



Global Companies Take Technological Innovation and Industrialization as their Core Competitiveness

Dr. Ajay Krishna Tiwari¹

¹Academician, Economist and Ph.D. Guide.

Abstract

The observation of multinational companies in this research article reflects that global companies take technological innovation and industrialization as their core competitiveness, rely on strong metallurgical manufacturing capabilities, and undertake engineering contracts, A large enterprise group with multi-specialty, cross-industry and transnational operations in resource development, equipment manufacturing, and real estate development as its core business. The company is one of the largest engineering contracting companies in the world. In terms of revenue for 2008, the company is included in the "Fortune" World 500. In 2008, it was selected as one of the "Top 500 Chinese Enterprises" by the China Enterprise Confederation and the China Entrepreneur Association, based on income in 2007. The same year, "225 global companies" published by "Engineering News-Record", based on the calculation of project contracting business revenue in 2007 Ranked 12th among the world's largest contractors.

Keywords: Global companies, technological innovation, industrialization, manufacturing, Chinese Enterprises.

Introduction

Planning, design, or construction of main production facilities of national large and medium-sized iron and steel complexes. At the same time, the company's non-ferrous metallurgical engineering company in China is the metallurgical engineering contractor with the longest operating history in China, and also the metallurgical engineering company with the strongest professional design and manufacturing capabilities in China. Engineering Contractor. The company is a leading force in the manufacturing sector of China's metallurgical industry. It has participated in almost all of China The region also occupies a leading position, owning one of the largest non-ferrous metal metallurgical design institutes in China - China Nonferrous Engineering Co., Ltd. Many large and medium-sized non-ferrous metal processing enterprises in China provide planning, design, construction, and other services. Furthermore, through the field of metallurgical engineering with many years of

manufacturing experience, the company has accumulated core technical advantages and strong design and manufacturing capabilities in all aspects of metallurgical engineering, making it The Company has also been able to develop housing construction, transportation infrastructure, and other non-metallurgical engineering contracting businesses.

Actively Expanding Business Areas

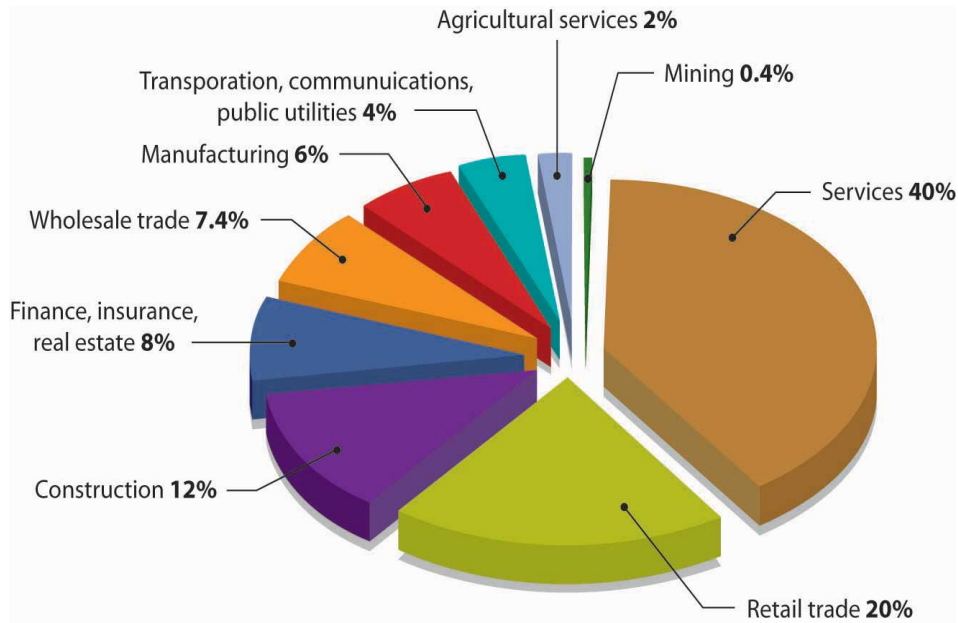
The Company also takes advantage of its own technical advantages and capital resources, while continuing to consolidate and strengthen the development of the traditional engineering contract business the advantages and the advantages of scale actively expand business areas. Till now, we have successfully carried out resource development, equipment manufacturing, and real estate development Growth and other businesses, such as business development, have established a business segment layout that is complementary and has significant synergies. Especially:

