

Research on the Idea of Financial Support for the Development of Small and Micro Enterprises

Qin Niu

Harbin Cambridge College, Harbin150069, China.

Abstract: In the market, small, medium and micro enterprises are the most dynamic entities. Through the development of small and micro enterprises, more jobs can be created, which can also significantly promote the development of my country's economy. Therefore, in the context of the new era, our country should strive to promote the survival and development of small and micro enterprises. After research, it is found that in the process of survival and development of small and micro enterprises, finance can play a relatively obvious supporting role. Therefore, this paper focuses on the idea of financial support for the development of small and micro enterprises.

Keywords: Finance; Small and Micro Enterprises; Development Support; Role; Ideas

Introduction

In the context of the continuous development of modern Chinese society, the state has introduced different policies to encourage and support small and micro enterprises, so the development of small and micro enterprises is relatively fast. However, in the process of continuous development of small and micro enterprises, there are still some problems of difficulty in financing and expensive financing. Therefore, under the background of the new era, my country needs to further play the practical role of finance, and can make effective adjustments based on some practical problems encountered by small and micro enterprises in the development, and promote the benign and sustainable development of small and micro enterprises.

1. Discuss some practical problems that may exist in the development process of small and micro enterprises

For small and micro enterprises, their scale is not large enough, and their development time is not long enough, so in the process of development of small and micro enterprises, they may encounter some obvious obstacles. The first point is that at the current stage of the development of small and micro enterprises, there are few financing channels. For small and micro enterprises, some collaterals need to be mortgaged in the process of financing. However, for many small and micro enterprises, their development scale is not large, so it may be difficult for them to provide some effective collateral. In this case, many small and micro enterprises may fail to obtain approval in the process of applying for financing, so there will be obvious difficulties when small and micro enterprises choose bank loans. When using other methods, many small and micro enterprises also have more than enough resources. For example, the way of private fundraising will have relatively large risks, and there will be very high interest, which is a very obvious burden for many small and micro enterprises^[1].

The second point is that at the current stage of the development of small and micro enterprises, their own management may not be perfect enough. For example, in the development stage of small and micro enterprises, managers may analyze their development model and development direction more. However, some internal management systems have not been properly improved. For example, under the premise that small and micro enterprises are not effectively managed, many banks may not know enough about small and micro enterprises, and will make relatively low credit assessments for small and micro enterprises. Under this circumstance, many banks may be too cautious when facing the financing required by small and micro enterprises in order to avoid risks, and even do not actively support small and micro enterprises. In this case, the development of small and micro enterprises may be significantly hindered. And for many small and micro enterprises, their scale is generally relatively small, so in the process of development, they generally choose the personal management model or the family management model. In this link, small and micro enterprises do not set up some special financial audit departments to

conduct a comprehensive review of their financial statements or business records, so this will lead to confusion in financial statement data, The accounts are ambiguous. In this case, the expansion of the financing scale of small and micro enterprises has also caused a significant negative impact.

2. Discuss the ideas of financial support for the development of small and micro enterprises

It can be seen from the above that in fact, for small and micro enterprises, there will still be many different obstacles in the process of development. Therefore, in order to further promote the healthy development of small and micro enterprises, my country needs to further play the practical role of financial support, so that Small and micro enterprises can obtain more development opportunities. Based on this, the following discussion will focus on the specific ideas of financial support for the development of small and micro enterprises.

2.1 Play a guiding role and provide basic guarantees

In the process of the development of small and micro enterprises, as a government department, it is necessary to actively play its actual guiding role. For example, in order to further support small and micro enterprises, government departments need to introduce some relevant support policies, and strictly implement some actual requirements of relevant countries for the assistance of small and micro enterprises. For example, in the current stage of the development of small and micro enterprises, the government can strengthen the connection with enterprises and banks. In the process of docking, the three parties can analyze the actual development of small and micro enterprises, and then propose some effective methods. After the government provides channels, it can point out the direction for the development of small and micro enterprises. Not only that, for the government, it also needs to play its actual commanding role. For example, in the process of helping small and micro enterprises, it does not mean that the government needs to help all small and micro enterprises^[2]. For some enterprises, they may not have strong market potential or their development model in the process of development. There are also obvious unreasonable features. Therefore, as a government department, it is also necessary to further increase screening efforts. For example, for different small and micro enterprises at this stage, the government can carry out key screening. For those small and micro enterprises that are in line with the development direction of the industry and have relatively strong development potential and innovation capabilities, the government can provide key support and allocate some funds. It is used to support small and micro enterprises, so that small and micro enterprises can increase their efforts in traditional product research and development and carry out effective innovation. And in the process of financing small and micro enterprises, in fact, it can be found that many small and micro enterprises will have mortgage difficulties in the process of mortgage. Therefore, the current government can coordinate reasonably and make reasonable plans on the premise of solving the practical problems of small and micro enterprises. And as a government department, it is also necessary to strengthen control, because for some small and micro enterprises, they may not choose some formal means in the process of development, and their credibility is not high enough. Therefore, the current government departments need to carry out effective communication with some relevant industrial and commercial and taxation departments. Severe penalties can be given to some small and micro enterprises that violate the regulations, so as to build a fair and legitimate channel for communication between banks and small and micro enterprises, and create a good financing environment.

2.2 Different ways to solve development problems

In the development process of small and micro enterprises, financing difficulty is a very significant problem. At this stage, in order to further solve the financing difficulties of small and micro enterprises, as a relevant financial enterprise, it can reasonably coordinate and help. For example, as a relevant institution, it can conduct a reasonable rating based on the actual credit rating of small and micro enterprises, and provide different credit loans based on the actual credit rating of different small and micro enterprises. Small and micro enterprises can combine their actual situation. Provide some corresponding credit reports to solve some financing needs of different amounts that you may face in the short term. At the same time, as a financial institution, it can also increase its exploration efforts. For example, for different small and micro enterprises, their actual repayment ability may be different. Therefore, at the current stage of small and micro enterprise financing, relevant financial institutions can innovate traditional service methods and methods, and provide different credit credit methods for small and micro enterprise financial institutions at different stages of development. For example, for some

small and micro enterprises, a revolving loan model can be used for them, or for some small and micro enterprises, they can choose to use movable and real estate mortgage guarantees. With the help of this method, the flexibility of small and micro enterprises in the financing process can be further enhanced, and it can also allow small and micro enterprises to have more effective solutions when facing difficulties.

3. Conclusion

To sum up, in the development process of small and micro enterprises, relevant financial institutions and commercial banks need to give more support and assistance, so that small and micro enterprises have broader financing channels, so that they can obtain more comprehensive financial services. Serve. At the same time, as a small and micro enterprise itself, it also needs to have a strong sense of self-improvement and be able to continuously do a good job of self-discipline, so as to promote the benign and sustainable development of the enterprise.

References

- [1] Chang W, Li HQ, Yuan XZ, et al. Research on the Development of Financial Support for Small and Micro Enterprises in Border Port Areas - Taking Manzhouli Port in Hulunbuir City as an Example [J]. Northern Finance, 2019(3):4.
- [2] Deng SP. Research on financial support for the development of small and micro enterprises in poverty-stricken areas - from the perspective of tea industry [J]. New Financial World, 2019.

About the Author:

Niu Qin (1981.10), female, Han, from Huixian County, Henan Province, master student, research direction: financial technology, information resource management.