

## Original Research Article

# Correlation between Business Administration and Economic Development

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### **ABSTRACT**

Business administration is a national macro-control mechanism formed in recent years with the deepening of economic development. With the deepening of the development of economic globalization, China's has more and more frequent economic market exchanges in various fields with international market. Although China's economic development has brought a very considerable development prospects, but also face challenges of all aspects. In order to further improve the functions of business administration, stabilize the social development situation, strengthen its economic role and promote the sustained and healthy development of the social market economy, the Chinese government has improved the relevant laws and regulations and improved the authority of the business administration. Not only the development of targeted laws and regulations, but also a reasonable use of the benefits of business administration. At the same time, the basic institutions responsible for industrial and commercial management in China should also improve the relevant management facilities resources. Business management is an important means and means of government macro-control, the development of the national economy has played a huge role in promoting, it is also adapted to the current economic and social development of a discipline, advanced management concepts and internal settings have become a solid economic development backing. This article will analyze the characteristics, development history and basic functions of the business administration, and on this basis, talk about their understanding of how business management can promote economic development.

**KEYWORDS:** business administration; economic development; promotion function; analysis

## 1. Introduction

In the market economy system, in order to maintain a good market order, maintain the normal market, and steady development, there is a need to improve the corresponding laws and regulations and also a reasonable use of business management functions to promote economic development. At present, with the rapid development of China's economy and the acceleration of the process of globalization, China's economy and the world economy has become more and more frequent exchanges, based on this situation, we must actively play the business management, through the business management to promote economic development.

### 1.1. Research background and significance

The tasks undertaken by the business administration departments are becoming more and more developed with the economic development. Coupled with the continuous improvement and development of the market economy, especially the market economy, the industrial and commercial management departments need to do the basic protection work. But the current management system is difficult to adapt to the needs of the development of the new situation, it will affect the business management of the market economy management capacity and effectiveness in certain extent. So how to improve the level of business management is a necessary problem to solve. Adapt to the economic and the development, and constantly improve the management level of business administration is the key to solve the problem.

In the course of the development of China's market economy, gradually with the world market, the world economic turmoil directly affect the development of China's economy, which is not only China's economic challenges, but also the world's economic development to China's economic opportunities. Business management as an important means of enterprise management, we must adhere to the public ownership as the basic goal, give full play to the management functions, and comprehensively contribute to China's economic development. This paper studies the impact of

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business administration on economic development and the contribution of business administration to China's economic development.

## **1.2. Overview of the History of Business Administration**

Market economy is a very important basic economy, it is mainly produced by the remaining products and the occurrence of residual transactions. Industrial and commercial administration was born in such a special time, it appear in the history of heavy agriculture and the suppression of business, and has its different special characteristics. Thus, the industrial and commercial administration derived from the situation at that time was of great importance to strictly strengthening the management of the handicraftsmen, the market transactions, including the traders, etc., for the purpose of safeguarding the regime and developing the economy. As early as in the Zhou Dynasty in China, so-called Secretary City is set up specifically to the entire country's market activities for effective supervision. In China's pre-Qin and Han Dynasties, the government began to engage in handicrafts business, which has become China's modern industrial and commercial enterprises to register the originator. To the Ming and Qing Dynasties of China, the market has also been initially established with the basis of industrial and commercial administration market, to the late Qing government and China's Northern Government and even the Republic of China, the management of industry and commerce is even sounder. China's industrial and commercial administration also with a certain initial management scale. At the same time, in order to better implement the basic way of this kind of business administration, we have gradually established a series of complete supporting laws and regulations, including 'Company Registration Trial Regulations', 'Company Regulations', 'Company Registration Specifications', 'Trademark Law' Etc. In addition, China's industrial and commercial administration of the basic institutions have gradually formed a matching management facilities.

## **1.3. Characteristics of Industrial and Commercial Management**

First, for China's industrial and commercial management, the purpose of creating a fair and orderly market environment is to better promote the development of social and economic development. Unlike other departments, the business administration does not have its own funds, projects and other content, its main responsibility is to maintain market order for the economy and society to create a better development environment in a unified, open, and competitive way. Under the background of the market, business administration must strengthen the war management, strengthen the marketing, in order to better play its administrative functions. Only in this way we can improve our market environment and attract more investment. Second, the regulatory framework for industrial and commercial management is rich in supervision. China's industrial and commercial management has always insisted on the combination of administrative penalties and administrative guidance work, through public opinion and administrative mediation, etc. to strengthen the supervision of the market. In addition to the above two points, business management also has a wide range of contacts, and consumers are closely linked to the characteristics.

## **2. Promotion of Business Administration to Economic Development**

### **2.1. Market Economy Access to the Norms**

In China, the main access system is usually the general level of approval, and strict review of the principle of enterprise approval registration for the market economy. With the continuous improvement of China's market economy system, many companies have taken the initiative to apply for registration in order to obtain the main body of the market economy access eligibility. In spite of this, the business administration departments should also strictly adhere to the market subject qualification standards, layers of approval, strict review, and also to standardize the approval process, to improve the quality of enterprise registration management, training relatively good market economic entities have a catalytic role. Business administration departments need to constantly improve the market access system in the market economy, and thus protect China's market economic order, and ultimately China's market economy can continue to develop steadily.

