



The Framework of Operation Index Management of Overseas Assets of Enterprises in the Digital Era

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Abstract. In the digital age, enterprises are facing the complex international environment and the requirements of China for higher quality international business development. In light of the current situation of the overseas asset operation index management system, this paper designs the theoretical connotation and functional positioning of the overseas asset operation index management of enterprises. This paper sets out the basic principles and design ideas for the management of overseas asset operation indicators of enterprises. The basic principles include “comprehensive planning, classification design”, “focus on efficiency, risk prevention”, “indicator management, intelligent support”, “dynamic feedback, continuous improvement”. The design ideas are “establish index system, build index model, improve application system”. The design idea is “establish index system - build index model - improve application system”. The index system covers four categories of indicators, including operation effect, operation management, risk control, and pilot forecast. It provides a reference basis for enterprises to manage their international business and helps them practice their development path and achieve their development goals.

Keywords: Digital age · Overseas asset operation · Theoretical connotation · Framework design · Logical relationship

1 Introduction

The development of digital transformation has put forward a new direction for the overseas asset management of enterprises. At present, the new generation of information technology characterized by digitization, networking and intellectualization is constantly innovating, and the whole society has entered the digital era. Enterprises should strengthen the application of digital technology and empower overseas assets to operate.

The complex international environment has brought severe challenges to the operation of overseas assets [1]. In recent years, the world economy has gradually recovered [2], but it is still facing severe challenges brought by inflation, fragile supply chain,

energy and food crisis. Due to the impact of non-traditional risks such as frequent extreme weather in recent years, the safety and stability of overseas asset operations of enterprises are challenged [3].

Enterprises' overseas assets operation indicators management tools need to be optimized and innovated [4]. The overall framework of the indicator system that fully integrates the enterprise business management mode has yet to be established. The principles, boundaries and methods for selecting and applying various indicators need to be further clarified [5]. Some indicator data cannot be pushed due to imperfect system construction [6], resulting in the loss of operation indicators. The relevant functions of the operation supervision system still need to be continuously enriched, and the indicator visual display interface needs to be continuously optimized [7].

2 Theoretical Connotation and Applied Range

2.1 Theoretical Connotation

In the digital age, the theoretical connotation of the overseas asset operation index management of enterprises is to take the strategic thinking of the international development of enterprises as the core guidance, take the benefit contribution and risk prevention of the overseas asset operation of enterprises as the key objectives [8]. It constructs a scientific overseas asset operation index system, develops efficient overseas asset operation index management tools, formulates a standardized overseas asset operation index management system, and forms a methodology system to support the high-quality operation of overseas assets of enterprises. The management of overseas asset operation indicators fully implements international business development strategies and plans. It focuses on safety, efficiency and effectiveness to ensure the healthy development of overseas business, achieve the best comprehensive efficiency and promote the high-quality development of enterprises.

2.2 Applied Range

In the digital age, enterprises shoulder the important task of ensuring the stability and development of international business.

First, research front-end management tools to empower overseas teams. Provide a set of quick response management tools for the project departments of enterprises overseas, and make timely preparations according to the indicators.

Second, build the index management pedigree to serve the management of the headquarters. It provides a set of indicator management system for the headquarters of enterprises to master the overall situation. It can master the operation of each project as a whole and compare the situation of each project in vertical and horizontal dimensions.

Third, control the asset operation dynamics and support the decision-making of the headquarters. Provide basis for international business decision-making, and reflect international business through quantitative index system evaluation results.

3 Basic Principles

First, overall planning and classified design. Strengthen the top-level design of overseas asset operation and management, and coordinate the work of standardizing, leaning and intelligently improving operation and management. Design differentiated index systems and management tools by taking into account the individual characteristics of different regions, projects and businesses. Give full play to the management advantages of all departments and front teams in the headquarters and establish a hierarchical and professional coordination mechanism for operational index management.

Second, focus on benefits and prevent risks. Adhere to the benefit centered principle, adhere to the bottom line of return, rely on the improvement and improvement of operation index management and tools, serve the enterprises to operate overseas assets, strengthen the recovery of operating results and improve the profit contribution. With safety and stability as the guarantee, we will track and analyze the leading indicators of the countries or regions where the overseas assets of enterprises are located.

Third, index management and intelligent support. With index management as the key point, we will study and propose scientific and efficient overseas asset operation index management tools to help enterprises comprehensively manage overseas wholly-owned companies, lead the management of overseas holding companies, deeply participate in the management of overseas joint-stock companies. Take the index model tool as the technical means, integrate the key information of overseas asset operation.

Fourth, dynamic feedback and continuous improvement. Adhere to the principle of using to promote governance, promote the implementation and application of indicator management tools, continuously summarize application experience and dynamically feedback difficult problems. Continuously enrich the operation index system, optimize the index model form, improve the system function design, and improve the index management system.

4 Framework Design and Logical Relationship

4.1 Framework Design

Enterprises need to enrich and improve the underlying data base, and form an indicator system covering four major categories of indicators, including operation effect, operation management, risk control and pilot prediction. Each project with each region and project as the main dimension.

