

Research on the Basic Countermeasures of Financing Difficulties of High Tech Enterprises in China under the New Normality

Chao ZENG

Jiangxi Normal University Science and Technology
College,
Nanchang, China

Li-jia HUANG

Jiangxi Normal University Business School
Nanchang, China

Abstract—With the further deepening of economic globalization, the status of high-tech enterprises in the national economy has become increasingly prominent. The high-tech enterprises with technological innovation as the core competitiveness play an irreplaceable role in promoting social and economic growth and enhancing the overall national strength. On the basis of discussing the basic characteristics of high - tech enterprises, this paper reveals the financing problems faced by high - tech enterprises, and then puts forward the optimization strategies such as increasing government support, broadening the financing channels, perfecting the capital investment market and improving the management level.

Keywords—*technological innovation; high-tech enterprises; financing problem; optimization strategy*

I. INTRODUCTION

In the background of knowledge economy, science and technology has become an important source of economic growth. The high-tech enterprises with science and technology as the core have not only become a pillar industry in the development of the national economy, but also become one of the driving forces for the sustainable development of the social economy. The rapid development of high-tech enterprises can create huge economic and social benefits, and plays a very important role in improving the level of China's economic development. The degree of development of high-tech enterprises has become one of the important symbols to measure the strength and weakness of the country's economic strength. Therefore, if the high-tech enterprises want to develop in a good situation, they must make great efforts to promote financing. And the enterprise operating capital and new technology for effective integration, so that it into social productive forces, a national economic development in the new growth point.

II. THE BASIC CHARACTERISTICS OF CHINA'S HIGH - TECH ENTERPRISES UNDER THE NEW NORMALITY

With the development of the socialist market economy, the high-tech enterprises are developing very fast and occupying an important position in the market. In order to make high-tech enterprises get better development in the socialist market economy, we need to understand its basic characteristics.

A. Large amount of capital input

High tech enterprise is a knowledge intensive and technology intensive economic entity, and also a platform for transforming research, development and technological achievements into actual productive forces [1]. The demand for capital of high-tech enterprises mainly lies in two aspects: first, the knowledge and technology of the funds, and two of the funds being put into production. As we all know, high-tech enterprises in the early stages of development, for new product research and development and testing stage, the need for substantial financial support. And this part of the research and development funds are several times the market of non high-tech products, and some even dozens of times. In this process need to invest a lot of manpower and technical funds. If new products are produced, to be accepted and widely used in the market by the world, but also put a lot of publicity costs and operating costs. High-tech enterprises exist the most significant is the stage characteristics, different stages of the characteristics of the different needs of funds. In each stage, it is necessary to invest a lot of money to keep the development of the enterprise. To a certain extent, it affects the further expansion of the scale of the enterprise.

B. High risk and high returns coexist

The products produced by high and new technology enterprises are very different, which is the embodiment of technological innovation. The unique nature of the product determines that high-tech enterprises should bear greater technological, market, financial and other operational risks. In the process of research and development of new products, high-tech enterprises are faced with practical problems such as the difficulty of research and development and the feasibility of technology [2]. Until the new product is developed, they will also face a series of risks, such as commercial results. In the process of the development of high-tech enterprises, it will also be flooded with other related products, and then need to invest money to research and develop another new product. If the previously invested funds have not been fully returned, it will cause enterprises to face huge risks at the capital level. In addition, once the new product has been successfully opened, the enterprise will achieve great economic returns and social benefits. Maintaining the Integrity of the Specifications.

C. High growth

The development of traditional enterprises in China usually takes a long time to accumulate in order to occupy a certain share in the market. Its cycle is long and growth is slow. However, the high-tech enterprises by virtue of its own technology innovation imitation of low, once the product is recognized by the market, will form a strong market monopoly, brings huge competitive advantage, make the products quickly occupied the market. Moreover, the high-tech enterprises produce products with high technology and high added value. If the products are recognized in the market, they will bring huge profits for the enterprises. In addition, the state policy vigorously supports the development of new and high technology industries, and further accelerates the development of high-tech enterprises. Therefore, high-tech enterprises were leaps and bounds of the rapid growth trend.

