

Research on the Strategy of Promoting the Transformation and Upgrading of Enterprise Development

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Abstract: Developing new industries, accelerating independent innovation and promoting industrial transformation of enterprise development are important ways for enterprises to implement strategic choices. At present, domestic enterprises have entered a new stage of transformation and upgrading. However, the macroeconomic operation still exposes many unstable and uncertain factors, which restrict the further development of many enterprises for a long time. These contradictory factors also urge enterprises to explore new development ideas and strategies. This paper defines the meaning of enterprise transformation and upgrading, expounds its importance, and explores the feasible development path. Then, it systematically explores the strategic plan to promote the transformation and upgrading of enterprise development. It is believed that we should change the thinking of enterprise development, transit to a new type of enterprise with inverted market force, adopt independent innovation mode, build the core driving force of enterprise transformation and upgrading, transform production factors, and deepen the reform of the system, so as to create a favorable environment for the further development of enterprises.

1. Introduction

Promoting the transformation and upgrading of enterprises is the inevitable choice for enterprises to adapt to the new trend of the further development of the global industry and to strengthen the comprehensive strength of cities. It is both a battle to overcome difficulties and a lasting battle. In recent years, with a new upsurge of industrial revolution in the world, it has become increasingly evident that all regions of the country are seizing all kinds of resources as well as the fierce competition in the market. [1]In the new normal environment, a series of measures, such as high energy consumption, foam removal, deleveraging and zero pollution, have increasingly become an important and long-term plan. It is also an important measure for enterprises to open up, implement free trade, and lay a solid foundation for the development of the whole world and the world. [2]In order to pursue more long-term sustainable development, enterprises must make certain innovations and actively achieve the goal of strategic transformation. This paper is just about the transformation and upgrading of enterprise development.

2. The Meaning, Importance and Feasibility Path of Enterprise Transformation and Upgrading

2.1 The meaning of enterprise transformation and upgrading

Enterprise transformation and upgrading means that for the purpose of synchronizing with the change of external or internal environment, or based on the goal of using potential opportunities, the enterprise enters a new strategic stage from the initial strategy, and continuously creates new competitive advantages, so as to maintain a healthy state of survival and development. The transformation and upgrading of enterprises take full account of the overall development prospects of enterprises and put forward an important strategy to deal with environmental changes. [3]In the process of enterprise transformation and upgrading, we mainly adopt the means of technological transformation, product upgrading and industrial transformation, so as to improve the development

of enterprises to a new height and its level.

2.2 The importance of enterprise transformation and upgrading

From the macro level, industry is regarded as the foundation and power source of national and regional development. In an invincible position under the background of global competition, all economies of a certain scale are actively regulating and controlling the economic structure, taking industrial transformation and upgrading as the entry point, and taking "developing industry and green production" as the main trend. [4]In fact, the transformation and upgrading of enterprises is also the core of the strategic transformation and upgrading of the whole country. Especially in the context of global economy, the transformation and upgrading of enterprises is a process of necessity.

2.3 Feasible path of enterprise transformation and upgrading

The feasible path of enterprise transformation and upgrading should naturally be considered in the global economic environment, which is the most macro-economic environment. At the same time, it should also take into account the urbanization strategy implemented in China. Based on the above two key background conditions, according to the characteristics of the enterprise itself to transform and upgrade. Of course, the transformation and upgrading of enterprises is not only the requirement of the external environment of enterprises, but also the expectation of enterprises for themselves. [5]Generally speaking, the paths that can be chosen for the transformation and upgrading of enterprises include the following: promoting the progress of transformation and upgrading based on the value chain remodeling and mechanism innovation, or using the rebuilt brand and management team as the axis to promote the transformation and upgrading of enterprises, and so on. All of these can be regarded as sustainable transformation and upgrading paradigm or path. The transformation and upgrading of an enterprise does not necessarily have to be innovative and distinctive, nor does it necessarily have to divide the boundaries with the industries it was previously engaged in. From the case of successful transformation and upgrading of enterprises, many enterprises are based on their own characteristics on the basis of down-to-earth to do their main business projects, thus achieving great success.[6]

