

Research on the Problems and Countermeasures of Working Capital Management of Shenzhen Neptunus Bioengineering Co., Ltd.

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Abstract: Under the background of new medicine reform and fierce competition in medicine circulation market, working capital management plays a key role in helping enterprises achieve the ultimate goal of business development and improve financial efficiency. Working capital is an important guarantee for the survival and growth of enterprises, and also one of the core financial controls of enterprises. The traditional working capital management based on a single element can no longer cope with new changes. The concept of channel management needs to be integrated into working capital management. The efficiency of working capital management is crucial to a company's sustainable growth. Taking Neptune Group as the core research object, we found the key problems in the working capital management of Neptune Group from the macro perspective of factors and channels, systematically discussed the key issues of its enterprise working capital management, and put forward the corresponding countermeasures to optimize the capital management of the company according to the actual situation and development planning strategy of the company's working capital management at this stage, to effectively improve the efficiency of the company's working capital management.

Keywords: working capital management; element; channel

1. Introduction

With the development of China's economy and the improvement of medical standards, the pharmaceutical industry has become one of the most promising industries in China. At present, the current situation of working capital management in China's pharmaceutical industry is not very optimistic, and the scale of the pharmaceutical manufacturing industry is too chaotic, small and scattered. With the COVID-19 in 2020, some enterprises with insufficient cash flow are facing major challenges. The liquidity and profitability of the enterprise will be affected by the management of the company's working capital, and the quality of working capital management is also an important guarantee for the company's development and growth. The pharmaceutical industry chain is long and the commercialization process of achievements is slow, so there are problems such as poor management of the original capital structure and high idle capital costs. Some companies are even eliminated from the international market due to poor management of working capital. Only by managing working capital in a more effective way can we continuously improve the utilization effect of the company's capital and achieve the optimal allocation of resources and the maximization of the company's value.

2. Current situation of working capital management of Haiwang Biological Co., Ltd

2.1. Basic information of Neptune Group

Shenzhen Haiwang Biotechnology Co., Ltd. abbreviated as Neptune Group, was established in December 1992. The company's business model mainly covers the research and development of pharmaceutical products, pharmaceutical commerce and circulation, pharmaceutical industry equipment manufacturing and production, as well as pharmaceutical wholesale and chain retail. In the context of the new national GMP certification, rising personnel costs, and drug bidding and procurement, each company within the company's pharmaceutical industry system still maintains a standardized and professional development concept, with smooth production and operation activities, and continuous business growth in the pharmaceutical industry system.

2.2. Analysis of internal structure of working capital

Table 1: Scale and proportion of current assets

Unit: Ten thousand yuan

Reporting period	2016	2017	2018	2019	2020
Current assets	1,431,443.00	2,500,274.00	3,360,450.00	3,456,958.00	3,362,975.00
Total assets	1,666,147.00	3,086,438.00	4,112,674.00	4,116,828.00	3,972,051.00
Proportion	85.91%	81.01%	81.71%	83.97%	84.67%

(Data source: eastmoney.com)

Table 2: Internal Project Structure of Current Assets

Reporting period	2016	2017	2018	2019	2020
Monetary funds	21.46%	12.84%	12.17%	17.64%	15.96%
Inventory	10.37%	13.31%	11.76%	10.77%	11.61%
Accounts receivable	50.36%	56.04%	56.40%	52.22%	49.76%

(Data source: eastmoney.com)

From Table 1, it can be seen that the current assets of Neptune Group are showing a growth trend, with overall good development. Over the past five years, the proportion of current assets in total assets has fluctuated slightly from 14314.43 million yuan to 33629.75 million yuan, maintaining a basic level of 81% to 85%. From Table 2, it can be seen that the internal structure of current assets shows that monetary funds, inventory, and accounts receivable account for a large proportion of current assets, especially accounts receivable accounting for about 50%, which may increase the collection cost and risk of the enterprise.