### **2.2. Supervision of the Market Work**

In the operation of the market economy, the supervision work is indispensable, and the business administration department plays a leading role in the supervision work. Business management departments has taken some effective supervision measures on the market competition management and trademark registration management and other, which can make the main market in the trading activities and business activities when the corresponding norms, to create a good market environment. It has a great role in promoting. But also to carry out a number of monopolistic and unfair competition for the supervision of the work, and strive to improve the operating environment of China's market economy, and then create a fair and healthy market investment environment. At the same time, an enterprise's trademark rights can be fully guaranteed, the future survival and development of enterprises have a decisive role, but also to maintain the order of the market economy. The industrial and commercial administration department shall be

able to ensure that the trademark right of the enterprise belongs to the correct party in accordance with the relevant laws and regulations, crack down on the infringement of trademark rights and intellectual property rights, and safeguard the legitimate rights and interests of the enterprise so that the market economy can develop healthily and steadily.

### **2.3. Establishment of the Market System**

As the carrier of economic development, the establishment and improvement of market system will play a role in promoting the development of the economy. Industrial and commercial administrative departments can make full use of their functions and rights, through the cultivation of market economy and the main body of the market to run the strict supervision, as far as possible to promote the maturity and development of the market and the establishment and improvement of the market system. Mainly in the two aspects following:

#### **Promote Effective and Rational Allocation of Resources.**

Resources for the market are generally more precious. Limited allocation of resources to avoid unnecessary waste and to ensure long-term sustainable development of the market economy. Reasonable and effective allocation of resources can be established through the establishment of a sound market system, relying on the role of the market system, the rational use of market price control means, so that the smooth flow of resources to the real needs of the place. Not only can improve the operational efficiency of the market economy, the protection of environmental resources is also very important.

#### **Actively Cooperate with the Country's Macro-Control Policies, the Correct Guidance and Implementation**

From the microscopic point of view, market is the main carrier of social and economic activities, the country's macro-control policies need to guide and implement the market to reflect its meaning and role. Thus, the market has become a macro-subject and micro-economic intermediary. The ultimate goal of China's macro-control is to use a variety of macro-control means to balance the market supply and demand of goods, and at the same time use price formation mechanism rationally. The enterprise's production and operation lead to the correct development track, in order to achieve the long and stable economic development in our country. Have to say that, the establishment and improvement of the market system ensure the smooth implementation of the national macro-control policies on the one hand, and on the other hand strengthen the market supervision departments of the control and implementation capacity, which is healthy, stable, and has a positive promotion effect operation of the market economy.

## **3. Analysis on the Current Situation of China's Business Administration**

With the rapid development of market economy and the new situation and new tasks, the industrial and commercial administration organs play an important role in optimizing the organizational structure and consolidating the basic level. However, on the current situation of China's economic market, China's industrial and commercial management still has the following weak links:

### **(1) Talent Shortage in Business Administration**

According to statistics, the primary business management personnel have a certain demand in the talent market by the end of 2010. But senior business management staff gap is large in the pyramid of the central and spire, so senior business management talent is facing more serious shortage. The modern market economy is based on the knowledge of the production, distribution and consumption of the economy, which relative to the past agriculture and industrial economy in terms of the new state economy. It requires managers to have a sense of competition, to have the international economy, international finance, international trade and other ideas, to meet the requirements of the times. However, business management in the development of personnel training program emphasis too much on professional needs and imparting knowledge for a long time, which not conducive to the cultivation of innovative talents.

### **(2) Imperfect Industrial and Commercial Management System**

With the deepening of reform and the improvement of the market system, business administration plays an increasingly important role and function. This objectively requires broadening the scope of its management, strengthen its weak links, to achieve the function in place. Not only to control the market regulation of economic activities, but also to monitor the implementation of macro-control guiding plan. Not only manage the individual and the private economy, but also to manage the public economy and maintaining a unified socialist market order. At present, the industrial and commercial management system is managed according to the administrative divisions, and the regional market which has been formed is artificially divided into articles, blocks and business departments are fragmented, and the division of personnel is not conducive to the formation of management. Cannot get rid of the tools that act as local protectionism. Local governments often take various local protectionism measures. Therefore, the establishment of socialist market

economy under the conditions of the industrial and commercial management system is to speed up the establishment of an important step in the socialist market economic system, but also with international practice to achieve an important measure as soon as possible.

