

*Original Paper*

Research on the Influencing Factors of Chinese Private  
Enterprises to Enhance International Competitiveness in the  
Context of Double-cycle

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**Abstract**

*The world is currently in a state of shrinking global markets and an unstable international trade environment. To pursue economic development in a highly uncertain world environment, it is necessary to promote a new pattern of domestic and international development, which promotes each side of the markets and uses both international and domestic markets to achieve a more robust and sustainable cycle of development. As a typical representative of the vitality of socialist market economy, Chinese private enterprises need not only to develop domestically but also to enhance their international competitiveness. This paper researches and analyzes the current situation of international competitiveness of Chinese private enterprises, and constructs its international competitiveness evaluation indexes by combining the special characteristics of private enterprises themselves, and finally explores the factors influencing the international competitiveness of Chinese private enterprises and the realization mechanism.*

**Keywords**

*private enterprises, international competitiveness, influence factors*

## 1. Introduction

In recent years, with the global spread of the coronavirus pandemic and local wars and conflicts resulting in the disruption of international trade, in the current highly uncertain international trade environment, China has adopted a double-cycle economic policy to improve its international market development capabilities, and Chinese enterprises need to enhance their competitiveness in the international market while based on the domestic market. In order to respond to the double-cycle strategy, private enterprises will need to play their international competitiveness as the main part to enhance the international trade competitiveness of Chinese enterprises. In order to further investigate the influence factors and realization mechanism of Chinese private enterprises to enhance their international competitiveness, it is necessary to analyze the current situation of the international competitiveness of private enterprises in the context of the double-loop, and to construct the evaluation index of the international competitiveness of private enterprises with their own special characteristics. Many scholars have conducted studies on the current situation of international competition and the influencing factors of enhancing international competitiveness of Chinese private enterprises. Among them, Lin Weihai (2016) analyzed the problems of weakness, small scale and lack of international talents for Chinese private enterprises to access to the international market. Yike Li (2013) pointed out that Chinese private enterprises have financing difficulties, which limit their international competitiveness. Liu Li (2012) points out that the management system of Chinese private enterprises is not perfect, and the leaders lack management knowledge and long-term strategic vision, which makes it difficult for the enterprises to develop and grow in a sustainable and healthy way. Yuan Qing (2006) points out that the structure of Chinese private enterprises' export commodities is dominated by low value-added labor-intensive products and the lack of independent brands, and the structure of export commodities limits the ability to compete in the international market. In terms of international competitiveness indicators and influencing factors, Ping Xu (2018) points out that the type of enterprise has no significant effect on its OFDI behavior; specifically, enterprise size, export propensity, technological capability, and human capital level all have significant promoting effects on Chinese private enterprises' OFDI behavior; while management efficiency has a negative effect on Chinese private enterprises' OFDI behavior. Zhang (2015) states that the larger the size of the firm, the lower the marginal cost will increase the international competitiveness of the firm, and the overall international competitiveness of domestic firms will increase when the number of firms increases. Pradipta (2022) states that based on the multivariate Industrial Competitiveness Index (ICI), capital-intensive firms are more competitive than labor-intensive firms, and external factors of firms such as Information and Communication Technology (ICT) and infrastructure have a positive impact on the competitiveness of manufacturing firms. Elif (2016) states that competitiveness is measured by a firm's financial performance and that firms with higher levels of debt and higher levels of liquidity have higher Tobin's Q ratios. Depperu (2005), on the other hand, states that the construction of a firm's