Table 3: Scale and proportion of current liabilities

Unit: Ten thousand yuan

Reporting period	2016	2017	2018	2019	2020
Current liabilities	1,061,870.00	2,265,608.00	3,058,642.00	3,182,899.00	3,187,146.00
Total liabilities	1,078,350.00	2,439,735.00	3,400,813.00	3,331,937.00	3,223,071.00
Proportion	98.47%	92.86%	89.94%	95.53%	98.89%

(Data source: eastmoney.com)

Table 4: Internal Project Structure of Current Liabilities

Reporting period	2016	2017	2018	2019	2020
Short-term borrowings	21.13%	19.18%	28.61%	30.89%	44.21%
Accounts payable	37.94%	29.92%	24.56%	24.95%	26.00%
Notes payable	26.07%	11.54%	10.76%	12.84%	7.66%

(Data source: eastmoney.com)

From Table 3, it can be seen that the current liability ratio of Neptune Group remains basically above 90%, showing an overall stable trend. However, its current liability growth rate is fast, increasing to 3187.146 million yuan in 2020, with a 200% increase in current liabilities, indicating that the company's short-term debt is the main source of current liabilities. It can be seen from Table 4 that from the internal structure of current liabilities, the proportion of accounts payable in current liabilities is between 26% and 37.94%, and the amount of funds used in the company's accounts payable is high; There is also a clear short-term borrowing behavior. After a slight decline in 2017, there has been a gradual upward trend. The short-term borrowing may increase the pressure on short-term debt repayment and financial risk.^[1]

2.3. Analysis of working capital management based on factors

(1) Inventory turnover period

From Table 5, it can be seen that in the past five years, the inventory turnover days of Neptune Group have first increased, then decreased, and then increased. Overall, the inventory turnover period has shortened, indicating a certain degree of improvement in the company's inventory management level. However, the inventory turnover days of Neptune Group are more than those of China National Pharmaceutical Co., Ltd., especially in 2017. The inventory turnover period of Haiwang Biological was 40.59 days, while that of China National Pharmaceutical Co., Ltd. was 21.04 days, which is nearly

double the number of days. The more days of inventory turnover, the slower the turnover speed, and the unsalable products. This indicates that the inventory management of Haiwang Biotech needs to be further improved, and the management of working capital needs to be strengthened.

Table 5: Inventory turnover period table

Unit: Days					
Reporting period	2016	2017	2018	2019	2020
Neptune Group inventory turnover days	39.64	40.59	39.30	38.40	38.82
Sinopharm Corporation inventory turnover days	33.82	21.04	31.00	29.60	30.97

(Data source: finance.sina.com.cn)

(2) Accounts receivable turnover period

Table 6: Accounts receivable turnover period table

Unit: Days					
Reporting period	2016	2017	2018	2019	2020
Neptune Group receivables	166.44	153.15	154.60	160.54	156.45
Sinopharm Corporation receivables	64.83	57.95	87.92	83.70	72.98

(Data source: finance.sina.com.cn)

From Table 6, it can be seen that although the turnover days of accounts receivable of Neptune Group have not fluctuated significantly in the past five years, it can be clearly seen that the turnover period is too long, which is half longer than that of China National Pharmaceutical Co., Ltd., and the gap in the past three years has become increasingly large. [2] This indicates that the company's turnover efficiency is low, the fund management effect is not ideal, the liquidation is slow, and it has occupied the company's funds for a long time.

(3) Turnover period of accounts payable

Table 7: Turnover period of accounts payable

Unit: Days					
Reporting period	2016	2017	2018	2019	2020
Neptune Group days payable outstanding	111.32	91.14	77.15	77.32	82.57
Sinopharm Corporation days payable outstanding	55.89	47.15	70.52	65.42	73.13

(Data source: finance.sina.com.cn)

It can be seen from Table 7 that the turnover days of accounts payable of Neptune Group decreased from 111.32 days in 2016 to 77.15 days in 2018. The shortening of turnover days reflects the decrease of the available upstream funds of the company, which may be caused by factors such as the strengthening of suppliers' bargaining power or the disappearance of market advantages, and will pick up in 2019. [3] In general, the turnover period of accounts payable of Neptune Biotech has been relatively stable in the past three years, and the turnover days are significantly longer than that of Sinopharm.

2.4. Channel based working capital management analysis

(1) Analysis on turnover period of working capital of procurement channel

The working capital of the procurement channel is basically generated in the procurement stage, including material inventory, prepayment, accounts payable and notes payable.

