

# An Analysis of Countermeasures for Optimizing Economic Management of Public Institutions under the New Situation

Airong Cheng

Zhoukou Normal University, Zhoukou, Henan, 466001 China

## Abstract

With the continuous development of the Internet and economy and the continuous progress of the society, as well as the vigorous implementation of China's economic system reform, these are promoting the internal reform of public institutions. Under the new situation, the economic management of public institutions is not the same as the traditional mode, and it is because of the backward economic management thought of public institutions that many internal economic management work has not been carried out well.

## Keywords

New situation; Institution; Economic management.

## 1. Introduction

The main purpose of carrying out economic management is to realize scientific allocation of economic resources, prevent various risks caused by unreasonable allocation from the root, and realize the maximization of interests. In the context of rapid development of market economy, strengthening economic management can not only create ideal benefits for all units, but also enable institutions to develop stably in the new context.

## 2. The Significance of Economic Management of Public Institutions under the New Situation

Good economic management can help public institutions to carry out good management of public institutions, promote the economic management of public institutions to improve their own management ability and management level, lay a better foundation for the development of public institutions in the future, make the development of public institutions streamlined and full of efficiency. Mainly reflected in the following points:

(1) To enhance the core competitiveness of public institutions in market competition

The strengthening of economic management of public institutions is conducive to maintaining good competitiveness in the fierce market competition, and can help public institutions to cope with the challenges brought by environmental changes in the market competition.

(2) Strengthen the standardization of the operation and management of public institutions

The economic management of an institution can carry out good supervision and control over each department within an institution, so as to standardize the capital-related behaviors of each department, which can greatly reduce the unnecessary expenditure and waste of funds in this institution. The economic management of an institution can flexibly adjust the payment method and payment time of each department within the institution, so as to ensure the financial protection of the institution. The strengthening of the economic management of an institution is conducive to the reduction of risks related to capital and finance.

(3) Ensuring the accuracy and stability of economic management and supervision of public institutions

The economic management of an institution is also very helpful to the improvement of the stability of an institution, because the development of the economic management of an institution is conducive to the reduction of work mistakes among the internal staff of the institution. It is beneficial to improve the working efficiency and working level of employees. In addition, the management level of the economic management of public institutions is also conducive to the accuracy of the internal information transmission of public institutions, and financial and economic management also has a macro grasp of the management status of the economic management of public institutions.

#### (4) Promoting the development of China's social and economic market

With the rapid change of social economy, public institutions have gradually stepped into the social economic market. The main operation of public institutions is to provide services for the society, and its operation benefits will also have a certain impact on the financial sector of Our country. Improve the economic management of public institutions and supervise and restrict their economic operation. The introduction of the concept of assets, various forms of assets in the market economy conditions to get a comprehensive reflection, to help the unit to obtain more social benefits, which will not only lay a foundation for the stability of public institutions, but also to meet the development of the social economic market.

### **3. Problems Existing in the Economic Management of Public Institutions under the New Situation**

#### (1) The economic management system is not sound

Economic management is the core management of public institutions, so it is very important to ensure that public institutions build a comprehensive and perfect economic management mechanism. However, considering the current situation, the contents of the economic management system of public institutions are relatively backward and cannot keep up with the demands of economic management in the new era. Traditional economy management system not to build efficient management mechanism, alone, head of the unit master economic management authority, the lack of professional system for internal economic guide, lead to head cannot be a comprehensive and detailed management of all the economic business, institution economic management work was restricted, which reduces the enterprise economic benefit. As a result, the supervision system of the public institution is not rigorous enough to improve the risk awareness of the institution, and the division of authority is not clear, thus affecting the quality of financial management. Therefore, the original economic management system of public institutions will reduce the economic benefits of the unit, not in line with the pace of social and economic development, should be comprehensive and detailed reform, give full play to the role of economic management.

#### (2) The managers are backward in thought

Economic management includes financial management, capital management, asset management, human resource management, etc. However, some staff of public institutions regard economic management and financial management as a job, believing that as long as the financial management work is well implemented, it is equal to the implementation of economic management work. In practice, financial management only manages the use of funds, so as to achieve the effect of economic management. However, economic management mainly deals with businesses owned by public institutions and economic activities that have certain management. If it only starts from the perspective of financial management, it will not be able to meet the basic requirements of economic management. Thus it can be seen that the concept of economic management in public institutions is relatively backward, which brings direct impact on the effect of economic management.

#### (3) Lack of information management means

Under the information age, the economic management work of public institutions is completely different from the previous economic management function of public institutions. The information age relies on the Internet to manage the economic management of public institutions, so it must comply with laws and regulations, not illegal ACTS. Secondly, under the information age, the economic management of public institutions USES computer technology, and the economic management of public institutions is also electronic, which is different from the previous paper economic management of public institutions. In the current digital era, it is necessary to establish a sound economic management model of information institutions. Since the economic management mode of the informationized public institution is a new technology combining the Internet and a change to the traditional management mode, it also requires the economic management personnel of the public institution to have strong working adaptability and to well realize the transformation from the traditional to the modern.