international competitiveness can be decomposed into three components, the degree of internationalization of the firm, the firm's international economic and market performance, and the nature and sources of the firm's competitive advantage. Peter and Christopher (2010), among others, point out that a single measure of international competitiveness does not cover all elements of the concept, and that valid evaluation indicators must explicitly analyze its level (country, industry, firm or product) and include competitive performance, sustainability through the generation of competitive potential and competitive management of the process. Yeyun Liu (2003) points out that the evaluation system of international competitiveness of Chinese enterprises can be divided into two categories: external operating environment and internal integration capabilities. Li Jun (2001) proposed an index system for international competitiveness of enterprises based on the principles of statistical index system design, and then made an analysis of comprehensive evaluation methods and used the portfolio evaluation method to evaluate the international competitiveness of enterprises. Zhang Deping (2001) pointed out that three levels should be considered when designing the index system for evaluating the international competitiveness of enterprises, namely, external competitiveness, internal competitiveness and institutional competitiveness. As for how private enterprises can achieve their international competitiveness, Wu Zhuozhuo (2022) points out that the digital economy will help private enterprises' new development, and the use of big data, cloud computing, the Internet and the Internet of Things to highly integrate enterprise production and operation can improve the productivity of private enterprises, increase the scale of products at the production and demand side, and improve the quality and competitiveness of products. The Jiangsu Federation of Industry and Commerce group (2019) believes that private enterprises should make good use of the "two markets and two resources", firmly move up the industrial chain to higher quality development, and take solid steps in the right direction of economic globalization and international development of enterprises. Cui Dove (2012) points out that Chinese private enterprises have incomparable flexibility, adaptability and market sensitivity, so when developing international markets, private exporters have the ability to receive market information quickly, the ability to make quick decisions and strong market adaptability. From the existing literature, the research on the factors influencing the enhancement of international competitiveness of Chinese private enterprises generally focuses on the problems that exist in general enterprises, and lacks in-depth research on the factors influencing the enhancement of international competitiveness of private enterprises through their own special characteristics in the context of double-cycle. This paper will take Chinese private enterprises as the research object, use qualitative and quantitative research methods to analyze the current situation of international competitiveness of private enterprises, construct international competitiveness evaluation indexes by combining their special characteristics, and finally analyze the factors influencing international competitiveness of private enterprises and the mechanism of its realization. The findings of the research can provide reference and insight for the influencing factors of private enterprises to enhance their international competitiveness in the context

of double-cycle.

## **2. The Current Situation of International Competitiveness of Chinese Private Enterprises in the Context of Double Cycle**

### *2.1 The Quantity, Speed and Quality of China's Private Enterprises*

Chinese private enterprises, as an important subject of business innovation, an important source of private investment, and a driving force of import and export trade, are not only an important force in fighting epidemics and keeping supplies at the end of deep people's lives, but also a driving force in providing employment opportunities to maintain social stability and economic development, showing responsibility and commitment for China to maintain economic resilience, employment resilience, and industrial chain resilience under the new development pattern of the double cycle. 2012-2021 The number of private enterprises in China grew from 10,857,000 to 44,575,000, quadrupling in 10 years, and the proportion of private enterprises in the total number of enterprises increased from 79.4% to 92.1%. Data released by the National Federation of Industry and Commerce shows that in 2021, the country's new private enterprises 8.525 million, an increase of 11.7% year-on-year, continue to maintain a steady development trend. The growth of private enterprises is mainly characterized by the following aspects.

First, in the speed of development, the number of private enterprises in China continues to rise, and consolidate the position of private enterprises as the first major body of foreign trade. 2022 private enterprises in the first half of the import and export growth of 13.6%, 4.2 percentage points higher than the overall growth rate, pulling China's foreign trade growth of 6.5 percentage points; from the product structure, private enterprises in the first half of the export of electro-mechanical products grew 15.3%, higher than the national From the product structure, the first half of the private sector exports of electromechanical products grew 15.3%, 6.7 percentage points higher than the national export growth rate of electromechanical products, agricultural products, basic organic chemicals, medical materials and pharmaceutical imports are higher than the national import growth rate of similar products; from the market development point of view, the first half of the private enterprises to ASEAN, Latin America, Central Asia five import and export growth of 20.5%, 16.4%, 53.3%, the growth rate are higher than the overall national level.

Second, the development trend, China's private enterprises continue to pour into the international market. In terms of export commodities, private enterprises continue to move from rough processing products to fine industries, and continue to expand new industrial chains, from OEM production continues to shift to independent brands.

## 2.2 International Trade Product Structure of Chinese Private Enterprises

In terms of product structure, Chinese private enterprises are currently exporting mainly electromechanical products and labor-intensive products, as shown in Table 1.