Table 8: Details of working capital of Procurement Channel

Unit: Ten thousand yuan					
Reporting period	2016	2017	2018	2019	2020
Materials inventory	7,291.03	9,104.55	6,785.55	5,775.63	6,341.50
Prepayments	31,137.05	101,007.14	142,216.77	114,226.38	112,923.96
Accounts payable	402,856.35	677,854.41	751,067.73	794,181.88	828,608.63
Notes payable	276,802.38	261,485.54	329,159.97	408,685.57	244,156.16
Purchase channel working capital	-641,230.65	-829,228.26	-931,225.38	-1,082,865.44	-953,499.33
Turnover period (days)	-169.66	-119.70	-87.35	-93.95	-85.77

(Data source: finance.sina.com.cn)

It can be roughly concluded from Table 8 that the turnover period of working capital of the purchase channel of Neptune Group has been negative for five consecutive years, that is, the sum of

material inventory and prepayments is less than the sum of the net commercial accounts payable of raw materials and the total amount of various financial bills payable, indicating that the total amount of accounts payable and the total amount of relevant commercial bills payable of the company occupy a large amount, which can appropriately reduce the company's own financial pressure to a certain extent; In the past five years, accounts payable has increased year by year, indicating that the company has strong liquidity and high capital utilization rate. The turnover days of Neptune Group have increased from -169.66 days in 2016 to -85.77 days in 2020, indicating an overall increase, indicating a decrease in the proportion of bills payable generated due to procurement and a decrease in the funds occupied by raw material suppliers ^[4].

(2) Analysis on turnover period of working capital of production channels

The production process is the focus of modern pharmaceutical manufacturing business activities, which involves the most widely used capital projects and extremely complex and cumbersome production processes.

Table 9: Details of working capital of Production Channels

Unit: Ten thousand yuan

Reporting period	2016	2017	2018	2019	2020
Work in process inventory	2,076.28	2,265.80	2,365.97	2,180.45	2,204.73
Other receivables	152,278.26	250,588.71	316,247.11	270,605.01	237,681.34
Payroll payable	1,623.51	4,740.88	8,100.20	9,378.25	9,648.69
Other payables	121,508.95	540,955.87	880,636.00	565,593.00	494,402.12
Working capital of production channel	31,222.08	-292,842.24	-570,123.12	-302,185.79	-264,164.74
Turnover period (days)	8.26	-42.27	-53.48	-26.22	-23.76

(Data source: finance.sina.com.cn)

It can be seen from Table 9 that in the past five years, the turnover period of working capital of production channels of Neptune Group has decreased first and then increased, with 2018 as the lowest point. The fluctuation of product inventory is relatively stable. In 2017, due to a significant increase in other payables, the turnover period was negative, indicating a gradual improvement in the overall turnover period of production channels. ^[5]The increase of other accounts payable has reduced the turnover period of working capital in the production chain, which has a positive impact on the company's performance to a certain extent. However, the amount of other payables is significantly too large, and there may also be factors of non-standard management.

(3) Analysis on turnover period of working capital of marketing channels

Table 10: Details of working capital of Marketing Channels

Unit: Ten thousand yuan

Reporting period	2016	2017	2018	2019	2020
Product inventory	139,128.15	321,499.69	385,945.40	364,389.39	381,988.78
bill receivable	66,174.50	78,285.76	110,406.69	227,783.95	306,287.46
accounts receivable	720,804.66	1,401,180.29	1,895,314.64	1,805,294.27	1,673,292.64
deposit received	4,038.81	16,157.07	28,481.99	30,500.65	-
Tax payable	23,968.95	41,473.63	45,415.96	42,967.43	36,904.81
Marketing channel working capital	898,099.55	1,743,335.04	2,317,768.78	2,323,999.53	2,324,664.07
Turnover period (days)	237.63	251.65	217.40	201.64	209.10

(Data source: finance.sina.com.cn)

From Tables 10, it can be seen that the marketing channel turnover period of Neptune Group from 2016 to 2020 showed a trend of first increasing, then decreasing, and then increasing. Overall, it has maintained a relatively stable level in the past three years; From 2016 to 2018, there was a significant backlog of product inventory, which improved in the later stages; Notes receivable have increased significantly year by year, reaching 3062874600 yuan in 2020, indicating that the company's ability to receive cash for sales of bulk goods has weakened in the short term; Accounts receivable occupy a large proportion of funds, and the company's funds may lack the possibility of liquidity, requiring a long period of operation to recover. An increase in overdue accounts receivable may lead to certain bad debts, which is not conducive to the company's long-term rapid and healthy development.