D. Strong innovation ability

The products of high-tech enterprises are able to form monopoly in the market because of the uniqueness of their products. This highly competitive product should be attributed to the innovative ability of human capital in high-tech enterprises. For any high-tech enterprise, human capital is the potential resource of the enterprise, and it is also a resource with innovative ability. It can make up for the shortage of other resources and form the core competitive power with competitive advantage. Therefore, the innovation ability of human capital in high-tech enterprises is the most precious resource and the motive force and source of the sustained and rapid development of enterprise economy. The strong innovation ability is the most essential characteristic of high-tech enterprises.

E. Big uncertainty

As we all know, high-tech enterprises are often the development of new technologies, new products and new technologies, most of them are innovative research in the social and scientific fields [3]. Therefore, there is a high degree of uncertainty in the process of research and development of high-tech enterprises. First of all, one of the most important uncertainties it faces is the level of technological innovation. The reason is that some high-tech enterprises are not mature enough to handle new technologies and fail to translate them into products. Moreover, there is uncertainty in the market. Its performance is that many new products have been produced, and can not be convenient for the vast numbers of consumers. Therefore, it has been seriously hindered in the market promotion level and is not accepted by the public [4].

III. THE EXISTING PROBLEMS OF FINANCING HIGH - TECH ENTERPRISES IN CHINA UNDER THE NEW NORMALITY

High tech enterprises adhering to the "innovation" of this starting point of the industry, which led the development of many industries in china. At present, the development trend of high-tech enterprises is not optimistic, and one of the

important reasons that leads to the poor development trend is that it has appeared a serious problem at the financing level.

A. Financing constraints

High risk and long period of return on investment are the most common characteristics of high-tech enterprises. This feature makes the high-tech enterprises in the process of financing are subject to many restrictions [5]. First of all, the most important thing is that high-tech enterprises are technology. The level of research and technology determines whether the enterprise can successfully enter the market and obtain investment from many fields. Secondly, the initial stage of high-tech enterprises in China is small and limited in capital. In the extremely asymmetric market environment, the financial institutions with less financing costs can not accurately select the funds for borrowing, and the cost of capital is too heavy. So to a large extent on the financing of high-tech enterprises caused no small obstruction.

B. The financing structure is unreasonable

At present, the financing of high-tech enterprises is mainly its own funds, its performance for the two aspects. On the one hand, the initial stage of high-tech enterprises is small and the products are not mature. Many financial institutions are based on the purpose of profit seeking. For the high-tech enterprises under this condition, more stringent financing conditions have been set up, which makes high-tech enterprises have to rely on their own assets. On the other hand, the high-tech enterprises have gradually developed, and the new products have been widely accepted by the market, and have obtained good returns. At this point the high-tech enterprises will be part of the proceeds of the enterprise's products to invest again, and no longer other ways of financing. Therefore, the irrational financing institutions will make many high-tech enterprises difficult to achieve transformation and upgrading, advanced to higher areas, and thus affect long-term development of enterprises [6].

C. Financing channels are single

The high-tech enterprises are in the embryonic stage. It is not clear whether the technology is immature and whether the products can be accurately entered into the market. At this stage, the financing channels are mainly internal financing, supplemented by government funding. Start-up phase, the product successfully developed, requires a lot of sales and operating funds to protect the production and sales of products. The sources of funds at this stage depend mainly on venture investment from society. Growth stage, the product successfully entered the market, and has been widely recognized, the company's sales revenue has risen steadily, profits accelerated growth. In this stage, the high-tech enterprises take equity and debt financing according to the actual situation. Therefore, high-tech enterprises in each stage of development is often only by means of one or two financing methods, financing channels are too single. This limits the growth space of high-tech enterprises and hinders further development.