- The Company is one of the largest Chinese companies engaged in the development of overseas resources and owns the mining rights and interests in several resource development projects.
- To develop iron ore, copper, nickel, and other metal mineral resources. Does the company have the capability to smelt and process Zinc, Lead, and Copper. ? In addition, the company is also engaged in the production of polysilicon.
- The company is one of the large-scale metallurgical equipment manufacturers in China, capable of producing core metallurgical equipment with independent intellectual property rights and a full set of equipment.
- Does the company apart from providing products and services to the engineering contract business meet the needs of the engineering contract business?

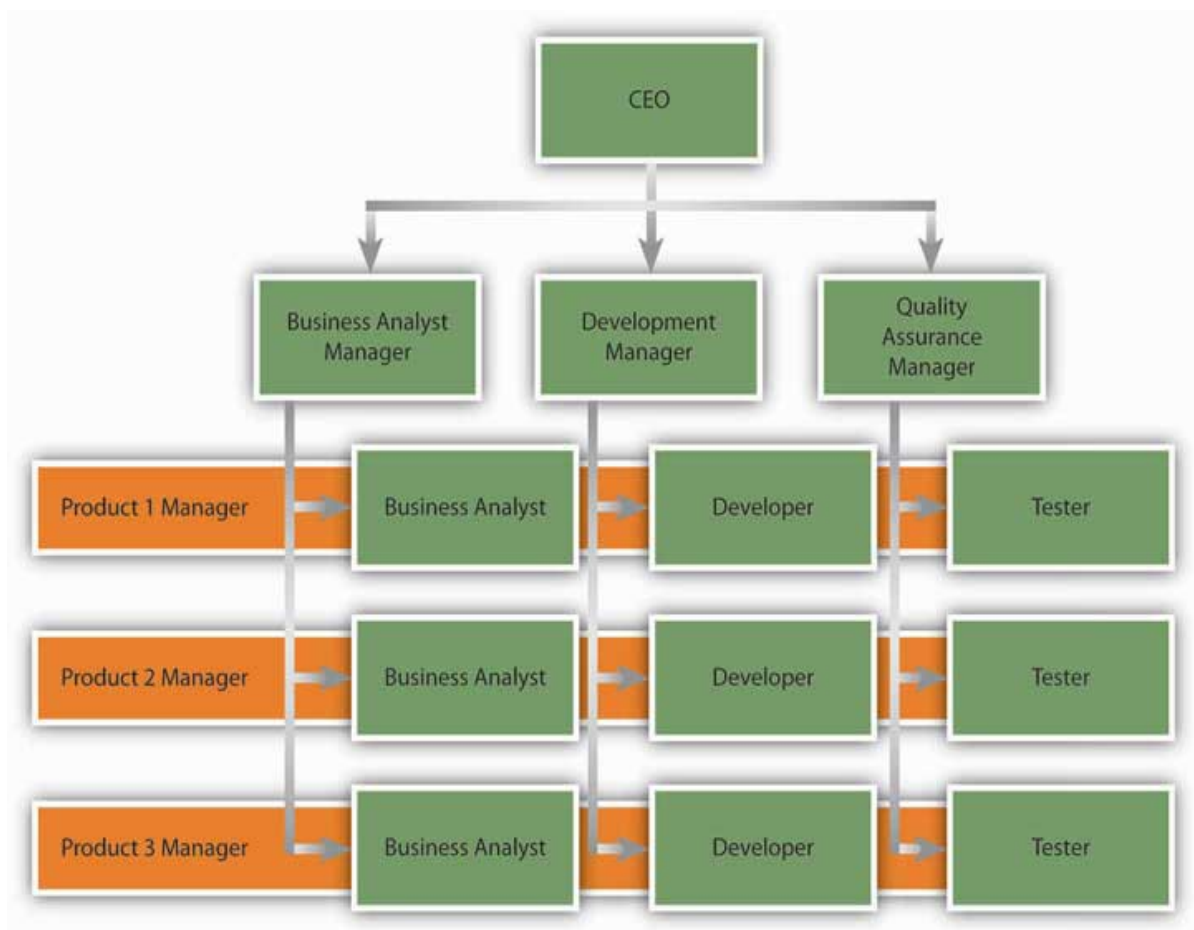
The company also supplies related equipment and components directly to major Chinese large and medium-sized iron and steel complexes, including Boater and Ambient Iron and Steel. Meanwhile, according to information from the China Steel Structure Association, the company is China's largest steel structure manufacturer based on total output in 2008. Manufacturer, in China's leading position in the research and development, design, manufacture, and installation of steel structures, the company has a considerable manufacturing and installation technology that has reached the international level.