3. Problems in working capital management of Haiwang Biological Co., Ltd

3.1. Incomplete working capital management system

Seen from the actual management status of Neptune Group, there is still a relatively complete working capital management system. Firstly, the company's financial system has not been effectively controlled internally, and the regulatory structure is not perfect enough. In terms of fundraising, the company has borrowed too much, which increases the pressure to repay debts.^[6]In terms of disposing of accounts receivable, there is a lack of effective information communication within the management team, resulting in a relatively long turnover period of accounts receivable, low collection rate, and invisibly increasing the possibility of bad debts for some enterprises. Secondly, in terms of procurement channels, there are many macro level procurement management plans, but a systematic process that combines the actual operation of the company has not yet been established. In terms of the construction of production and marketing channels, the entire production management system lacks reasonable and detailed planning for the company's existing production and operation business processes. In terms of marketing channels, the accounts receivable management system has been implemented, but there is no clear regulation on sales behavior and accounts receivable turnover period. In addition, the management personnel of Sea King Biological Company may not have established scientific fund management values, and the mistakes of decision-making management personnel can cause changes in the company's profitability level.

3.2. Lack of scientific control of working capital management elements

(1) Inventory turnover is relatively slow

Due to the industry nature of Sea King Biotech, the company's inventory will occupy a huge amount of funds, which means that the inventory turnover rate of pharmaceutical companies is closely related to the return on funds. If the inventory turnover speed is faster, the inventory occupancy level is lower, and there will be more available assets that can be used to maintain and realize value at any time, resulting in stronger liquidity.

The fluctuation in inventory turnover days from 2016 to 2020 is not significant, but compared to China National Pharmaceutical Corporation, the turnover days are higher. In 2017, Neptune Group had the highest inventory turnover days due to the introduction of the "two ticket system", which means that the distribution form of medical products is no longer monotonous, and manufacturers can directly deliver products to terminals. Due to the fact that tickets and goods go together, there are higher requirements for the company's warehouse management, and inventory goods occupy more funds, resulting in slower inventory turnover speed. Secondly, in 2017, Sea King Biotech acquired 35 companies, some of which were at a loss, resulting in a significant increase in the company's inventory.

(2) Lack of management of accounts receivable

Analysis shows that in the past five years, the turnover period of accounts receivable of Haiwang Biological has been twice that of its peers, and there is no sign of improvement. The overall optimization level of accounts receivable management of the company is weak. Since the country implemented the "two ticket system" policy, terminal sales mainly to hospitals have accounted for an increasing proportion of the company's sales. Whether hospitals can settle accounts on schedule has become an important factor affecting the pressure on the company's working capital. Moreover, most of the customers are public hospitals above the second level, and the speed of payment collection has been slow or not repaid on time. In addition, downstream customers include retail terminals, community clinics, and other medical institutions from various regions, so the recovery management of accounts receivable is relatively complex.^[7]

Due to the company's large-scale expansion in recent years, the scale of credit sales has been continuously increasing, and accounts receivable for more than one year have significantly increased, indicating problems in the management of the company's accounts receivable credit and collection policies. At the same time, the follow-up collection efforts of Neptune Group for outstanding accounts are still insufficient, and there are problems such as high default rates and high bad debt risks for long-term accounts receivable that have not been collected. There is also a lack of corresponding control measures for buyers who have long defaulted on credit sales after accounts receivable occur.

(3) Lack of control over accounts payable

From the above analysis, it can be seen that the turnover days of accounts payable of Neptune Group are longer than those of Sinopharm, but on the whole, the turnover period of these five years has declined and fluctuated greatly.

On the one hand, in terms of the details of the implementation process of accounts payable management, the company itself lacks internal control and systematic and standardized management. The management paid little attention to the management of accounts payable. They put more effort into the company's sales indicators and quota allocation, ignored the enterprise's management of current accounts payable, and lacked a reasonable judgment on whether to pay in cash or on credit during the credit period. On the other hand, there is a lack of long-term and good payment relationships with various suppliers, effective communication and supervision, resulting in delayed payment and delayed submission of invoices.

3.3. Low efficiency of working capital management channel management

(1) Problems in procurement channels

According to the analysis of working capital of procurement channels, the working capital of Neptune Group is negative, and the growth trend of accounts payable is significant, reaching 826.0863 million yuan in 2020, an increase of 105.69% over 2016.