3. Strategies for Promoting Enterprise Development, Transformation and Upgrading

3.1 Changing the thought of enterprise development

Closely around the "three transformations" as the basis, focusing on the new trends of marketing, people's livelihood as an important direction of development, transformation and upgrading of enterprises as the axis of development, reform and innovation as the driving force for development. We should adopt the gradient development model, strengthen the supporting role of important factors, accelerate the "secondary entrepreneurship" of enterprises, regard the transformation and upgrading of enterprises as an important lever to improve people's livelihood and the structure of regulation and control, so as to upgrade enterprises into entities with certain market influence and effective control of state-owned capital and holding capacity through the transformation of market operation rules.[7]

3.2 Transition to a new type of enterprise with reverse market force

In the new development environment, enterprises must go through a certain process to adapt. In fact, the competition among different enterprises is also controlling the development trend according to the actual market environment, which leads to certain changes in the market pattern. Because the market determines the allocation of resources, it increases the flexibility of the market and the risk of marketing. [8]Accordingly, enterprises should also change from the original one-way pattern of cost promotion to the new pattern of two-way market inversion.

One-way cost-promoting development model refers to the establishment of various resources for production and marketing activities based on terminal market needs, ignoring the upstream changes in means of production. Such a model is vulnerable to upstream changes in the situation of the

further development of the downstream market, resulting in inefficiency and increased risk rate. On the contrary, the market-driven development mode requires enterprises to change both upstream and downstream markets, find a balance of interests in different markets, and flexibly regulate production and marketing activities based on the overall market pattern and resource allocation. [9]It can be seen that there are substantial differences between the two types of development paradigms: the former belongs to one-way decision-making, and may make certain profits in the absence of economic cycle and in the downstream market. However, when the economic cycle is excessive, it will face the risk of unsustainable development. The latter belongs to the interval decision-making mechanism, that is, in a certain stage, the development of the interval may lose the development opportunities expected by the upstream breakthrough interval, and avoid the risk of losing control of the speed when breaking through the downstream development interval. Thus, stability and sustainability are regarded as the axis of development, from less to more, avoiding the phenomenon of big ups and downs, so that the integrity is controlled to a certain extent, thus ensuring the stable development of enterprises.[10]

3.3 Adopting the independent innovation model to create the core driving force of enterprise transformation and upgrading

In a long period of time, the key factor for the development of enterprises is low cost, which is also an advantage of the development of enterprises at that time. Because enterprises are not high in R&D or investment, the industry has been confined to the middle and low end of the global value chain for a long time. Therefore, promoting the transformation of development factors into innovative driving stage becomes the core driving force of enterprise transformation and upgrading.

First, support the innovation of industrialization. Actively guide the industrial agglomeration and centralization, enter the professional park for development, expand the upper and lower areas of the industrial chain, reduce industrial cost expenditure, and build brand industry. A public R&D platform and its testing platform system including government departments, enterprises and other social capital are constructed. [11]In this system, the government mainly provides policy services, enterprises provide market environment, and society provides funds. With the organic cooperation of these multi-subjects, several common R&D test platforms have been built. Large-scale R&D organizations should be differentiated from enterprises so as to provide necessary services for industrial clustering and enterprise organizations. We will improve innovative Internet systems and support innovative development of technologies, business paradigms and business formats.

Secondly, support the innovation of enterprises. As the center of independent innovation, in the downward phase of the economy, many industries will have excess capacity. However, this kind of excess belongs to relative excess. In fact, there is no excess of products with high technology and can meet the needs of the market. The key way to maintain the product's long-term sustainability is that the enterprise can innovate continuously and independently, and constantly increase the technical elements of the product, so as to ensure that the content of the product and the market need to maintain a permanent leading position in the same industry.

3.4 Conversion of factors of production

Strengthen the planning and recommendation function of enterprise projects, promote the cooperation between social capital and venture capital, so as to cultivate and develop the venture capital market, and let social capital directly promote the development of enterprise R&D and innovation. Actively raise project funds for various enterprise constructions, strengthen the research on land policy, selectively expand the scale of land transfer, and timely reorganize and reclaim it. In the aspect of water marketing, we should strengthen management, strengthen the planning of projects around reservoirs, improve the efficiency of using water resources, improve human resources management, improve the structure of corporate governance, timely regulate and control the operation and incentive-related mechanisms, so as to promote the transformation and upgrading of enterprises through the transformation of production factors.