#### (4) Lack of strong awareness of risk control

As most of the assets of public institutions are funded by the state finance, they fail to attach great importance to financial management during operation and development. In addition, there is no feasible management system and plan, which results in some risk problems in economic management. If the management department of public institutions does not find out the risk problems in the daily operation in the first time, it will increase the difficulty to carry out economic management activities. Especially in the current situation of loss development of the market economy, the economic pressure faced by public institutions will increase, the participation of the market economy will increase, and the economic management will develop towards diversification. In this case, it provides the possibility for the emergence of economic management risks. When undertaking economic management, public institutions should fully pay attention to risk management, scientifically plan the existing resources of the institution, obtain certain benefits from it, so as to realize the long-term development of public institutions.

## **4. Countermeasures for Optimizing the Economic Management of Public Institutions**

### (1) Establishing and improving the economic management system

In terms of the use of funds, specialized management posts and managers can be set up in public institutions to supervise and control the use of funds. In addition, the economic system of public institutions in their work must be improved in all aspects. Establish a sound economic management system within public institutions. For the entire enterprise in the economic expenditure and income, have to go through the accounting and analysis of the financial department of the public institution. The institution must comply with the relevant budget in terms of capital expenditure, and timely report to the financial department. The financial reimbursement of all departments must be completed within a certain period of time, and it will become invalid after expiration. Relevant reward and punishment system can be implemented to motivate employees to work actively. In the aspect of budget management, the economy of public institutions can be scientifically and rationally managed, and all the operating income and expenditure of the whole public institutions can be concluded into the scope of budget management, so as to facilitate the management personnel of public institutions to grasp the economy of public institutions.

### (2) To improve the personal quality of management personnel

The introduction and operation of a system must be aimed at the object of the ideological change. Public institutions may conduct ideological training for the economic management staff of public institutions in their work. Administrative institutions may conduct weekly training on the personal quality of employees to train them in financial knowledge. Relevant financial knowledge assessment or financial knowledge contest can be held every month, and the

winning employees and departments can be rewarded accordingly, which is conducive to helping employees improve their work enthusiasm and initiative.

### (3) Strengthening the management of information construction

The establishment of economic information management platform, so that the financial institutions can be more scientific information, improve the level of management technology, give full play to the advantages of information technology in economic management. Units should combine their own service direction, different departments set up the corresponding financial information module, so that economic information more convenient transfer to the financial department. In addition, public institutions should also set up a strict information platform use mechanism, supervision and management of people who have access to financial information, to ensure the security of internal financial information, strengthen personnel quality training, ensure the quality of financial information, improve the level of financial information management. So that the information technology can give full play to its role in the economic management of the unit, improve the level of economic management of the unit.

### (4) Improving our ability to cope with risks

In the context of the in-depth reform of the social and economic system and the comprehensive optimization of the public institution system, the financial risk factors faced by public institutions increase accordingly. Therefore, it is necessary to strengthen the awareness of financial risk management and enhance the strength of risk prevention and control. First of all, the financial department of a public institution needs to comprehensively improve its ability to prevent financial risks, especially for fund management, which should be integrated into the scope of unified fund management. Before the public institution carries out capital planning, it should make a comprehensive assessment, especially the actual operation strength of the institution, and then set the scale and quantity of capital planning; Secondly, institutions need to strengthen the construction of financial risk early warning mechanism. In the daily operation and management of public institutions, there will be many management factors, and some uncertain factors will be hidden in each link, thus providing conditions for the emergence of risks. Once financial risk appears, it will bring direct influence to the economic management activities of public institutions. Therefore, institutions need to combine the reality, strengthen the risk early warning mechanism construction. In the risk early warning mechanism, with risk identification, risk assessment and other functions, can find out the hidden risk from the root, and to prevent and deal with it, so as to reduce the impact of the risk to the unit. Institutions should be combined with the actual situation, make in-depth investigation, scientific set of risk management plan, in the daily activities for dynamic supervision, timely identification of risk factors existing in the operation, carry on the scientific allocation, to assess the effect of its cause unit, targeted countermeasures to deal with, reasonable planning economic management activities, to unified deployment of units used, to ensure its safe use as a business entity capital; Finally, can make use of information technology, strengthen the construction of risk early warning information system, through the acquisition, integrated business unit operation in developing the data information, establish risk model, realize the risk identification, risk factors and the calculation analysis, standard units of various economic activities, avoid risk, realize the prevention and treatment of risk.

The economic management of public institutions has a great impact on the development of public institutions and plays an immeasurable role in promoting the development of public institutions. When encountering problems in the development of the new era, it is necessary to pay attention to them timely, take effective solutions, improve the internal economic management system, and minimize the degree of economic management risks. Ensure stable operation, play a positive role for economic management system, reasonable division unit assets, improve the staff's daily working mechanism, optimize unit of the reform, in the management of economic and social development to keep pace with The Times, on the basis of

improve the economic benefits of enterprises, promoting social economic level, implementation institution stable growth.

## References

- [1] Shan Lei. Applied Research on Target Cost Management in Economic Management of Public Institutions [J]. Chinese and Foreign Entrepreneurs,2020(14).
- [2] Wang Yixin. Reflections on Issues related to Economic Management of Public Institutions under the New Situation [J]. Chinese Market,2019(13).
- [3] Liu Bo. On the Economic Management Mechanism Reform of Forestry Institutions [J]. Administrative Assets and Finance,2019(18).
- [4] Wang Yunhua. Suggestion Analysis on the Economic Management Behavior of Public Institutions [J]. China Business Theory,2016(35).