

# ***Effective Path for Strengthening Enterprise Business Management and Promoting Economic Growth***

**Bingkun Huang**

*Guangzhou Zobo Trading Co., Ltd., Guangzhou, Guangdong, 510000, China*

**Keywords:** Business Administration of Enterprises; Economic Growth; Management Concept; Management Mode; Personnel Training

**Abstract:** This article focuses on strengthening the business administration of enterprises and promoting the path of economic growth. Under the background of global economic integration, business administration of enterprises has a great influence on economic growth. By combining the theoretical basis of enterprise business administration and economic growth, this article analyzes the mechanism of strengthening enterprise business administration to economic growth, and reveals the problems of lagging management concept, imperfect model and talent shortage in enterprise business administration and their constraints on economic growth. It is found that factors such as management concept, mode and talents significantly affect the development of enterprises and then affect economic growth. Based on this, this article puts forward some effective paths, such as renewing management concept to adapt to the new trend of economic growth, improving management mode to enhance the coordination of economic growth, and strengthening personnel training to ensure the sustainability of economic growth. The research aims to provide theoretical reference and practical guidance for enterprises to improve the level of business administration and promote high-quality economic growth.

## **1. Introduction**

Under the background of accelerating global economic integration, enterprises are facing increasingly fierce market competition and increasingly complex and changeable economic growth environment [1]. In this situation, the importance of enterprise business management is becoming more and more prominent. Business administration covers the overall planning of all aspects of enterprise operation, from strategy formulation to daily operation management, which is the key support for the steady development of enterprises [2]. Economic growth is a comprehensive concept, involving economic aggregate growth, economic structure optimization and social welfare improvement [3]. As the main body of market economy, enterprise's industrial and commercial management level is directly related to the quality and speed of economic growth.

Strengthening business administration plays an important role in promoting economic growth [4]. On the one hand, scientific and effective business management can help enterprises optimize resource allocation, and accurately invest limited resources in the most valuable business areas, thus improving the production efficiency and economic benefits of enterprises and injecting vitality into economic growth [5]. On the other hand, through reasonable industrial and commercial

management, enterprises can better adapt to market changes, constantly innovate and adjust their own development strategies, thus promoting the upgrading of industrial structure and enhancing the competitiveness of the entire economy.

However, at present, some enterprises still have some problems in the process of business management, such as lagging management concept, imperfect management model and shortage of management talents. These problems restrict the development of enterprises to a certain extent, and then have an adverse impact on economic growth [6]. Therefore, it is of great practical significance to explore the effective ways to strengthen business administration and promote economic growth. This article will discuss the above key words in detail, aiming at providing useful reference for improving the level of business administration and promoting high-quality economic growth.

## 2. Business administration and economic growth theory

Business administration theory is a comprehensive system, including strategic management, organizational behavior, marketing, financial management and other aspects [7]. The theory of economic growth mainly discusses the motive force, elements and structural transformation of economic growth. Classical economic growth theory emphasizes the role of capital accumulation and labor input in economic growth [8]. Neo-classical economic growth theory regards technological progress as an exogenous given factor and considers it as the key to long-term economic growth. Endogenous growth theory internalizes technological progress and emphasizes the importance of knowledge and human capital accumulation to sustained economic growth.

Business administration and economic growth are interdependent and mutually promoting. Through effective industrial and commercial management activities, enterprises rationally allocate resources, improve production efficiency, promote their own development and growth, and then promote the growth of economic aggregate. At the same time, enterprises continue to innovate in the process of business management, promote industrial upgrading, optimize economic structure and promote economic growth [9]. On the contrary, a good economic growth environment provides enterprises with broader market space, richer resources and more advanced technology, which is conducive to enterprises to carry out industrial and commercial management activities, improve management level and form a virtuous circle.

## 3. Strengthen the mechanism of business administration on economic growth

In the market economy environment, the scarcity of resources is a common problem faced by enterprises. Strengthening enterprise business management can help enterprises allocate human, material and financial resources accurately according to market demand and their own strategies. Through scientific cost accounting and benefit evaluation, enterprises can concentrate resources on core business and high value-added links, avoid resource waste and improve resource utilization efficiency. From the macro-economic perspective, the optimization of resource allocation of many enterprises can promote the improvement of the overall social and economic efficiency and promote economic growth.

