

# Research on the Harmonious Development of China's Old-age Care Institutions

Jing Li

College of Humanities and Social Sciences, Heilongjiang Bayi Agricultural University, Daqing 163319, China.

**Abstract:** *With the development of socialization, old-age care institutions have been paid attention to in the old-age security system. After the occurrence of the "Black Heart Retirement Home" incident, we have to consider the imbalances in the development of old-age care institutions. Analysis of the current imbalance and its causes, hoping to find a solution to the problem of imbalance, to effectively prevent the occurrence of similar incidents, and solve the worry of the elderly.*

**Keywords:** Old-age care institutions, imbalanced, harmonious development.

## 1. INTRODUCTION

There are three main types of supporting model in China, namely family support, community support and institutional support. The main difference lies in the different subjects providing economic support, life care and spiritual comfort for the elderly: the provider of the family support model is mainly children, but with the improvement of the level of socialization, the function of family support for old-age care has begun to weaken. The provider of the community support model is the main body of the family and the community, allowing the elderly to live in the family. The main task of the community is to provide care and various services beyond the reach of the family. Although scholars have reached consensus on the various advantages of community support model, the current level of community service in China is still very low, and it can not play the expected endowment security function. There are mainly two types of institutional old-age providers: public and private. With the improvement of socialization, the development of family structure miniaturization and core, the acceleration of work rhythm and the widespread employment of women, institutional support with the unique advantage occupies an irreplaceable position in the old-age care model, but the survey shows that the imbalance in the development of old-age care institutions in China is serious. How to achieve the harmonious development of old-age care institutions will be the central issue discussed below.

## 2. INSTITUTIONAL SUPPORT AND OLD-AGE CARE INSTITUTIONS

### 2.1 Conceptual Analysis

Institutional support refers to the use of social institutions as an old-age care place, relying on poverty funding, family support or elderly self-sufficiency to obtain an economic source, and the old-age care institutions provide unified or paid life care and spiritual comfort for the elderly to protect the elderly living comfortably in old age. The old-age care institution is the core of the institutional support model, the main body that makes the institutional support model run, and the service provider. It determines the service quality of the institutional support model. Therefore, we focus on old-age care institutions for analysis.

### 2.2 Types of Old-age Care Institutions

Old-age care institutions refer to carrier for institutional support, such as senior apartments, nursing homes and other institutions, whose function is to provide professional care and services for the elderly. At present, there are several views on the division of the types of old- age care institutions:

First, according to the nature of ownership, old-age care institutions are divided into public institutions (that is, old-age care institutions organized by the government or collective economy financing, with certain welfare) and private institutions (that is, old-age care institutions funded by private or social groups, Profitable).

Second, it is divided according to the different functions of old-age care institutions. In the United States, it is

divided into technical nursing care-type elderly institutions, intermediate nursing care-type elderly institutions, and general care-type elderly institutions according to their different functions; in Hong Kong, they are divided into high-care nursing homes, moderate nursing homes and low-level care of the elderly.

Third, according to the sponsors, there are three main types of old-age care institutions: old-age care institutions run by the government, old-age care institutions run by individuals, and old-age care institutions run by enterprises and social groups.

In addition to the above three methods for dividing the old-age care institutions, there are also various methods for the old-age care institutions that are divided according to different charging standards, and the old-age care institutions that are divided according to the specificity of the provided objects.

### **3. THE PERFORMANCE OF IMBALANCED DEVELOPMENT OF OLD-AGE CARE INSTITUTIONS**

The term "imbalance" comes from the field of physics and was later introduced into the field of social sciences. Often used to describe the state of a pair of variables that should have failed to coordinate development[1]. The imbalance in the development of old-age care institutions in this paper refers to the fact that the development of old-age care institutions is relatively lagging compared to the increasing investment in institutional support by the state and society. Specifically, the continuous growth of the total economic volume and the continuous increase of government investment failed to improve the status of old-age care institutions. The internal structure is imbalanced and the service levels are uneven. There has also been a contradiction between the high rate of empty beds in old-age care institutions and the increasing demand for old-age care institutions.