3.5 Deepening the reform of the system and creating a favorable environment for further development of enterprises

Reform is not only conducive to the overall development of our country, but also to the further development of enterprises. Therefore, the transformation and upgrading of enterprises should deepen the reform of the system, promote the process of administration according to law, accelerate the cycle of the transformation of government functions, innovate the government's management mode, enhance the degree of industrial governance, fully highlight the functions of government functions, thus activating the potential of transformation and upgrading of enterprises. Specifically, we can start from the following aspects:

First, we should further strengthen the reform of the administrative examination and approval mechanism. Promote simplification and decentralization of government, deepen the reform of administrative examination and approval mechanism, plan the matters of examination and approval, streamline the process, clarify the time limit, reduce the pre-approval as much as possible, and build a long-term evaluation system for third parties. Deeply reduce the process of industrial approval, verification and filing, and promote the mechanism of "power list", "negative list" and "responsibility list", so as to create a fairer, more relaxed market atmosphere for enterprises, which is conducive to innovation and development. To ensure that legal responsibilities must be enforceable and that laws are not authorized is not feasible, to solve a series of problems existing in government departments, such as function vacancy, offside and inadequacy, and to eliminate the unfavorable factors that the vitality of market subjectivity is constrained by the system when undertaking entrepreneurship. We should adopt more scientific and rational travel mechanism, determine and improve relevant schemes for industrial energy conservation and environmental protection, formulate access standards for technology and safety, and guide enterprises to carry out structural regulation and transformation and upgrading in a market-oriented manner. Strengthen the supervision and management of enterprises, based on the relevant principles of wide-ranging and strict management control a series of "red lines" such as safety production, product quality, environmental protection standards and guaranteeing users' rights.

Second, create a fair and competitive market atmosphere. Deepen the pressure on enterprises, implement the mechanism related to the list of enterprise charges, cancel all kinds of unreasonable and reasonable charges and apportionment, and strengthen the supervision and inspection and accountability mechanism. We will promote the construction of credit systems in enterprises, build a database of corporate credits, and improve a series of mechanisms for real-time credit evaluation, trustworthy enterprise incentives, and disciplinary corporate disciplinary actions. Strengthen the establishment of corporate social responsibility awareness, establish the safety production standards and quality of enterprise products, and improve the supervision mechanism. Effectively implement regulations on severely crack down on the operation of counterfeit and shoddy products, market monopoly and unfair competition, thus creating a good production and sales atmosphere for enterprises. Further reductions in taxes and fees, especially for small and micro-innovative enterprises, should further reduce taxes and fees.

4. Conclusion

To sum up, to promote the transformation and upgrading of enterprises is to match the changing pattern of the new era, and is also an important way to ensure that they remain invincible in the fierce global economic integration and enhance their competitiveness. This paper defines the meaning of enterprise transformation and upgrading, analyses its important position, explores the feasible development path, and focuses on the strategic plan to promote enterprise development, transformation and upgrading. Including changing the thinking of enterprise development, transition to a new type of market-driven enterprises, adopting independent innovation mode, building the core driving force of enterprise transformation and upgrading, the transformation of production factors and deepening the reform of the system, and creating a favorable environment to promote the in-depth development of enterprises.

Enterprise transformation and upgrading is to innovate and reform the products and services of enterprises to meet the needs of the market. The innovation of products and services needs the guarantee and support of the external economic environment, and ultimately can be realized only through market testing and acceptance.

The innovation of products and services must be dominated by the market, that is, the demand of the market determines the success or failure of the innovation of products and services. The innovation of products and services can be divided into two categories: one is to improve and extend the performance and function of the original products and services; the other is to create new products and services to open up new markets.

Firstly, the main body of product and service innovation is the enterprise. The enterprise should have the ability and desire of product and service innovation. Secondly, it needs the support of the government's tax and fee policy. Thirdly, it needs to be realized in a market-oriented way, that is, the capital of venture capital and the market's examination and acceptance of new products and services.

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