Table 1: Comparison of Business Administration Investment and Competitiveness Enhancement in Beauty Industry Enterprises

Enterprise Name	Intensity of Business Administration Investment (Relative Value)	Number of New Products Launched Annually	Increase in Market Share (%)
Enterprise A	High	5-8 types	10-15
Enterprise B	Medium	3-5 types	5-10
Enterprise C	Low	1-3 types	1-5

Through the formulation and implementation of marketing strategy, enterprises can better meet the needs of consumers, establish brand image and expand market share. With the help of R&D investment and innovation management, enterprises can continuously introduce new products and technologies and increase the added value of products. Taking the beauty industry as an example (Table 1), after investigating some enterprises, it is found that enterprises that strengthen investment in business administration have significantly improved in product innovation and market share.

When the competitiveness of many enterprises is improved, it will promote the concentration of resources in the industry to advantageous enterprises and promote industrial integration and upgrading. Traditional industries develop in the direction of high-end and intelligence through technological innovation and management optimization, while emerging industries rise rapidly with innovative advantages, thus driving the optimization and upgrading of the entire industrial structure and injecting new impetus into economic growth.

Business administration of enterprises includes perfect rules and regulations and internal control system, which can standardize the operation behavior of enterprises. From the standardization of production process to the transparency of financial information, from paying taxes according to law to observing market competition rules, enterprises operate legally and in compliance with the constraints of industrial and commercial management. Enterprises that regulate their operations are not only more sustainable in their own development, but also create a level playing field for the market. Many enterprises follow the principle of standardized operation, and the whole market order can be maintained, which provides a solid guarantee for the stable development of the economy. The stability of market order further attracts investment, promotes economic prosperity and forms a virtuous circle.

#### 4. Current problems in business administration of enterprises restrict economic growth

##### 4.1. Lagging management ideas hinder the development of economic innovation

Table 2: Comparison of Innovation Investment and Performance Growth in Enterprises with Different Management Philosophies

Enterprise Type	Core characteristics of management concept	Average R&D Investment Ratio in Past 5 Years (%)	Number of Innovation Projects Annually	Number of Patent Applications Annually	Compound Annual Revenue Growth Rate in Past 5 Years (%)	Compound Annual Profit Growth Rate in Past 5 Years (%)	Change in Market Share (%)
Traditional Philosophy Enterprises	Focus on cost control and short-term profit, and be conservative about emerging business.	2-4	1-3	5-10	3-6	2-5	-2 to 2
Advanced Philosophy Enterprises	Focus on long-term strategic layout, actively embrace innovation and change, and pay attention to the development of emerging markets.	6-10	5-8	15-25	10-18	8-15	5 to 12

Some enterprises are bound by traditional management concepts, paying too much attention to

short-term interests and ignoring long-term strategic planning and innovation investment. This lagging concept makes enterprises slow to respond to the rapidly changing market environment and it is difficult to grasp the opportunities in emerging markets. According to the relevant survey (see Table 2), enterprises adhering to the traditional management concept have low innovation investment and slow performance growth. However, enterprises with advanced management concepts and focusing on innovation and long-term development have high innovation investment and remarkable performance growth. This difference reflects that the lag of management concept not only restricts the innovation and development of enterprises themselves, but also slows down the whole pace of economic innovation and development from a macro perspective, making economic growth lack of new growth points and vitality.

#### **4.2. Influence of imperfect management mode on coordinated economic growth**

Imperfect management mode can easily lead to poor communication and difficult cooperation among various departments within the enterprise, and reduce the operational efficiency of the enterprise. From the perspective of industrial chain, the imperfect enterprise management mode will hinder the coordinated development between upstream and downstream enterprises. Taking the automobile industry as an example, if the management mode of automobile manufacturing enterprises is extensive and can't cooperate with parts suppliers efficiently, the supply of parts may be delayed or the quality may be unstable, which may affect the production progress and quality of the whole vehicle. This kind of poor coordination among enterprises will affect the whole industrial ecology, restrict the development of industrial clusters, and then affect the process of coordinated development of regional economy and reduce the overall efficiency of economic growth.

#### **4.3. Management talent shortage constraints on sustainable economic growth**

Management talents are the key for enterprises to implement effective business management. But at present, many enterprises are facing the dilemma of lack of management talents. First, there are defects in the internal training system of enterprises, which can not quickly improve the professional quality of existing managers; Second, the introduction of external talents is narrow, and it is difficult to recruit high-end management talents. The shortage of management talents leads to the lack of professional support in strategic formulation and operational optimization. From the perspective of economic growth, a large number of enterprises are hindered by the shortage of management talents, which will weaken the motivation of sustained economic growth, hinder the optimization and transformation and upgrading of economic structure, and have an adverse impact on the sustainable and healthy development of the economy.