**Table 1. Distribution of the Top 10 Industries in the Top 500 Private Enterprises in 2016-2020**

Serial number	Industry	2020	2019	2018	2017	2016
1	Ferrous metal smelting and rolling processing industry	59	61	55	45	38
2	Real Estate Industry	44	45	39	36	37
3	Comprehensive	41	36	43	41	37
4	Construction	37	38	37	39	50
5	Wholesale industry	29	27	22	26	29
6	Electrical machinery and equipment manufacturing	26	24	24	22	18
7	Computer, communications and other electronic equipment manufacturing	23	23	24	23	23
8	Oil, coal and other fuel processing industries	22	27	26	21	19
9	Non-ferrous metal smelting and rolling processing industry	18	19	21	24	26
10	Retail	16	20	20	20	15
	Total	315	320	311	297	292

Data source: Economic Department of All-China Federation of Industry and Commerce.

This result is mainly influenced by the long-term stable industrial structure of Chinese private enterprises and the industry distribution of private enterprises. The scientific and technological content and added value of these products show a double low state, thus relying on lower costs to gain a competitive advantage, and the state of this product structure can not be transformed and upgraded in the short term. According to the research and analysis report of the National Federation of Industry and Commerce on the top 500 private enterprises, the industrial structure distribution of the top 500 private enterprises in 2020 is still dominated by the secondary industry, and manufacturing is still the leading industry of the top 500 private enterprises in China.

### *2.3 Chinese Private Enterprises Export Trade Mode*

The development of new business models and modes of foreign trade promotes Chinese private enterprises to participate in international competition. China's private enterprises to take the international trade methods include general trade, processing trade and other trade methods, etc., of which the general trade method is the main, but the proportion of processing trade method is decreasing. China's foreign trade innovation capacity continues to strengthen, one is the network information and other new technologies, new tools to breed cross-border e-commerce; Second, the traditional business model in the transformation and upgrading, the formation of market procurement trade; Third, the division of trade in further refinement, foreign trade comprehensive service enterprises and other new subjects are popular in the market, offshore trade with the headquarters economy in the same growth; Fourth, the integration of various types of business models, foreign trade functions to further integrate Linkage. Like the traditional combination of general trade and cross-border e-commerce, the formation of B2B2C overseas warehouse model, the terminal distribution service efficiency is rapidly improving, but also brought a better end customer experience. Like bonded maintenance of this business model, but also in the process of standardized growth and development. The rapid development of new business models in foreign trade has pushed China's private enterprises to high-quality development. In 2021, the import and export of cross-border e-commerce 1.9 trillion yuan, an increase of 18.6%, including exports of 1.4 trillion yuan, an increase of 28.3%. Market procurement trade exports 930.39 billion yuan, an increase of 32.1%, accounting for 4.3% of total exports, pulling exports grew by 1.3 percentage points.

### *2.4 Policy System Supports Chinese Private Enterprises*

China's private enterprises in the context of the double-cycle continue to power, in addition to their own solid competitiveness is also due to the implementation of the stabilization of foreign trade policy. A package of economic policies and measures on the ground to take effect, foreign trade to ensure the stability of the quality of the work to accelerate, the vitality of foreign trade market players effectively stimulate. In the first half of this year, the number of foreign trade enterprises with import and export performance in China increased by 5.5% year-on-year, of which the number of private enterprises increased by 6.9%, and up to 425,000 enterprises in total, outperforming the overall performance. The "Belt and Road" initiative continues to deepen, and RCEP has also begun to take effect to help China and ASEAN economic and trade development. With the official entry into force of RCEP, the new system dividends are further closer to China and ASEAN economic and trade exchanges. Enterprises can also use the RCEP "zero tariff" preferential agreement rates to reduce import and export costs, so that import and export goods can gain a stronger cost advantage to better meet market demand. Customs data show that the scale of China's imports and exports with ASEAN in the first quarter accounted for 47.2% of foreign trade with RCEP trading partners, accounting for nearly half.