#### **3.1 The Proportion of Different Types of Old-age Care Institutions is out of Balance**

We have made a basic introduction to the types of old-age care institutions. People's demand for different types of old-age care institutions mainly depends on two variables: economic level and service level. From an economic perspective, China's senior care institutions should be divided into three grades: high, medium, and low. High-end care institutions are mainly provided for the elderly with higher economic strength. Usually, the occupations of these elderly are government officials, intellectuals, business elites, etc., have the characteristics of high educational level or strong economic strength; low-grade care institutions are mainly provided for the elderly with poor economic conditions, this part of the elderly usually have low personal income, or even no income; relative to the needs of these two types of old-age care institutions, the demand for mid-range care institutions is the largest. Although the service level and environmental facilities of mid-range old-age care institutions are lower than the standards of high-end old-age care institutions, their "threshold" for entry is also lower than that of high-end old-age care institutions. The economic affordability of most middle-income seniors. In addition, the quality of services is also directly proportional to the level of fees charged by old-age care institutions. The high-quality charges are also high. The common people can only "look at the door". The quality of low fee is also low. This kind of nursing home does not usually "nursing" but "abuse". People do not dare to go, so there has been a contradiction between the high rate of empty beds in old-age care institutions and the increasing demand for old-age care institutions.

#### **3.2 Disparity in Service Quality of Different Types of Old-age Care Institutions**

According to the norms, the average usable area of indoor beds for seniors in elderly care institutions should not be less than 6 square meters, and the area for single-use room should not be less than 10 square meters; on average, 7 self-care elders must have 1 nurse and 1 nurse take care of up to 3 elderly who cannot take care of themselves. In the high-end old-age care institutions, the area of the elderly room far exceeds the regulations. One elderly can be equipped with one or even a few caregivers. The living facilities, internal medical institutions and modern security system are all available. , 24 hours a day service. In a 10 square meter room in a low-end nursing facility, three beds are arranged, and a caregiver has to care for more than 20 elderly people. Such a proportional configuration cannot even allow the elderly to eat on time.

#### **3.3 The Functional Positioning of Different Types of Old-age Care Institutions Is Chaotic**

Overseas and Hong Kong and other places where social old-age care institutions are developed have functional

classification of old-age care institutions, which not only facilitates the government to effectively manage old-age care institutions according to law, but also enables limited social resources to play a more professional role in old-age care institutions with different functions effectively meet the interests of people with different needs.

Judging from the current functions of the elderly care institutions in China, only the elderly care hospitals under the supervision of the health department and the elderly apartments under the supervision of the civil affairs department have a clear distinction in the degree of care for the elderly. Ordinary social-run nursing homes are not functionally oriented, and the adopted elderly include those who can take care of themselves in basic life, long-term bedridden and even need "end-of-life care". These old-age care institutions are only divided into specialized care, first-level care, second-level care, third-level care, etc. within the institution according to the different levels of care needed by the adopted elderly. The zone management is implemented. There are no old-age care institutions dedicated to primary care [2]. This large and comprehensive, small and comprehensive pattern to staffing has greatly delayed the professional development of the functions of old-age care institutions, while also wasting a lot of limited social resources.

### **3.4 The Development Concepts of Different Types of Old-age Care Institutions Are Contradictory**

The development concepts of different types of old-age care institutions in China are very different. For profitable old-age care institutions, how to reduce costs and earn maximum profits is their biggest development goal. Under the guidance of this goal, more and more "Black Heart Nursing Home" appeared with low service level and terrible environment; for public old-age care institutions, the environment, systems and management can basically guarantee to operate according to the norms, but because they are public institutions, they do not have to worry about market competition. The "Executive-led" management model is more common, will obey the requirements of superiors absolutely, ignore the needs of the elderly, and is mostly in the "situation" development trend; there are a few old-age care institutions that can boldly innovate, introduce professional ideas such as social work, and are equipped with professionals with certificates to achieve the international and sustainable development of old-age care institutions.

## **4. ANALYSIS OF THE CAUSES OF UNBALANCED DEVELOPMENT OF OLD-AGE CARE INSTITUTIONS**

### **4.1 Reasons for the Political Environment**

The old-age care institutions have always appeared as a welfare undertaking, and the state is the investor, sponsor and the ultimate bearer of the old-age care institutions. In the formulation of management systems, the establishment of nursing homes, the allocation of personnel and facilities, and the supervision of quality, they are both the executors of policies and the supervisors of policies, and problems of division of responsibilities and unfavorable supervision are bound to appear. At present, although the state encourages individuals, enterprises and social groups to build old-age care institutions, the purpose is to provide elderly with more levels, better services, and a higher level of old-age care service system. However, in the face of an open market, we need to carefully consider the issues of turning social welfare into market operations, which needs to be liberalized, which needs to be managed, and what role the government should play in the old-age care market. However, China's experience in this area is still insufficient, and there are still many imperfections. These problems will have a direct impact on the service content and quality of old-age care institutions.