The Company's Real Estate Development Business

The Company is one of the central enterprises approved by the State-owned Assets Supervision and Administration Commission to focus on real estate development. The business scope of the company's real estate development business covers Beijing, Shanghai, Tianjin, Chongqing, Nanjing, etc. The company's real estate development brand "China "Yeah Real Estate" has enjoyed a good reputation and high popularity. The company is also engaged in certain other businesses, which mainly include import camp; export, and consultancy services.



As a super-large enterprise with multinational operations, the company has actively expanded its overseas business since the early 1980s. Especially after China's entry into the World Trade Organization, the company has accelerated the pace of expansion of overseas engineering contract business and resource development business. Yet to So far, the company has operated these businesses in many countries and regions around the world.



The four main businesses of the company are as follows:

Contractor

Engineering contracting is the traditional and core business of the company, and it is also the business with the highest revenue among the various business segments of the company. According to Engineering News-Record, the company is the world's largest metallurgical engineering contractor based on 2007 revenue. Ben Gong the Company has 3 geological survey institutes, 9 metallurgical engineering design institutes, and 13 metallurgical engineering construction enterprises. The company owns Metallurgical Metal Engineering's industry-leading survey, consulting, design, and construction capabilities and can provide survey, consulting, design, and construction services for the "full life cycle" of steel complexes. Consulting, design, manufacturing, technical transformation, maintenance and inspection, and other comprehensive services Apart from metallurgical engineering, the company is also engaged in housing construction, transport infrastructure, and projects related to mining, environmental protection, power, and the chemical industry. Providing scientific research, planning, surveying, consulting, design, procurement, construction, and other engineering contract services in various industries such as lighting and electronics, engineering contract services such as installation, maintenance inspection, supervision, and related technical services.



Company's Engineering Contract Business

Mainly adopts EPC general contract mode, and also adopts engineering-procurement contract, engineering-manufacture contract, purchase-build contract, project management contract, and other methods. In addition, the company has and will continue to use the company in the project contract Use BT, BOT, and other project operation modes to improve the capital operation capabilities accumulated in the business, project contract operation efficiency, and business performance now. While consolidating and developing domestic business, the company is also actively expanding overseas business. According to data from the Ministry of Commerce, the company is one of the largest foreign engineering contractors in China, calculated according to the newly signed contract value and completed projects income of foreign engineering contract business of Chinese enterprises, The Company was

ranked 14th and 21st respectively in 2008. The company has shipped to India, Japan, Brazil, South Africa, Australia, Singapore China and Canada, and many other countries and regions that provide engineering contract services. As of June 30, 2009, projects initiated or participated in by the company have won 42 Laban Awards, 34 National Quality Engineering Awards; the 2nd China Than Binaries Civil Engineering Prize; 110 National Excellent Engineering Design Awards; 20 National Excellence Engineering Survey Awards, and 34 National Awards Business.