### 3. International Competitiveness Evaluation Index of Chinese Private Enterprises

#### 3.1 The Special Characteristics of Chinese Private Enterprises

First, private enterprises have flexible mechanisms. Chinese private enterprises are highly market-oriented and their capital structure can maximize profits. Compared with large state-owned enterprises, private enterprises are subject to a low degree of government intervention and operate in an autonomous and flexible manner, which enables them to make rapid adjustments to international market demand and increase their ability to survive international competition. Second, the business is complementary. The export business of large private enterprises in China is to a certain extent monopolistic, so the business scope of small and medium-sized private enterprises is complementary, constantly making up for the vacant market. Third, private enterprises generally operate on a small scale and are vulnerable to market shocks, but their flexible mechanisms can compensate to a certain extent for the disadvantages of their limited size.

#### 3.2 Evaluation Indicators of International Competition of Chinese Private Enterprises

The international competitiveness of an enterprise mainly reflects the enterprise's ability to survive and develop, so the international competitiveness index of an enterprise needs to reflect the realistic competitive ability of an enterprise in a certain period and the change factors and trends of its subsequent development. This paper proposes international competitiveness evaluation indexes for Chinese private enterprises to participate in international competition according to the special characteristics of Chinese private enterprises, which include enterprise scale and organization and management level, product competitiveness and R&D capability, financial status and profitability, and the internationalization degree of enterprises. According to the special characteristics and development of Chinese private enterprises, this paper selects enterprise scale and organization management level, product competitiveness and R&D capability, financial status and profitability, and internationalization level as private enterprises' international competitiveness evaluation indexes, as shown in Table 2.

**Table 2. Private Enterprises' International Competitiveness Evaluation Index**

Enterprise size and Organizational management level	Number of employees,
	Total assets,
	Total investment in fixed assets,
	Management level,
	Quality of entrepreneurs,
	Marketing management ability,
	The ratio of employee education and technical training expenses to sales,
	The ratio of employee college students,
	The total indicators of applied economic information,
	The comprehensive indicators of economic benefits of economic information

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	Product qualification rate,
	Product quality to price ratio,
Product	international market share,
Competitiveness	Trade competition index,
and R&D	The Indicative comparative advantage index,
capabilities	Proportion of science and technology R&D expenses to sales,
	New Product Substitution and Development Rate,
	New Product Output Rate,
	Return Rate of Technological Progress Projects
	Capital tax rate, gearing ratio,
	long-term debt ratio,
Financial Position	Net cash flow ratio,
and	capital margin,
Profitability	capital appreciation ratio,
	capital turnover ratio,
	capital appreciation rate,
	sales tax rate
	The number of companies outside of China,
Internationalization	The proportion of employees in the total number of companies outside of
level	China,
	The proportion of profits outside of China to the total profits of the company

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### 3.3 Analysis of International Competitiveness Indicators of Chinese Private Enterprises

The competitive advantages of enterprises are reflected through their international competitiveness, and the main indicators of international competitiveness include international market share, trade competition index and revealed comparative advantage index (RCA index). Therefore, in this paper, the international competitiveness of Chinese private enterprises is measured by the above three indicators, and the product import and export data of private enterprises are selected as the data support for their international competitiveness index evaluation.

#### (1) International market share of Chinese private enterprises

The international market share is the proportion of a country's total exports to the total world exports, which can reflect the change in the international competitiveness or competitive position of a country's industry or product, and the increase in the proportion indicates that the country's export competitiveness of the industry or product has increased. The formula is as follows: International market share = total exports of a country/total world exports, abbreviated as  $MS_{ij} = X_{ij}/X_{wj}$ . Where:  $MS_{ij}$  indicates the market share index of product  $j$  of country  $i$ ;  $X_{ij}$  indicates the total exports of



product  $j$  of country  $i$ ;  $X_{wj}$  indicates the total exports of product  $j$  of the world. the stronger, and vice versa, the weaker. This paper calculates the international market share of Chinese private enterprises from 2017 to 2021, as shown in Table 3.

**Table 3. Chinese Private Enterprises 2017-2021 International Market Share**

Year	International market share of private enterprises
2021	11.80%
2020	8.23%
2019	8.58%
2018	5.64%
2017	5.29%

Data source: calculated according to the General Administration of Customs data.