### **4.2 Reasons for the Economic Environment**

From the perspective of the whole economic environment, the imbalanced regional economic development and the dual urban-rural economic structure have determined that China's old-age care institutions are also showing an unbalanced development trend. The economic foundation determines the superstructure, and the old-age care institutions in the economically developed areas are at a high level in terms of hardware configuration, staff quality, and medical equipment and materials. For example, the room and living facilities of a nursing home in Beijing are equipped according to the standards of a three-star hotel. The waiters who provide daily care for the elderly are all certified to work and have obtained the relevant qualification certificates for elderly care. In economically underdeveloped areas, where the living environment is terrible (usually dozens of people are crowded into a house), the quality of caregivers is relatively low, and the hygienic conditions are also very unqualified, in order to attract the elderly of poor economic conditions at low prices.

### 4.3 Reasons for the Legal Environment

Our country's regulations on nursing homes have been issued relatively late. Only after 1998 did the ministry of civil affairs issue some more specific regulations, such as the building standards for the elderly housing, some of which are temporary. It is a long process to explore how to establish the legal regulations on nursing homes in both market and supervision as soon as possible. Under the tide of digital economy, great changes have taken place in the survival and development of enterprises. In addition to alleviating information asymmetry, increasing the attention of analysts, and reducing earnings management, the operation of digitally empowered enterprises can also improve the transparency of enterprise information, optimize the internal governance environment, etc., and then leave an impact on the synchronization of enterprise stock prices.

### 4.4 Reasons for the Development Concept

The development process of China's old-age care institutions lacks a clear and systematic development concept. Old-age care institutions only pay attention to their own local interests. As long as there are no serious conflicts and problems, the work will be effective. Each institution does its own thing. Generally, there is no systematic and unified development concept, resulting in the repeated construction of the same type of old-age care institutions. The level of old-age care institutions at different levels is broken, which is too good for luxury and bad for terrible. Ignored by the middle-level old-age care institutions that are generally needed by the elderly.

### 4.5 Reasons for the Management System

"Black Heart Nursing Home Abuses the Elderly, Feeding the Elderly with Bread Which Is Soaked by Brush Pan Water", the report has aroused great concern in society. Why these nursing homes that are operated without a license are not banned, but on the contrary, they have a growing trend (Changchun currently has nearly one hundred). The reasons for the management system reflected here deserve our profound consideration. From the point of view of the management mechanism, the people in charge of elderly affairs in the district committee of the region generally inspect the private nursing homes in the district. If the nursing home does not meet the standard, they will deliver a rectification notice. If it fails again, they will deliver a banning notice. The banning notice is delivered every year, and the "Black Heart" nursing home exists every year. The "Black Heart" nursing home mentioned above has existed for 10 years when it forced to be closed.

All management departments are doing their own thing, and management is not in place. The civil affairs department said that they did not issue a certificate to them, and they all operated without a license, so when the certificate was issued, they were refused, that is, the management of the civil affairs department was completed. The fire department said that their fire protection did not meet the standards and did not give them a certificate of fire protection. Then the management of the fire department was also accomplished. Then the health department said they were not hygienic and we did not give him a sanitation permit. Their management is "I didn't issue you a certificate". As for other aspects, I do not control it. This "method of sweeping the snow in the door" finally made the undocumented black heart nursing home safe for 10 years.

The management method is simple and rude. After the incident of the Black Heart Nursing Home came out, the media began to report, and the leaders began to sign, saying that they should pay attention to it, and all the eight institutions were shut down. What are the consequences of turning off? The consequence is that the old people in the closed nursing homes have nowhere to go. Arranging these old people's places to ensure the quality of elderly care services and allowing them to successfully pass such a period of governance is our fundamental purpose.

## 5. COUNTEA

First, improve the formulation of norms and standards for old-age care institutions as soon as possible. It includes the technical standards of nursing staff in old-age care institutions, the rating system of old-age care institutions, charging management standards, the work standards of various positions in old-age care institutions, the elderly health rating system and the evaluation standards of nursing staff. At this time, you can adopt the introduction of international quality system certification standards to conduct quality certification for existing old-age care institutions, to help old-age care institutions develop in the direction of internationalization.

Second, change the direction of government investment. The nursing home should be a public welfare product in

terms of the services it provides, or more accurately a product with certain social benefits. It is not enough to rely on the market for such a welfare product, as commentator Deming Huo stated in "Today in the Observation, the government should play the role of providing the most basic products in the provision of nursing home services, rather than providing the most luxurious nursing homes, because this part can be solved by the market.

