Research on Improvement Process through Strategy Management Analysis in Medium and Small-sized Manufacturing Enterprises-Focus on Brick Manufacturing Company in Rep. of Korea

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Abstract. A manufacturing company should recognize of problem, warning, supplementation and etc. for development and continue it. The various factors are indicated with financial statements as balance sheet, income statement, cash flow and etc. of a company in terms of past, present and future. In particular, the manufacturing should get aware of current problems and directions in terms of middle and long. But it's hard to know the information of the enterprises, for it have few exports and professional employee especially medium and small-sized manufacturing Enterprises. So, this research, in order to solve these problems, a representative of industries brick industry compared analyzed general manufacturing small cost and time-efficient corporate analysis and industries with above elements comparison we suggest how that can be possible.

Introduction

Analysis of corporate management, I information on the management achievements of the company. By providing the external stakeholders, in the interior of the decision makers, the future, by providing the basic data for decision-making in order to formulate investment decisions and management strategy of the company, external stakeholders the, it is generally performed for the purpose of informing the current state of business. Analysis of corporate management, there is a quantitative analysis method and management qualities and employees of achievement, such as qualitative analysis method using the non-financial information using the financial statements of companies. Analytical methods, depending on the nature of the research objectives and data, unlike respectively, in this study, for the analysis of management achievements of consignment company and the Trustee, as described above, balance sheet, income statement, cash flow statement to use quantitative analysis methods based, such as calligraphy.

Therefore, in this study, to comparative analysis with industry companies and general similar area of brick. Especially among some of the financial indicator of the management achievements of the company, typical financial ratios that are as described in mandatory notice audit report in order not to prevent the distortion of research results by any selection of researchers me to the foundation. Just recently, in such survey report associated with small and medium-sized enterprises, was the price settlement period of the large companies one is satisfied of the matters that are most often pointed out as a problem of small and medium-sized enterprises. Therefore, in this study, in fact, the price for the settlement period is to analyze whether the degree which on average, which is one of trade receivables turnover rate of activity of the indicators and purchased receivables turnover between these subcontractors I analyze. That accounts receivable turnover ratio and purchased receivables turnover, on average, companies take time to recover the sales receivables (accounts receivable collection period) and the period of time is required for the price settlement (purchase repayment period of payables) it is executed together for calculation.[1]

For the empirical analysis, the final by it has been utilizing the financial data of eight years from 2007 to 2014, for reasons such as growth potential and the average balance calculation, the financial data of 2007 are used in the basic amount the Na analysis results I was presenting the results of 2008-2014. Therefore, the analysis results of this study, we show the results of enterprise-specific average management outcome of seven years. However, the ratio of operating income to net sales is a measure of

the profitability of the financial results of the company, by presenting the year by the results of bricks companies and general small business each group of companies, it has been shown in previous research <Figure 1> consider of brick small and medium-sized enterprises and by year operating profit margin of small and medium-sized enterprises and the change of trend comparison.

Indicators of Profitability

Profitability of companies, is the most important driving force of survival and growth and development of companies. Therefore, it is possible to grasp the profitability of the company, that you are using the capital the company has raised from investors and creditors, increasing the extent of sales performance, also, how the activities such as production, sales it is an index that measures whether the efficiently done. As an index to measure the profitability, gross profit margin ratio of operating income to net sales and the sales net profit margin, return on assets ratio (ROA), equity net profit margin (ROE), and the like. Of these, can operating income is the most important decision indicator in the determination of corporate performance.[2],[3]

Indicators of Stability

To understand the certainty what the financial structure of enterprises, and to measure the index of stability of companies. In other words, the fact that company to consistently maintain the financial structure means that you are using the proper liability to the extent that the corporation can be borne. Therefore, stability is an indicator that measures the extent to be able to withstand internal and external shocks charm companies. This study, debt ratio the stability of the company, measured at current ratio.

Indicators of Growth

The proportion of growth potential, increase management scale and performance for the year of companies how much compared to the previous fiscal year. As an indication of decreased whether, and is indicative of one indicating the ability to produce competitive and future profits of a company. Further, as an index for grasping the degree of external growth companies, it is an important variable in the valuation of the company. Of these, cooperation with large companies of total assets and sales corresponding to the typical indicators to determine the outline-scale companies. I think I will look at the growth potential indicator of the general small and medium-sized enterprises.[4]

Indicators of activity

Indicators of activity is the ratio that indicates how were maintained how capital dropped on companies. Companies, for the purpose of expanding the revenue, thereby always rotating the inserted funds, the outcomes associated with this can be expressed in terms of sales. Basic items to measure the transformation therefore, are sales, the activities of the company, sales and each asset, rotate multiple measurement of capital items. Therefore it means that the sales are utilized higher capital and assets efficiently lower the capital and asset is lower turnover becomes the evidence has not been fully utilized in reverse. Therefore analysis of epilepsy, along with the analysis and profitability of companies, is a very important analytical indicators is also to determine whether the company is not excessively held more than necessary capital and assets.[5]

Analysis Results

Based on the above content, it was carried out management analysis of ten of bricks companies to publish financial statements of up to 2007-2014 years outside. In addition, all of the other manufacturing of small and medium-sized enterprises and by comparison with the industry average of the entire company, and was compared with the brick industry.

Tab. 1 Compared with brick companies, manufacturers, all and SME in of South Korea

Factor	Brick	Industry Average	Bank of Korea	
			SME	All
1. Stability				
Current Ratio	148.55%	135.07%	112.42%	119.76%
Debt Ratio	92.76%	1339.46%	146.98%	107.10%
Capital Adequacy Ratio	108.50%	10.32%	40.49%	48.29%
Reliance on Debt Ratio	7.78%	27.41%	36.06%	24.88%
2. Profitability				
Sales Operating profit Ratio	−2.46%	8.19%	4.41%	5.87%
Sales Net profit Margin Ratio	9.26%	2.88%	2.70%	4.82%
Total Assets Net Margin	12.13%	2.72%	3.39%	5.59%
Return on Equity Ratio	22.43%	62.76%	7.81%	11.09%
3. 4. Growth and Activity				
Sales Growth Ratio	17.61%	68.35%	7.80%	9.50%
Total Asset growth Ratio	1.32%	75.81%	11.79%	11.80%
Asset Turnover Ratio	131.00%	94.54%	1.27%	1.15%

Summary

In this study, based on the corporate management analysis of the brick factory that became more than 8000 years, and I tried to a comparative analysis with other companies. Consequently, bricks companies than other industries it is possible to know that it is in poor locations such as low yield and low growth. However, because the production cost is low, which makes it possible to know that it is possible to maintain stability.

Through this result structural adjustment of bricks companies through, improve productivity, improve profitability, and the like should be the improvement activities of the structure of the entire company through the improvement of mass production systems and efficiency.

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