Science and Technology Progress Awards

From 2006 to 2008, the company won 196 provincial and ministerial scientific and technological progress awards, and 18 national-level industrial and 88 provincial construction statutes; Edited or participated in the compilation of 327 National Technical Guidelines. For the year ended December 31, 2008, the segment revenue and segment performance of the company's engineering contract business reached RMB 128.041 billion and RMB 5.511 billion, respectively, accounting for 80.1% of the company's total revenue before deducting inter-segment eliminations and the company's total revenue 83.5% of net operating profit before eliminations and unallocated costs. For the six months that ended June 30, 2009, the Company Segment revenue and segment performance of the project contracting business were RMB 65.475 billion and RMB 3.398 billion, respectively.



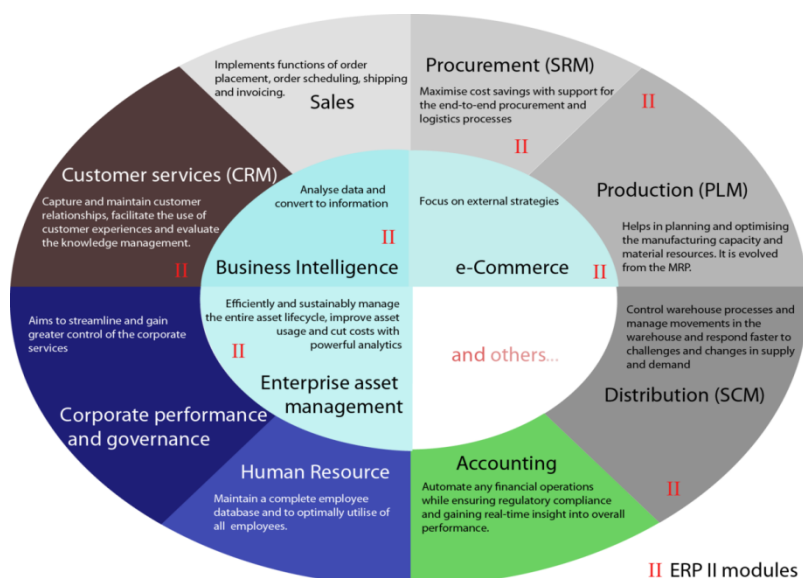
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86.4% of total revenue before less inter-segment eliminations and 86.4% of the Company's total operating profit before less inter-segment eliminations and unallocated costs 80.4%. Unfinished project contract business of the Company as on December 31, 2006, 2007, 2008, and June 30, 2009, the contract amounts were RMB 82.923 billion, RMB 148.222 billion, RMB 170.060 billion, and RMB 180.188 billion. Yuan. For the years ended 31st December 2006, 2007, and 2008 and the six months ended 30th June 2009, the Company The total amount of newly signed contracts for the project contracting business were RMB 97.518 billion, RMB 181.898 billion, RMB 172.348 billion, and RMB 172.348 billion, respectively. RMB 79.736 billion.

Resource Development

The Company's resource development business includes the development, mining, and processing of mineral resources, as well as the production of polysilicon. The company follows" The business situation is mainly based on metal mineral products, mainly on domestic scarce resources and mainly on the development of overseas resources. The company is one of the largest Chinese enterprises engaged in the development of overseas resources. As the Chinese government encourages big Chinese companies to "go global" Under the policy background, the company has made investments in countries and regions such as Afghanistan, Pakistan, Papua New Guinea, Australia, and Argentina Mining and processing of metal resources.

As of the latest practicable date, the company holds mining rights for several overseas resource development projects. Develop various metal mineral resources such as iron, copper, nickel, zinc, lead, cobalt, and gold for profit. In addition to foreign trade, the company also develops resources in China, iron, and lead, has the ability to smelt and process zinc, vanadium, and zinc, lead, and copper. In addition, the company is also engaged in the production of polysilicon. The Company's resource development business adopts various investment or operating models, including the acquisition of prospecting rights and direct.



Foreign Mining Companies

Foreign mining companies enter into leasing arrangements (alone or in association with business partners). For the year ended December 31, 2008, the segment revenue and segment performance of the company's resource development business reached RMB 95.38 billion and RMB 240 million, accounting for 6.0% of the company's total revenue before deducting inter-segment deletions and accounting for the company's total revenue before deducting inter-segment deletions 3.6% of gross operating profit before amortization and unallocated costs. For the six months ended June 30, 2009, the Company's Resource Development Industries Segment revenue and segment performance of business reached 3.061 billion RMB and 236 million RMB, respectively. 4.0% of total revenue before sales and 5.6% of company net operating profit before deducting segment deletions and unallocated costs.