The government should invest limited resources in the construction of the most basic nursing home products to ensure that all incapable elderly people can live in nursing homes. The high-level old-age care needs of the elderly who have stronger economic strength can be handed over to the market, which can not only solve the old-age problem of poor old people, but also use limited resources to those who need it most. It can play the role of the buyer's market to supervise the standard operation of the nursing home market.

Third, establish a systematic supervision and management system that combine government and society. Because the community grasps the situation of old-age care institutions, in the future it should be changed that old-age care institutions apply to the community, and be reviewed by the street office, and then submitted to the district civil affairs department for approval. The civil affairs department cooperates with the health, fire prevention, industry and commerce departments to find problems, report them in time, and deal with them in a timely manner; at the same time, the grassroots community should be delegated certain law enforcement rights, and the community's grassroots organizations should be fully used to solve the problem in the bud, and the public should be mobilized to supervise.

Fourth, introduce professional ideas and techniques from social work. One of the basic concepts of social work is "client-oriented", which we should call "service-oriented" here, that is to improve the survival status of the client, meet the real needs of the client, and help the client with a new perspective to solve their own problems and confusion is the main focus of the institutions. For example, we can introduce the concept and methods of group social work for newly-elderly people's adaptability to old-age care institution's life and interpersonal relationships. Using mutual motivation of the elderly and the guidance of the staff, the adaptive and developmental training and assistance for the newly admitted elderly will be able to help the elderly to successfully pass the adaptation period [3].

## 6. CONCLUSION AND ENLIGHTENMENT

Selecting Chinese A-share listed companies from 2011 to 2019 as research samples, this paper empirically tests the impact of the digital economy on stock price synchronization and the intermediary and adjustment mechanism of the digital economy inhibiting stock price synchronization. It is found that the development of the digital economy has a significant inhibitory effect on the synchronization of enterprise stock prices. The mediation effect test shows that the digital economy reduces stock price synchronization by inhibiting real earnings management. According to further research, compared with state-owned enterprises, the digital economy in non-state-owned enterprises has more significant synchronization with the stock price of enterprises. In addition, this paper uses variable substitution, instrumental variable test, sample reduction, one-time lag, and other robustness tests, and the research conclusions remain stable. The research conclusions have important enlightenment to listed companies, regulatory authorities, and investors. Based on the research conclusions, the following enlightenment is drawn.

First of all, for companies, especially non-state-owned enterprises, the digital economy can greatly alleviate the financial pressure and financing binding force faced by enterprises. Companies can conform to the trend of the times, strengthen and improve relevant supporting mechanisms, and join the wave of digital transformation. Meanwhile, apart from digging deep into the internal and external data of enterprises, they can make use of digital technology to disclose information of enterprise characteristics more conveniently, innovate financing methods, reduce the information asymmetry of enterprises, and the synchronization of stock prices to stabilize stock prices. There is no doubt that enterprises should recognize their current situation and the risks of the digital economy, and rationally leverage this technology for financing to achieve their strategic goals. Secondly, for regulators, it is necessary to further promote the development of the digital economy, innovate the supervision mode, help enterprises improve information transparency, and reduce the observation cost of investors, so as to provide a strong guarantee for the orderly and stable development of the market. At the same time, it is necessary to carry out stricter supervision for enterprises of different natures. For example, for state-owned enterprises, the digital economy does not play its due governance role, so it is necessary for regulators to add additional supervision means or improve the quality of external governance. Finally, for investors, it is necessary to

conform to the development trend of digital economy and use digital technology to obtain more relevant characteristic information about enterprises. It is conducive to enhancing the accuracy and validity of investment evidence and fully preparing for investment decisions.

## ACKNOWLEDGEMENT

Daqing City Philosophy and Social Sciences Planning Research Project "Study on the Service Quality Measurement Model of the Elderly Care Institutions Based on SERVQUAL Model" Periodic Results, Project Number: DSGB2015090

