

# **An introduction of the large-size Chinese state-owned industrial enterprise —The study of Jihua (Jiling Chemical Corp.) group—**

Yang Qiuli

This research is a case study about the reform of Chinese state-owned large size industrial enterprises and has analyzed the issues of an organization reform and an employment reform of the case of Jihua (Jiling Chemical Corp.) group. The study has reviewed the reform through three terms which are the socialism economic term (1949-1978), the early time of Chinese economic system reform term (1978-1991), and the introduction of socialism market economy term (since 1992).

There are five chapters, these include the chapters of: (Chapter 1)the changes of the large-size Chinese state-owned industrial enterprise, (Chapter 2)the progress of the large-size Chinese state-owned industrial enterprise reform and the formation of the company organization, (Chapter 3)the conditions of the employment system before 1988 at the large-size Chinese state-owned industrial enterprise, (Chapter 4)the conditions of the employment system after 1990 at the large-size Chinese state-owned industrial enterprise, and (Chapter 5)the conditions of the housing system at the large-size Chinese state-owned industrial enterprise.

During the organization reform, by 1992 Jihua (Jiling Chemical Corp.) group had changed the company from the state-owned and national corporation to the state-owned and private corporation. Additionally, this research has discovered that a new management structure was formed at this company, where the characteristic of big shareholder control and insider control is more clearly found. By showing the character of the differences between a centralized organization and a decentralized organization, this research has found that the corporation of large-size Chinese state-owned industrial enterprises is still at the transitional period.

About the employment reform, this research has reassessed the permanent employment system, the conditions of a dismissal, and the unemployment after 1993. The classification system of staff and workers was abolished in 1993, thus indicating that the positions of staff are not guaranteed forever. Also, the wage structure was changed to include incentives.

About the welfare system reform, in this research the health care system reform and the houses system reform of Jihua (Jiling Chemical Corp.) group was reviewed. It was found that the welfare security of pension, the insurances of health care, industrial injuries, unemployment, and child care had moved to the social security system, though this move was still in the progress.