Table 3 shows the international market share of China's private enterprises in the past five years, from the data can be seen in the overall trend of the international market share of private enterprises in China is growing, so the competitiveness of China's private enterprises in export products continue to improve.

#### (2) China Private Enterprise Trade Competition Index

The trade competitiveness index (Trade Competitive) refers to the difference between a country's import and export trade as a proportion of its total import and export trade, and its formula is expressed as:  $TC \text{ index} = (\text{exports} - \text{imports}) / (\text{exports} + \text{imports})$ , abbreviated as:  $TC = (X_{ij} - M_{ij}) / (X_{ij} + M_{ij})$ . The closer the index is to 1, the more competitive it is, and when it is equal to 1, it means that the industry only exports but not imports; the closer the index is to -1, the less competitive it is, and when it is equal to -1, it means that the industry only imports but not exports; when it is equal to 0, it means that the competitiveness of the industry is at an intermediate level. This paper calculates the trade competitiveness index of Chinese private enterprises from 2015 to 2019, as shown in Table 4.

**Table 4. 2015-2019 Chinese Private Enterprises Trade Competition Index**

Year	TC Index
2019	0.32
2018	0.3
2017	0.13
2016	0.36
2015	-0.77

Data source: calculated according to the General Administration of Customs data.

From Table 4, it can be concluded that the TC index of Chinese private enterprises was below 0 in 2015 and the trade competition index was at the lower middle level, but it continued to exceed 0 from 2016 until 2019, so the international competitiveness of Chinese private enterprises has been improving all the way from 2016 and remained at the upper middle level.

### (3) Analysis of China's private enterprises' indicative comparative advantage index

The index of revealed comparative advantage is the ratio of the share of the value of a country's exports of a certain commodity in the total value of all exports of that country to the share of the value of world exports of that commodity in the total value of world exports of all commodities. It is the most convincing indicator to measure the competitiveness of a country's products or industries in the international market. The Index of Indicative Comparative Advantage can reflect the competitive position of a country in an industry or in the world services. If  $RCA > 2.5$ , it indicates that the country's services are extremely competitive, if  $1.25 \leq RCA \leq 2.5$ , it indicates that the country's services are highly competitive internationally, if  $0.8 \leq RCA \leq 1.25$ , it indicates that the country's services are moderately competitive internationally, if  $RCA < 0.8$ , it indicates that the country's services are weakly competitive. It aims to quantitatively describe the performance of each industry (product group) within a country relative to exports. The RCA index can determine which industries of a country are more export competitive and thus reveal the comparative advantage of a country in international trade. The formula for measuring the revealed comparative advantage index is:  $RCA_{ij} = (X_{ij}/X_i) / (W_j/W)$ , where  $RCA_{ij}$  represents the revealed comparative advantage index of product  $j$  of country (region)  $i$ ,  $X_{ij}$  represents the export value of product  $j$  of country (region)  $i$  to the world market,  $X_i$  represents the total export value of country (region)  $i$  to the world market,  $W_j$  represents the export value of product  $j$  in the world market, and  $W$  represents the total export value of products in the world market. In this paper, China's apparel category, integrated circuits and electronic components, and machinery and transportation equipment are selected to calculate the RCA index from 2016 to 2020, as shown in Table 5.

**Table 5. 2016-2020 RCA Index for Selected Products in China**

Year	Product		
	Clothing	Integrated Circuits and Electronic Components	Machinery and transport equipment
2020	2.2	1.4	1.4
2019	2.35	1.5	1.41
2018	2.56	1.3	1.44
2017	2.69	1.2	1.4
2016	2.67	1.3	1.34

Data source: Calculated from WTO.STATS data.

Table 5 selects three categories of China's export products from 2016-2020 to calculate the RCA index, while the three products are also the products that Chinese private enterprises participate in the international market competition accounted for a relatively large share. As can be seen from the data, the data index of the apparel category, which is labor-intensive products, is higher, but shows a downward trend all the way down, because Chinese private enterprises have also started to continuously try to transform therefore the international competition index of labor-intensive products has decreased. Next is the integrated electrical and electronic components, machinery and transport equipment, private enterprises in this category of products on the international competitiveness is stronger.