### (3) The Internal Management System of Business Administration Is Not Perfect

The development and the orderly conduct of the market economy need the supervision of scientific management of the business administration departments. The market supervision of the executive authorities and law enforcement departments of industrial and commercial management organs do a good job, social management and maintenance of market order work has an important role, so cannot ignore the internal management of the business administration. As we can see in the large scale of business administration, some units of financial management is not perfect and even some units do not have financial management system for each function and a variety of forms of assets invested by the state, so will cause low asset utilization to a certain extent, more likely to cause the loss of state assets. However, the internal audit work has an important role, which is the key to the management and accounting control inspection and evaluation. It is precisely because the internal audit system of the business administration is not perfect, which has caused the business management Institutions of the supervision of the economy is not good to start the phenomenon, it is not conducive to the completion of the actual accounting control work.

## **4. Improve the Countermeasures of Business Administration in China**

### **4.1. Training Management Needs of Professionals**

With the realization of the popularization of higher education and the expansion of China's opening to the outside world and the acceleration of the process of economic globalization, the training of professionals in China's industrial and commercial management must reform and explore the innovative mode of innovation and management of business administration talents to meet the requirements for production, construction, management, and service first line.

(A) To promote a new educational concept since the industrial and commercial management agencies on the development of the market economy has an important role. It is necessary for education to strengthen the training of personnel in this area, while paying attention to change the old educational philosophy and education concept to adapt to the development of the times. The cultivation of talent to practice innovation as the main body to better adapt to the needs of management, training personnel have a strong ability to adapt and market economy in order to serve the market economy better.

(B) To enhance the concept of international competition. Economic managers in new era must have the idea of international competition. Therefore, this requires the training of business managers must establish a sense of competition, to have the international economy, international finance, international trade and other ideas.

(C) To cultivate the practical ability of relevant personnel In the process of personnel training, we must attach great importance to the management theory and management practice, and enhance their practical ability.

### **4.2. Improve the Business Management System, Play the Functions of Business Administration**

Market economy become more diversified in the continuous development, they no longer a single geographical and national markets, we need to continue to strengthen the improvement of business management system as much as possible to play the business administration function effectively in such an international situation.

#### **Establish the Macro-Control of the Business Management System**

In the construction of the industrial and commercial management system, on the one hand, it can use the registration management function, requiring the industrial and commercial administration department to correctly grasp the broadness of the development of various industries according to the state's industrial policy and the local economic development, and prevent the imbalance of the industrial product structure phenomenon, to promote industrial structure optimization and economic development. On the other hand, can use the comprehensive supervision and management functions to promote the improvement of market mechanisms and the healthy operation of the economy. The business administration department can promote the improvement of the socialist market mechanism and the normal operation of the market function by strengthening the mediation and arbitration of the economic contract management and economic disputes.

## **Perfect the Establishment of A Unified Industrial and Commercial Management System**

The supervision and management of the socialist market economy needs to adapt to the situation of the new business management system, so that we need to continue to reform, and constantly industrial and commercial management system, strengthen the unity of business management system, to play its effectiveness better. The authority of the management enhance the management capacity, and maintain the order of the socialist market economy.

## **Business Management Law Enforcement Measures to Strengthen the Intensity of Business Administration Law Enforcement**

(A) The good business management legal system strengthen the development of individual supporting laws and regulations and implementation details, which solve the old and new laws and regulations contradictory, law enforcement basis not unified issues, and solve the problem of the basic business and administrative law which is not strong. At the same time, pay attention to strengthening the legal publicity and learning training, and constantly enhance the legal concept of law enforcement officers and the ability to act according to law, to fulfill the laws and regulations issued by the law enforcement powers.

(B) To enhance the ability to monitor and regulate the law enforcement agencies. In the supervision and management functions, their own staff of the law enforcement norms is to be accurate cognition, in the management of the market economy to do their own law enforcement norms of scientific and rational, law enforcement law which according to the law.

## **Construction of Internal Control System for Industrial and Commercial Management, Strengthening the Internal Control of Business Administration**

Business management should carry out independent economic monitoring activities, improve management level and risk prevention ability with the change of external environment and internal situation. On the one hand, the provincial administration for Industry and commerce in accordance with the principle of the two lines of revenue and expenditure, the province's industrial and commercial administration system financial management to implement a unified management. On the other hand, it is necessary to enhance the role of internal audit institutions. The internal audit institution shall report directly to the principal person in charge of the unit so that the internal audit supervisory function can be played properly.

## **5. Conclusion**

In China, industrial and commercial management has a very important role in promoting the overall economic development. Business administration should actively coordinate the relationship between business and law enforcement departments, and actively play their own role, and strive to change their work methods, and constantly improve to upgrade its own service mechanism to actively promote economic development.

In order to do this better, we should firmly establish the ideological awareness of continuous development, and improve the market supervision and law enforcement constantly, so as to better optimize China's environmental development and economic construction of the overall situation. At the same time, we must know that the first priority in governing and rejuvenating the country is the economic development, so the business administration at all levels also need to further correct the supervision and enforcement of the various markets, while actively respecting the market, respect for the basic tax people, and resolutely abandon the purely supervised law enforcement in the supervision of law enforcement and very narrow sector of the interests of the idea. This is the only way to improve China's market regulation of the basic law enforcement, and then further enhance the level of law enforcement in China's law enforcement.

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