## REFERENCES

- [1] Wei Lv, Weitong Wang: Development imbalances, public services and government responsibilities, *Social Sciences in China*, Vol.29(2008)No.4,p.55.
- [2] Shixun Gui: Reasonably adjust the functional institutions of old-age care institutions, *Journal of East China Normal University (Humanities and Social Sciences)*, Vol.49(2001)No.4,p.98.
- [3] Xiping Lv: The Demand of the Elderly in Nursing Homes and the Specialization of Nursing Agencies: A Case Study of a Nursing Home in Beijing, *Population & Economics*, Vol.25(2004) No.1,p.68.
- [4] Wen, H., Ken C. H., Gao, J. J. & Li, Y. (2022). The fundamental effects of ESG disclosure quality in boosting the growth of ESG investing. *Journal of International Financial, Markets, Institutions and Money*. 81, 101655, ISSN 1042-4431.
- [5] Lai, X. B. & Zhang, F. (2022). Can ESG certification help company get out of over-indebtedness? Evidence from China. *Pacific-Basin Finance Journal*, 76, 101878, ISSN 0927-538X.
- [6] Pan, et al. (2022). " ESG disclosure in China: A critical challenge for enterprises. " *Journal of Corporate Governance*, 15(3), 45-60.
- [7] Claessens, S. & Yurtoglu, B. (2013). Corporate governance in emerging markets: A survey, *Emerging Markets Review*. 15, 1-33, ISSN 1566-0141.
- [8] Shahab, Y., Gull, A. A., Rind, A. A., Sarang, A. A. A. & Ahsan, T. (2022). Do corporate governance mechanisms curb the anti-environmental behavior of firms worldwide? An illustration through waste management. *Journal of Environmental Management*, 310, 114707, ISSN 0301-4797.
- [9] Christopher, S. A., Jennifer L. B., Alan, D., Jagolinzer, David, F. & Larcker. (2015). Corporate governance, incentives, and tax avoidance. *Journal of Accounting and Economics*, 60(1), 1-17, ISSN 0165-4101.
- [10] Armstrong, C.S., Blouin, J.L., & Jagolinzer, A.D. (2015). Corporate governance, incentives, and tax avoidance. *Journal of Accounting and Economics*, 60(1), 1-17.
- [11] Amore, M. D. & Bennedsen, M. (2016). Corporate governance and green innovation. *Journal of Environmental Economics and Management*, 75, 54-72, ISSN 0095-0696.
- [12] Jiang, F., & Kim, Y. C. (2020). Horizontal agency conflict between controlling shareholders and minority shareholders in China: Evidence from equity concentration. *International Journal of Economics, Commerce and Management*, 8(1), 16-25.
- [13] Wang, J. X., Ma, M. D., Dong, T. Y., Zhang, Z. Y. (2023). Do ESG ratings promote corporate green innovation? A quasi-natural experiment based on SynTao Green Finance's ESG ratings. *International Review of Financial Analysis*, 87, 102623, ISSN 1057-5219.
- [14] Zouaoui M, Nouyrigat G, Beer F. How does investor sentiment effect stock market crises? Evidence from panel data. *Financial Review*. 2011; 46 (4): 723-747.
- [15] Aifuwa H O , Saidu M , Aifuwa S A . Coronavirus Pandemic Outbreak and Firms Performance in Nigeria[J]. *Human Resource Management Review*, 2020, 9(4):15-25.
- [16] Donadelli M, Kizys R, Riedel M. Dangerous infective diseases: Bad news for Main Street, good news for Wall Street? *Journal of Financial Markets*. 2017; 35.
- [17] West NEJ, Cheong WF, Boone E, Moat NE. Impact of the COVID-19 pandemic: a perspective from industry. *Eur Heart J Suppl*. Dec 2020; 22 (Suppl Pt t): P56-P59.
- [18] Ural D. Title of subordinate document. In: *Evaluating Pharma Amid COVID-19*. [https://www.contactpharma.com/contents/view\\_online-exclusives/2020-05-18/evaluating-pharma-amid-covid-19/](https://www.contactpharma.com/contents/view_online-exclusives/2020-05-18/evaluating-pharma-amid-covid-19/). Accessed 18 May 2020.
- [19] Sun Y, Bao Q, Lu Z. Coronavirus (Covid-19) outbreak, investor sentiment, and medical portfolio: Evidence from China, Hong Kong, Korea, Japan, and U.S. *Pacific-Basin Finance Journal*. 2021; 65 (4): 101,463.
- [20] Wang Z, Zhang Z, Zhang Q, Gao J, Lin W. COVID-19 and financial market response in China: Micro evidence and possible mechanisms. *PLoS One*. 2021; 16 (9): e0256879.

- [21] Zheng F, Zhao Z, Sun Y, Khan YA. Financial performance of China's listed firms in presence of coronavirus: Evidence from corporate culture and corporate social responsibility. *Curr Psychol.* Aug 11 201: 1-22.
- [22] Ali M, Alam N, Rizvi S. Coronavirus (COVID-19)-An Epidemic or Pandemic for Financial Markets. *Journal of Behavioral and Experimental Finance.* 2020 27: 100341..
- [23] Da A, Sb B, Jmb C, et al. Economic Before and During the COVID-19 pandemic. *Journal of Public Economic.* 2020; 191.