

## **CHAPTER 4**

### **RESEARCH RESULT**

Data analysis of problems in the pension industry.

After analyzing the old-age real estate industry, it is found that there are still some problems in Pingdingshan City's old-age real estate. This chapter will analyze the specific problems existing in the development of Pingdingshan's old-age industry based on the analysis of the third chapter.

#### **4.1 Institutional Financing Difficulties**

The most prominent problem in the development process of Pingdingshan City's old-age real estate is the lack of funds. According to the analysis, it is known that three of the five old-age real estates surveyed have not established a stable long-term mechanism, and they have not received sustained financial support. The remaining two It can only be solved by relying entirely on its own funds. In the case of WH pension real estate, it is also reported that the long-term financing structure of the company is relatively simple, the bank loans are heavily dependent, and the sources of funds are relatively narrow. Since the birth of Pingdingshan City's pension real estate, the main source of funds has been direct investment by the Pingdingshan Municipal Government or institutional self-financing. The development cost of old-age housing is extremely high. Due to the late rise in China, people, especially investors and financial institutions, are still not very clear about the market of pension-type community apartments. Therefore, there are certain difficulties in real estate financing. On the other hand, all kinds of social capital are mixed, and many of them use the banner of policy to tentatively participate in the operation and management of some old-age real estate, and intervene in the operation direction of the nursing home. Therefore, how to identify these social capitals and the form of social capital

introduced by nursing homes is still being explored, which also causes the difficulty of financing the nursing homes to some extent. With the development of the market economy, relying solely on the model of government investment to develop old-age real estate has not adapted to the modern society, and is far from meeting the needs of the expanding pension real estate and the elderly.

Because the risk of the development model of the old-age industry is the biggest, the demand for funds for the establishment of old-age real estate is relatively high. From approval to establishment to operation, a large amount of capital investment is required. Moreover, in the development model of the old-age industry, the investment return period for the old-age real estate is generally long, and the old-age industry has the characteristics of meager profit, which leads to the enthusiasm of the society for the investment in the old-age industry. Moreover, Pingdingshan City has entered an aging society under the conditions of economic backwardness, and the government-led investment in the development of the old-age industry will cause enormous financial pressure on it. The financing channel is not smooth, and the imperfect incentive mechanism is the bottleneck of the shortage of funds and slow development of the pension industry in Pingdingshan City. Therefore, Pingdingshan City's pension real estate industry should expand financing channels and strive for various types of social capital to invest in pension real estate. Judging from the countries and regions where pension real estate is relatively developed, the financing sources for the development of pension real estate in Pingdingshan City are relatively simple, and should be diversified from the perspective of the market.

#### **4.2 Insufficient Equipment And Equipment Construction**

Under the influence of the continuous development of the global economy, people's income level has increased, and the demand for quality of life has become higher and higher. The old-age market is composed of demand-driven supply and supply-creating demand. In theory, the expansion of demand directly drives the development of the industry, and the development of the industry will guide the market. On the demand side, the performance is very strong, but the effective demand is insufficient. Under the influence of the continuous development of the global

economy, people's income level has increased, and the demand for quality of life has become higher and higher. In the case of weakening family pension function, the number of people who need to stay in institutions is increasing. The old-age real estate in Pingdingshan City is gradually developing from the government-led social welfare undertakings to the market-led industrialization. Retirement requires a large amount of equipment and facilities to ensure that the health and psychological needs of the elderly are met, but the increase in the supply of old-age real estate facilities is far less than the growth rate of the aging population, and the perfection of equipment cannot reach the elderly. Pursuit of psychological expectations.

Pension community apartments have special requirements in terms of facilities and housing construction, and the cost will be higher than the average real estate project. The lack of funds will seriously affect the further construction of the property. At the same time, the cost of post-operation will be high, so a large number of institutions only meet the basic physiological needs of the elderly at the minimum standards. The direct consequence of the lack of modern facilities is that it is difficult to provide high-quality and effective services. Due to the simple design of the facility and the single service, the utilization rate is very low. At the same time, the elderly population has increased year by year and the quality of life has improved. This has formed a very prominent contradiction with the lack of old-age resources.

#### **4.3 Relatively Scarce Products And Services**

The old-age products and services provided by Pingdingshan City Pension Real Estate are mainly based on simple life care. The quality of the old-age real estate and the quality of the services provided cannot satisfy the ever changing and rich pension needs of the elderly.

First of all, the supply of pension products is seriously inadequate. At present, Pingdingshan City lacks products specially designed and produced for the elderly's heart and physiological needs. The prices of health care products that are popular among the elderly are too high, resulting in the same shortage of supply and demand for pension products. At present, Pingdingshan City's pension real estate is still self-care, and does not meet the full range of needs of the elderly, resulting in low occupancy rate of the institution's pension real estate. For example, the combination

of medical care and maintenance not only takes care of the daily life of the elderly, but also solves the problem of elderly people in the old-age care industry. It is possible to solve the problem of medical treatment more quickly and directly with the medical institutions. In addition, the old-age real estate only targets the relatively healthy elderly population, and does not take care of the semi-lost old-age capacity, the disabled elderly group, and they are the older groups that should be valued. Although some of the old-age property agencies in the survey also took care of this group, they were only a very small part.

Secondly, the elderly service and spiritual culture and leisure culture products are less and the product quality is insufficient. The leisure and entertainment places for the elderly in the city are mainly concentrated in homes, parks and other places, lacking a well-equipped old-age sports center; cultural and entertainment products such as old books and movies are generally scarce, and leisure and entertainment places suitable for the elderly are few.

#### **4.4 Lack Of Pension Professionals**

At this stage, one of the most serious problems faced by Pingdingshan City's old-age real estate is that the professional quality of professional elderly nursing staff is generally low, and it is difficult to meet the nursing needs of the elderly. Because Pingdingshan City's profit-making old-age real estate has many characteristics of low investment and low return rate, capital is also an important factor affecting the service quality of the aged care service industry. Due to factors such as funds, there are many shortcomings in Pingdingshan's pension real estate.

First of all, looking at the current pension market in Pingdingshan City, due to the low overall salary level, young people are reluctant to join the old-age service industry, while the existing service staff can only provide daily life care, psychological counseling and spirit for the elderly. Serious care is not in place, affecting the overall quality of service. Therefore, most of the middle-aged women who work in nursing care work are migrant workers. According to the visited pension real estate, the laid-off workers and rural migrant workers account for 74%, of which

only about 8% have professional nursing skills. Secondly, the professional construction of employees is lagging behind, the service level is low, the professionals are lacking, and some pension real estate funds are limited. The salary provided can not meet the requirements of specialized talents. It is difficult to attract professional talents to come here for employment. Difficulties and difficulties in retaining people are more serious. In addition, some old-age real estate in Pingdingshan City is in the initial stage of development, lacking systematic theoretical knowledge of old-age care services. The overall quality of the pension service industry is not high, the professional skills are lacking, the service awareness is weak, and most of the management and service personnel are enterprise restructuring. Or re-employed people who have failed, they have not received professional training or have experienced professional experience. They simply go to work through corporate training and lack professional knowledge and professional skills.

In addition to demographic concerns, the Chinese government is under enormous pressure to deal with the issue of unemployment and, as a result, the government has been making employment growth a top economic priority (Hu, 2003). Because of its contributions to national savings, the FDC model is attractive as one way to promote economic growth and increase job.