#### **4. Factors Influencing the International Competitiveness of Chinese Private Enterprises and the Mechanism of Its Realization**

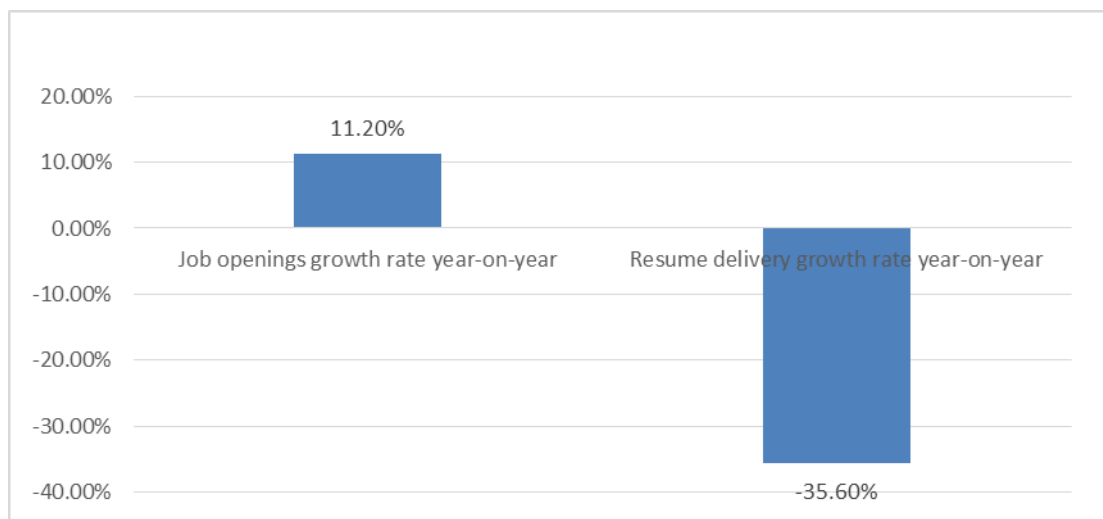
There are many factors that affect the participation of Chinese private enterprises in international market competition, on the current situation and development trends from the international competitiveness of Chinese private enterprises, the main influencing factors can be summarized as the core technology of enterprise products, product quality and economic efficiency, enterprise management level and trade talent, financing capacity and international export environment.

##### *4.1 Product Technology, Quality and Economic Efficiency*

The core technology of the enterprise's products, product quality and the economic efficiency of the enterprise are important factors in measuring its international competitiveness, because the final competition in the market is the products produced by the enterprise, and the competitiveness of the products directly affects the international competitiveness of the enterprise. And the economic efficiency of the enterprise is directly reflected in the profitability of the enterprise. From the current situation, the manufacturing industry is still the pillar industry in the industrial structure of Chinese private enterprises, and its export products are closely related to labor-intensive industries, and most private enterprises' products have low technological content and less added value, and their international competitiveness in product technology is low. Only a few private enterprises can use product technology as a factor to participate in international competition. In terms of product quality, Chinese private enterprises reflect high international competitiveness, and the growth rate of private enterprises' export products keeps climbing. In 2020, the profit level of the top 500 private enterprises increased significantly; net sales margin, net asset margin, return on net assets, per capita operating income, and per capita net profit level all increased compared with the previous year. As the increase in total assets is much higher than the increase in total operating income, the total asset turnover ratio of the Top 500 enterprises has decreased. However, compared with the previous year, the number of loss-making enterprises increased in 2020, the total loss increased more obviously, and the average loss of households increased.

#### 4.2 Enterprise Management Level and Trade Talents

The level of organization of the company determines the height and development path of the company. The high level of management organization ensures the good operation of the company while being able to respond quickly to market information and capture opportunities or reduce losses. Trade talents improve the overall quality of the company and provide the impetus for the company to develop into a quality enterprise. First of all, the overall quality of private enterprises in China is low, the lack of competent international trade technical personnel and management personnel. Most private enterprises have a confusing management model and no clear path for the long-term development and planning of the company, and lack of training of foreign trade talents, resulting in a low retention rate of foreign trade talents in private enterprises. Although there is an expansion in the demand for foreign trade import and export talents in Chinese private enterprises, the supply of talents is relatively lagging behind. 2021 Spring China Employer Demand and White Collar Talent Supply Report data shows that the number of resume submissions received in the foreign trade import and export industry in the first quarter of 2021 decreased by 35.6% year-on-year, as shown in Figure 1.