First, operational effect indicators. In the process of operating overseas assets, enterprises have accumulated a large number of statistical indicators such as supervision, finance, production, assets and operation. Different indicators reflect the operation effect of overseas assets from different angles and functions, and have different correlations with asset operation income. It is necessary to present indicators in the system according to the ability of indicators to reflect the operation effect, so as to better improve the management efficiency. For operation effect indicators, the change of indicators can reflect the main situation and problems of asset operation in the current period, and various statistical indicators are mainly obtained by means of front provision and annual report query.

Second, operation management indicators. The operation effect of overseas assets operated by enterprises depends on the management level of asset operation to a certain extent. Through the optimization and improvement of the management level, it can promote the increase of asset operation benefits and the reduction of losses. It can better promote the optimization and improvement of asset operation management by setting indicators reflecting the asset operation management level, evaluating the management level and finding the improvement direction. Operation management indicators, whose indicator changes can reflect the management means and management level of the current asset operation, are mainly constructed into ratio type relative indicators through several important statistical indicators.

Third, risk control indicators. The operation of overseas assets by enterprises faces many risks in terms of differentiated regional policies, natural disasters, legal compliance, etc., which may bring economic or reputation losses to the enterprises to a certain extent. Therefore, it is necessary to monitor the risk factors that have a significant impact on the income of overseas assets, and timely warn and effectively deal with various risks. The index value of risk control indicators can reflect the changes of the objective environment such as policies and disasters in the area where the assets are located within a period of time, and also reflect the changes of the enterprise's social evaluation, litigation volume and industrial injury volume. The indicators are mainly obtained by providing and searching in the front.

Fourth, leading prediction indicators. As the external environment, asset scale, management maturity and other factors are superimposed on each other, the enterprises need to quickly capture the prompt and early warning information for the opportunities and challenges of overseas asset operation, so as to make decisions and adjust strategies in advance, grasp market opportunities and respond to various challenges as soon as possible. The index changes of the leading forecast indicators can reflect the changes of the global, regional and national situation and environment, and can predict the changes of asset operating income. The indexes are mainly obtained by searching.

4.2 Logical Relationship

Four categories of indicators, including operation effect, operation management, risk control and pilot prediction, comprehensively describe the closed-loop process of overseas asset operation and management of enterprises (as shown in Fig. 1).

First, the four categories of data are based on the increasingly perfect and standardized underlying data of the enterprise.

Second, the scientific and effective use of the four categories of indicators and their results will contribute to the spiral rise of overseas asset operation and management level. Among them, the leading prediction indicators are the overall description of the external objective environment of overseas assets, and the operation management indicators are the real display of the internal management status of overseas assets. Based on the key management problems pointed out by these two indicators and the overall judgment and prediction of the internal and external environment, the overall improvement of the operation effect and risk control as the outcome indicators can be achieved by taking targeted management improvement measures. The results of these two types of indicators will be used as input factors, which will have an impact on the judgment and analysis of

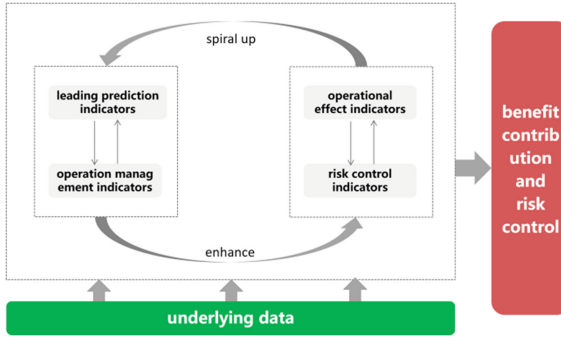


Fig. 1. Logical relationship diagram of four categories of indicators.

the results of the pilot prediction indicators and the operation management indicators in the next stage.

Finally, the spiral rise in the level of overseas asset operation and management will ultimately help enterprises achieve their ultimate development goals.

Take the operational effect indicators as an example. Operational effect indicators include three statistical methods in application, namely, single-cycle statistical value, continuous statistical value, and actual value excluding environmental impact. Single-cycle statistical value show absolute benefits and plan completion. Continuous statistical value to realize horizontal and vertical comparison and cross-year tracking of benefits. Excluding the actual value of environmental impact can show the real change of benefits after excluding the impact of GDP and CPI. The business personnel can analyze the business development situation according to the changes in the above values, and then adjust relevant strategies.

The normalized score of the index S_i can be obtained by normalization processing, and the weight of the index W_i can be obtained by weight calculation method. Then the operational index of a project as shown in Eq. 1.

$$I_j = \sum_{i=1}^p (S_i \times W_i) \quad (1)$$

Further, according to the different contribution of each project to the benefit of a central enterprise, the weight of the operation index of n overseas projects of the central enterprise is set, and the operation index of overseas assets of the enterprise is obtained as shown in Eq. 2.

$$I_{ALL} = \sum_{j=1}^n \left(I_j \times \frac{\text{net profit of } j \text{ project}}{\text{net profit of all projects}} \right) \quad (2)$$

5 Conclusion

In the digital age, this paper follows four basic principles and designs an index system covering four major categories of indicators around the two major needs of efficiency contribution and risk control. The index system covers four major categories of indicators, which promotes the improvement of the quality of overseas asset operation and helps enterprises achieve their development goals.

In the next step, enterprises can combine the content of the indicator system and the business characteristics of each enterprise to develop the corresponding asset operation indicator system and incorporate the results into the asset operation management system.

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