies can be reached according to the agreement, around the municipal government special fund subsidies and pension business bed cost subsidies is difficult to timely comprehensive supply, it also become one of the reasons for private capital to participate in the development of pension undertakings.

Finally, the PPP model operation of the pension industry in Shandong province often has an unreasonable pricing mechanism. At present, some PPP model pension projects tend to build luxury and dedicated pension institutions, which is completely divorced from their original intention. Although this luxury and dedicated pension institutions have high service quality and wide service scope, they have evolved into private products that can only be provided for the rich elderly groups. In the context of the big era of population aging, the enhancement of such project operation will inevitably lead to the lack of public welfare, which will be difficult to alleviate the imbalance between the supply and demand of elderly care services.

2.3 Opportunity Analysis

Shandong province aging population faces very serious situation, according to the official statistics, by the end of 2016, the Shandong province aged 60 and above the elderly has

reached 20 million mark, accounting for about 21% of the total population of Shandong province, is worthy of the elderly province, conservative estimates of Shandong aging population aged 60 and above, in nearly five years will break through 22 million mark is not far away [4]. Therefore, under the background of the extremely severe aging problem in Shandong Province, the PPP construction of the pension industry will have a broad market prospect.

Second, compared to the first-tier cities and southeast coastal provinces, pension institutions in Shandong province elderly population base and the corresponding proportion is smaller, although the number of private nursing homes in Shandong province, but public and public-private joint nature of the pension industry is extremely scarce, so obvious in Shandong construction PPP pension project market demand, small commercial competition, competitive advantage.

In addition, compared with the elderly staying alone at home, there are a large number of the same age groups in the nursing homes, so the elderly can get along well with each other, develop their interests, develop hobbies and eliminate loneliness. The construction of PPP model pension project in Shandong province can just provide such a platform for the elderly group with low price, superior quality, and can communicate with the same age group.

Finally, although home care still occupies the dominant position of China's pension system, but with the change of social concept, institutional care will be generally accepted by the elderly group. The traditional concept of "raising children for old age" has received the impact of the social reality, and is replaced by the gradual western concept of elderly care. Therefore, from the perspective of social concept change, the PPP model construction of the elderly care industry in Shandong Province is not hindered by the traditional "filial piety culture".

2.4 Threat Analysis

There are many prominent problems in the actual operation of Shandong PPP pension projects, and the quality of the elderly service supply needs to be improved, the quantity is not in place, and the elderly service equipment is simple and simple. In county-level PPP model pension institutions, due to the low input cost, low government subsidies and low policy attention, there is a huge gap between their development quality level and the quality level of urban PPP pension projects [5]. At present, the regional imbalance in the supply quality, quantity and allocation of such pension services is incomplete and difficult in a short time.

Secondly, although Shandong is a province with a large population, there is a sharp lack of professionals in elderly care services, which has become a short board in the PPP construction of elderly care projects in Shandong. The shortage of the number of nursing personnel with professional pension knowledge and service skills and the large mobility of elderly service personnel are common problems in the elderly service market of Shandong Province [6]. The service personnel of pension institutions have long working hours and high work intensity and low salary benefits, so there are generally few elderly service personnel in the market.

Finally, there is a serious shortage of beds in the construction of public elderly care service industry in Shandong Province. PPP model pension projects in Shandong

Province are still in the initial stage, and the number of such pension institutions is small and small. Although the huge demand for pension projects in Shandong is urgent, there is still a long way to go before PPP model pension projects are fully mature.

3 Conclusion

Under the background of the aging of China's social population, the pension problem is becoming increasingly serious, which has become a major social and livelihood problem to be solved. In Shandong Province, as a province with serious aging, the contradiction between supply and demand of the pension industry is also extremely significant. Based on the basic goal of accelerating the balance, modernization and standardization of the elderly care industry in Shandong Province, the public-private joint venture system (PPP model) is introduced into the elderly care service industry to become a typical representative of promoting the supply of quasi-public goods and services under the diversified pattern. The application of PPP model of Shandong elderly care industry accelerates the diversification of supply subjects and supply quantity scale of elderly care services, laying a policy foundation and material foundation for the comprehensive realization of a modern elderly care service system based on home, community-based and supported by institutions.

In terms of development advantages, its primary advantage is the introduction of abundant social capital into the public service sector, which alleviates the financial burden of the government, and secondly, it reduces the cost of public pension and accelerates the market-oriented operation of public pension. In terms of disadvantages, the development of PPP pension industry in Shandong Province is still facing the problem of excessive government intervention in the pension market, the enthusiasm of social capital to invest in pension undertakings is not high, the government support policy for PPP model pension institutions is weak and the pricing mechanism is unreasonable. In terms of opportunities, the aging background provides a broad market prospect for the PPP construction of the pension industry, and the PPP pension projects have small commercial competition and large competitive advantages. In addition, the fast pace of urban life also provides a great opportunity for PPP institutional pension. Finally, the traditional social concept of "raising children for old age" gradually weakens, and people begin to accept more and more institutional pension methods. In terms of challenges, in the current actual operation of Shandong PPP pension project, the quality of pension service supply needs to be improved, the quantity is not in place, and the simple pension service equipment is still particularly obvious.

4 Suggestion

In view of the development bottleneck (Weakness) and threat and challenge (Threat) of Shandong PPP pension projects, the solution path can be summarized as the coordinated efforts of the financial market, pension institutions and government departments and the division of labor. Financial market to continue to broaden the financing channels, optimize the scale of the industry, governments at all levels should formulate preferential investment policies, actively release policy dividend to encourage social capital

to participate in public pension construction, accelerate the cultivating PPP pension industry direct financing and indirect financing "double drive" financial environment, pension career smooth development in Shandong province provides a strong driving force. Pension institutions must pay attention to the service quality, enhance the service efficiency, must follow the construction and operation standards, continuously improve the efficiency consciousness, service consciousness and responsibility consciousness of PPP pension project managers and caregivers; and improve the quality of pension infrastructure; accelerate the construction of PPP model in Shandong Province must accelerate the training of pension service professionals. Local governments at all levels should follow the law of the development of the market, adjust measures to the local conditions, and also need to provide institutional guarantee for the optimization and upgrading of the structure of Shandong pension industry. It is believed that in the future, the elderly care service cause in Shandong will give full play to its advantages, improve its disadvantages, grasp the opportunities and avoid threats.

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