Business Equipment Manufacturing

The company's equipment manufacturing business mainly includes R&D and manufacturing of metallurgical equipment, steel structure, and other metal products. Involved in business sector Research and development, design, manufacture, installation, commissioning, and overhaul of these products and certain related services. The equipment manufacturing business is metallurgical engineering the expansion of the advantages of state-of-the-art technology and manufacturing technology also reflects the achievements of the company's core technology industrialization. Through years of experience in contract metallurgical engineering, the company has developed a number of metallurgical engineering technologies and has been able to produce Core metallurgical equipment, including the rolling mill, pickling and continuous rolling mill, large electric furnaces, large round billet continuous casting machines, strip steel processing line equipment and auxiliary equipment. It is the main force in the localization of metallurgical equipment in China. Customers of the company's equipment manufacturing business In addition to providing products and services to meet the needs of the engineering contract business, a wide range is also provided directly to major companies including Boatel, Ambien Steel, etc.



Structural Manufacturing Enterprises

Structural manufacturing enterprise. In 2008, the company's steel structure output reached nearly 2 million tons, according to the nation about 10% of the total production of steel structures. Since most of the company's steel structure products are provided directly to the company's engineering contract projects, Therefore, the portion of the income from the construction of steel structures is included in the engineering contracting business income of the company. For the year ended December 31, 2008, the segment revenue and segment performance of the company's equipment manufacturing business reached RMB 156.49 billion and RMB 562 million, accounting for 9.8% of the company's total revenue before deducting inter-segment deletions and accounting for the company's total revenue before deducting inter-segment deletions 8.5% of gross operating profit before amortization and unallocated costs. For the six months that ended June 30, 2009, the Company's equipment manufacturing



Real estate Development

The Company's real estate development business consists primarily of the development and sale of residential and commercial real estate and prime land development. This business segment's growth reflects the company's wide industrial range and strong capital operations capabilities. Leveraging strong technology in contract engineering with great potential for synergy with the strength and a diverse business sector, the company has recently coined "Urban Development" for the real estate development business. Business model. According to this model, the company uses its own real estate development business platform (such as MCC Real Estate Co., Ltd.). Establish strategic partnerships with local governments at all levels in China, thereby increasing the company's opportunities to participate in comprehensive urban development, including planning, Demolition, earthworks, infrastructure construction, and utility works. In addition to primary land development, the company has also participated in a range of real estate Property development and construction projects, including the development of affordable housing, commodity residential properties and commercial properties as part of the Company's urban development business a part of.



Competitive Advantage

The company is one of the world's largest engineering contract companies with the largest market share in China, the longest history of professional operation, and professional design capabilities. The most powerful metallurgical engineering contractor occupies a leading position in China's steel and non-ferrous metallurgical engineering construction; at the same

time, the company is also China's largest overseas metallurgical engineering contractor, with strong competitiveness and huge development potential in the field of global engineering contracting. The company is a large engineering contracting company.

In 2007 and 2008, according to the engineering contracting industry in 2006 and 2007 In terms of business income, the company ranks 18th and 12th among the "World's 225 Largest Contractors" published by "Engineering News-Record"; Among the "Top 500 Chinese Enterprises" selected by the China Enterprise Confederation and the China Enterprise Directors Association, based on revenue in 2006 and 2007. 34th and 32nd respectively. In terms of 2008 revenue, the company ranks among the "Fortune Global 500".



Conclusion

The above business is carried out around the core technical strength of metallurgical engineering contract with design and manufacture capability-based, and gradually expand related business areas, enhance synergies, enhance the Company's core competitiveness, and improve the Company's ability to respond to regulations, economic and industry risks Capacity. In addition to the above four core businesses of Project Contracting, Resource Development, Equipment Manufacturing, and Real Estate Development, the company is also engaged in several other businesses mainly including import and export trade and consultancy services.

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