D. The financing market is not standardized

At present, China's financial industry has not yet accurately aware of the future development of high-tech enterprises, and can not provide a good financing platform for them. The fundamental problem is that the relevant departments of the state do not pay enough attention to it, the implementation of law enforcement is not in place and the relevant work standards are lacking. It leads to the asymmetry of financing and operation information, and thus leads to the gap between high-tech enterprises and financial institutions. Moreover, the development of relevant intermediary institutions, such as the assessment of participation in financing process and the guarantee agencies, is still immature, so that intermediaries can not operate in this process. Overall operating performance is generally low. At the same time, it also intensifies the financing of high-tech enterprises to a certain extent. The rise of this situation, the government has an inescapable responsibility. As the main body of market regulation, the government has not played its due supervisory role and failed to lead the construction of the financing market. The nonstandard financing market is one of the important factors that lead to financing difficulty of new and high technology enterprises.

IV. STRATEGIES OF CHINA'S HIGH - TECH ENTERPRISES GETTING OUT OF FINANCING DIFFICULTIES UNDER THE NEW NORMALITY

In the socialist market economy, the number of high-tech enterprises in our country increases with each passing day, but there are only a few surviving. A major reason for this is the lack of financial support. "In the face of difficulties in financing, how can we develop the army of high-tech enterprises," the reality remains to be solved.

A. Increase government support efforts

Nowadays, the country has encouraged the development of high-tech enterprises, and has issued some policies to support its development, but this is far from enough. The government should increase efforts to support high-tech enterprises, mainly from two aspects: First, increase the total amount of investment in innovation funds for high-tech enterprises, and provide appropriate subsidies and preferential policies to alleviate the financing pressure in the process of development through financial support. Two is to improve the national credit guarantee and financing guarantee system construction, for enterprises to provide a better financing platform. At the same time, the government should vigorously encourage commercial banks, credit funds and social funds to invest in high-tech enterprises in order to meet the diversified needs of their financing. During this period, the government should also play the role of its supervisors and create a favorable financing environment for high-tech enterprises. It enables financing to grow in a healthy direction.

B. Broaden the financing channels

China's high-tech enterprises should not only play internal financing, but also expand new external financing channels. At this stage, the source of funds for high-tech enterprises is

nothing more than their own funds, bank lending funds, government subsidies and so on [7]. It can be seen that the high-tech enterprises do not give full play to the external financing function, and the financing channels are single. High tech enterprises should broaden their financing channels, such as technology transfer, financial leasing, private equity and intellectual property rights financing. Through the comprehensive consideration of the cost of funds between different financing methods, according to the actual situation of enterprises, the lowest financing cost is chosen to raise funds for enterprises. Therefore, it is very important to broaden the channels of investment [8]. Diversified investment channels can effectively reduce the operating costs of enterprises, and can also raise enough funds for future development. Only when the operation capital is put in place can the enterprise's normal operation and development be effectively guaranteed, so as to avoid the shortage of funds and cause the enterprises to face the business crisis.

C. Improve the capital investment market

The soundness of the capital investment market helps meet the long-term financing needs of high-tech enterprises. First of all, continue to develop and perfect the securities market of our country. In view of our country's small and medium-sized board and the growth enterprise market is in the initial stage of development, the related system is not perfect. In order to meet the financing needs of better listed high-tech enterprises, we need to encourage enterprises of good quality and scale to enter the market and expand financing. At the same time, under the supervision of the government to venture capital, we should actively guide and encourage more private capital to enter the venture capital system. The purpose is to expand the scale of investment to meet the financing needs of high-tech enterprises. In order to control the risk of investment, venture capital institutions should also formulate corresponding assessment indicators for high-tech enterprises to measure the value of the enterprise is not worth the investment. A sound capital investment market can provide a good platform for the financing of high-tech enterprises, and promote the raising of operating capital [9].