**Figure 1. Changes in Supply And Demand of Foreign Trade Talents in 2021Q1 (Wisdom Union Recruitment)**

The reason for this situation is that, on the one hand, foreign trade imports and exports have long belonged to industries with low talent attractiveness, and on the other hand, the trade friction between the United States and China in recent years and the tightening of international relations have increased the public's pessimism about the foreign trade industry, and the counter-trend rebound under the epidemic has not quickly and significantly boosted the confidence of talents in the foreign trade industry.

#### *4.3 Corporate Financing Capability*

The financing ability of enterprises is the ability to continuously obtain long-term quality capital at the same time is also a key factor for the rapid development of enterprises, financing can create more value for enterprises. Chinese private enterprises generally have the problem of financing difficulties, the number of Chinese private enterprises but few private enterprises have the ability to finance, but the financing support mechanism for private enterprises is constantly improving. Most of my country's private enterprises by the small scale of operation, business fixed assets, the ability to withstand the risks of the international market is weak, poor corporate profitability, high gearing ratio, resulting in its market financing credit low and for private enterprises to provide loan services of specialized financial institutions and loan guarantee institutions less.

#### *4.4 International Export Environment*

The export environment of international trade determines the difficulty of international trade and the survival space of enterprises. In recent years, influenced by the epidemic and the tightening of the international bureau, the world economy began to slow down, the labor market is slow to recover, and the development of Chinese private enterprises' service trade faces greater uncertainty in the international market. 2022 onwards, the global epidemic ebbs and flows repeatedly, geopolitical risks rise, global inflation runs high, the financial environment tightens significantly, and the world economy recovers weakly and growth momentum is insufficient. International organizations have successively lowered their world economic growth expectations, with the United Nations Conference on Trade and Development (UNCTAD) lowering its 2022 world economic growth forecast from 3.6% to 2.6% in March and the International Monetary Fund (IMF) lowering its world economic growth forecast by 0.8 percentage points to 3.6% in April. As a result, the difficulty for Chinese private companies to export has increased.

#### *4.5 Mechanisms for Realizing the International Competitiveness of Chinese Private Enterprises*

First, private enterprises should establish a modern enterprise system, improve the management level, achieve scientific management, and improve the enterprise talent training system, enhance the enterprise core technology and product development investment. Cooperation with universities can be connected, the formation of "production, education, research" combined mechanism, for the enterprise to import excellent and creative young talent. At the same time, the industrial structure is constantly transformed and upgraded, increasing the proportion of private enterprise technology and product development investment. Second, private enterprises should adjust their business models in a timely manner, and take the initiative to try to digitally transform and upgrade. Digitalization has created the conditions for the emergence of new international trade patterns, the use of digital tools to drive the development of enterprises, through the intelligent transformation of production equipment, supply chain management to improve productivity, optimize the allocation of resources, control production costs and enhance the competitiveness of enterprises. Thirdly, the international trade with stability to

face the uncertainty of the international environment. For private enterprises, to enhance the sense of worry, can not blindly expand production capacity, the need to reduce the pursuit of order growth, and steadily improve the growth of profits. You can reduce the risk by collecting deposits, prepayments, etc. At the same time, reduce the highly customized product orders, the standard, more compatible products as the main export direction. Fourth, in response to the financing difficulties of private enterprises, the government should implement policies to reduce taxes and fees to ease the pressure of rising costs; guide private enterprises to make reasonable use of exchange rate hedging tools to enhance their ability to cope with exchange rate risks; develop financing channels for private enterprises and improve the venture capital mechanism, establish a professional private export enterprise management mechanism and policy banks; use digital technology to discover private enterprises with potential and enhance the financial institutions The accuracy of supporting private enterprises by financial institutions.

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