#### **5. Effective ways to strengthen business administration and promote economic growth**

Enterprises need to attach importance to innovation drive, integrate innovation into enterprise strategic planning, and increase innovation investment in research and development, management methods, etc., in order to open up new markets and create new demands. Enterprises should uphold the concept of openness, actively carry out foreign cooperation and strengthen collaborative innovation with upstream and downstream enterprises and scientific research institutions. By building an innovation ecosystem, enterprises can remain competitive in a rapidly changing economic environment. Enterprises should establish the concept of sustainable development, pay attention to the coordination and unity of enterprise development, environmental protection, and social responsibility, in order to win social recognition and long-term development advantages.

In terms of management mode, enterprises need to optimize internal management, build a

scientific and reasonable organizational structure, clarify the responsibilities and authorities of each department, and strengthen communication and cooperation between departments. In addition, enterprises should actively introduce modern management methods and technologies to promote the informatization and intelligence of the operation process, thereby improving management efficiency and scientific decision-making level. Taking supply chain management as an example (see Table 3), after the introduction of digital supply chain management system, the operating indicators such as enterprise inventory turnover rate and timely order delivery rate have been significantly improved.

Table 3: Comparison of Enterprise Operational Indicators before and After the Introduction of Digital Supply Chain Management

Indicator Name	Before Introduction	After Introduction	Improvement Rate
Inventory Turnover Rate (Times/Year)	3	5	66.7%
On-time Delivery Rate of Orders (%)	70	90	20%
Proportion of Supply Chain Cost in Revenue (%)	15	10	-33.3%
On-time Delivery Rate of Suppliers (%)	75	92	16%
Out-of-Stock Rate (%)	8	3	-62.5%

Externally, enterprises should strengthen cooperation with upstream and downstream enterprises in the industrial chain to jointly create a coordinated industrial ecology. By establishing strategic alliances and sharing information, we can share resources and complement each other, promote the overall upgrading of the industrial chain and enhance the coordination and stability of economic growth.

Enterprises should attach importance to the construction of management talent team and improve the mechanism of talent training and introduction. A systematic training plan should be developed within the enterprise to provide professional skills and leadership training for management personnel at all levels, in order to enhance the overall quality of the existing team. At the same time, enterprises need to optimize their talent introduction strategies by providing competitive compensation and a good career development platform to attract outstanding management talents from both domestic and foreign sources. Enterprises should strengthen cooperation with universities and training institutions, establish talent training bases, and provide professional management talents for enterprises. By building a team of high-quality management talents, we can provide intellectual support for the development of enterprises, and then ensure the sustainability and vitality of economic growth.

## 6. Conclusions

In this article, the effective path of strengthening enterprise business administration to promote economic growth is deeply explored, and the following conclusions are drawn: enterprise business administration and economic growth are closely linked and complement each other. Strengthening enterprise management has a significant promoting effect on economic growth. This measure can effectively optimize resource allocation and improve economic efficiency, while also helping to enhance the core competitiveness of enterprises and promote the optimization and upgrading of industrial structure. In addition, standardized enterprise management can maintain market order stability and create a favorable environment for sustained and healthy economic development. However, the current problems in business administration of enterprises restrict economic growth. The lag of management concept hinders the development of economic innovation, makes enterprises miss opportunities in emerging markets and slows down the pace of economic innovation; Imperfect management mode affects the coordinated development of economy, leading to poor coordination within enterprises and industrial chains and reducing the overall efficiency of the economy; The shortage of management talents restricts the sustained economic growth,

weakens the development momentum of enterprises and hinders the optimization and upgrading of economic structure.

In order to promote economic growth, it is necessary to strengthen enterprise business management. Enterprises can adapt to the new trend of economic growth by updating management concepts and establishing the concepts of innovation, openness and sustainable development. Perfecting management mode, improving internal management efficiency by digital means and strengthening industrial chain coordination can enhance the coordination of enterprise economic growth. Strengthening personnel training, perfecting internal training and external introduction mechanism, and building a team of high-quality management talents can ensure the sustainability of economic growth.

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