D. Improve the management level

The high level of management of high-tech enterprises not only can enhance the ability of internal financing to a certain extent, but also can reduce the obstacles in the financing process as much as possible. On the one hand, high-tech enterprises should constantly improve the internal management system, and make clear its future direction of development. In order to further enhance the profitability of enterprises, and enhance the internal financing capacity of enterprises. On the other hand, enterprises should disclose information, and actively announce the internal information of assets, financial status, profitability and other related enterprises. This initiative will not only attract outside financiers, but also reduce the obstacles in the financing process. Only by improving the management level of an enterprise can the capital be effectively used in the operation and production of an enterprise [10]. At the same time, on the other hand, it improves the profitability of the enterprise, thus enhancing the internal financing capacity of the enterprise. Therefore,

upgrading the management level of high-tech enterprises is of vital importance.

E. Establish an evaluation system for product projects

High tech enterprises focus on creating a brand new and unique product. As for the future of this product, the top managers of many high-tech enterprises are uncertain. They just feel that it is a new product that has not appeared on the market and can enter the market. Many enterprises have not established an evaluation system for related products and projects, and have not made a systematic and comprehensive plan for their future development and challenges. Therefore, high-tech enterprises should make a comprehensive and rational analysis of products entering the market, and accurately grasp the needs of consumers, aimed at producing high-tech products that can be recognized by consumers in the future. Only in this way can we reduce the risk of products entering the market as little as possible, so that the products can have a better prospect in the future. It also allows investors to see that the product is profitable, prompting them to join forces to invest in the product. At a certain level, it is a major problem to solve the financing difficulties of high-tech enterprises, which leads to a "win-win" situation between investors and producers".

F. Perfect credit guarantee mechanism

Credit guarantee institutions are active in financing activities of new and high technology enterprises. This institution is based on certain assets and aims to safeguard the creditor's ability to recover debts. Credit guarantee is an effective measure to balance the financing difficulties and risks among banks. At present, China's existing high-tech enterprises related credit guarantee system is still imperfect, there are some defects, which caused high-tech enterprises in financing obstacles. The credit guarantee system can realize the loan between the enterprise and the financial institution to a great extent, and can raise more operation funds for the enterprise, and guarantee the capital operation of the enterprise in the future. Therefore, it is very necessary and important to improve the mechanism of credit guarantee. Only high-tech enterprises can effectively use the credit guarantee mechanism, can make enterprises get enough funds to make them better development. At the same time, the comprehensive use of credit guarantee mechanism can play a positive role in the future development of enterprises [11].

G. Strengthen the construction of enterprise culture

One of the major reasons for the financing difficulties of high-tech enterprises is that they are dishonest and provide unreal financial statements in the process of financing, which makes the relevant investment institutions face many risks. In the future, even if there are well-developed high-tech enterprises, many investors still dare not invest. Secondly, many employees in the company for the sake of financing for the company in the process, due to the negative attitude of

work, so that missed many opportunities. Therefore, it is very important to strengthen the construction of enterprise culture, and should not be underestimated. Only when the comprehensive status of the enterprise has been effectively improved will it reduce the obstacles in the financing process.

V. SUMMARY

High and new technology enterprises are indispensable and important parts to promote our country's economic growth. In recent years, many high-tech enterprises have emerged continuously, and financing has become the most important obstacle in the process of development. If we want to solve the financing difficulties of high-tech enterprises, we should not only proceed from the enterprise itself, but also strengthen the internal management of the enterprise. It also needs to gain support from outside financing forces. High and new technology enterprises should rationally balance the proportion of internal financing and external financing according to the actual situation of enterprises. Reasonable grasp of internal financing and external financing is the key to the healthy development of enterprises. Only in this way can we fundamentally solve this problem, promote the long-term development of enterprises, and make high-tech enterprises become the leading force in promoting social and economic development.

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