According to the data of bills payable, the company purchases raw materials in the form of microcredit and uses its commercial credit to obtain a certain amount of power. However, intentionally delaying payment and occupying the supplier's funds for a long time are not advisable, which will harm the supplier's interests and seriously affect the company's reputation. Although the high amount of accounts payable indicates that the company has certain bargaining power in the market, long-term occupation of external funds will also have a negative impact on the company's credit, which will damage the healthy development of the company. In addition, if the supplier's funds are excessively occupied, it may cause a shortage of working capital for the supplier, affect the cooperation relationship between the two, and cause certain economic losses to both parties.

(2) Problems in production channels

According to the analysis of working capital of production channels, the turnover period of working capital of production channels of Neptune Group has changed significantly. The change of inventory of products in process has been relatively stable in recent years, and the turnover days in 2017 became negative, mainly because other payables increased significantly, and the amount of other payables in the later period significantly exceeded the inventory of products in process and other receivables, which may affect the liquidity of the company's funds, Because the proportion of its amount plays an important role in the production process.

In the normal production and operation process, other payables are mostly used as auxiliary accounting subjects to record temporary income, deposits, and deposits. Excessive other accounts payable are likely caused by non-standard management and arbitrary project records. On the other hand, it also indicates a lack of working capital, a large amount of borrowing, long-term overdue accounts, and interest payments to banks and other suppliers, resulting in significant debt repayment pressure.

(3) Problems in marketing channels

The analysis of working capital of marketing channels shows that the turnover days of working capital of Neptune Group have been relatively long in the last five years, showing a downward trend, indicating that relevant personnel still need to strengthen management and pay more attention to it. Product inventory has been continuously increasing in the past five years, which may be related to overcapacity in the production process, single product marketing channels, and low utilization rates. The overstock of finished goods inventory will increase the inventory pressure, storage cost and opportunity cost, which will lead to the reduction of capital use efficiency.

In addition, accounts receivable and notes receivable have also significantly increased and occupy a large amount of funds. Long turnover days of accounts receivable and excessive accounts receivable projects can accumulate unhealthy accounts receivable, which can easily lead to large bad debts, increase the company's financial risk, and lower the scientific level of fund management of the company.

4. Countermeasures for working capital management efficiency of Neptune Group

4.1. Improve working capital management system

First of all, we should start from establishing and improving the working capital and management system specifications, gradually find the internal contradictions in the operation and management in combination with the latest provisions of the system, strengthen the supervision and inspection, and find solutions to problems, so that working capital can really effectively protect the production and operation activities of enterprises, and the capital turnover speed can be accelerated. Secondly, based on the actual situation of the company, further improve procurement management and establish a scientific operational process; Strictly manage cash in the production process to promote the effective use of company funds; The sales process also requires strict management of accounts receivable in accordance with regulations, corresponding credit evaluations for customers, and the use of standardized credit systems. Finally, both company leaders and financial management personnel should consciously establish advanced working capital management awareness and concepts, constantly improve business ability and comprehensive quality, and strengthen the management of working capital benefits.

4.2. Factor based working capital improvement countermeasures

(1) Optimize inventory management and improve inventory turnover speed

A scientific and effective inventory management system can improve inventory turnover efficiency, reduce company operating costs, and enhance competitiveness. If the inventory is not sold in a timely manner and has been accumulated in the warehouse, it will increase the company's operating expenses and constrain the company's capital. Firstly, it is necessary to establish a scientific inventory management system and continuously strengthen inventory management to ensure that inventory does not occupy excessive funds. Secondly, inventory management has gradually occupied an important strategic position in the entire sales and supply chain process of enterprises. It is necessary to strengthen the company's supply chain management, so that suppliers can track inventory status in a timely manner and reduce costs to a certain extent. Finally, the company also needs to observe the actual material and inventory situation of its current operations, collaborate and supervise each department, register materials both in and out of the warehouse, and regularly check the inventory situation of the warehouse. The production and operation philosophy is to determine production volume based on sales volume, and to sell both online and offline simultaneously, which can effectively avoid inventory backlog.

(2) Improve the accounts receivable system and increase the turnover speed of accounts receivable

Sea King Biological Company uses a large amount of credit sales to sell, and there are many accounts receivable that take a long time to recover, resulting in an increasingly tight financial chain. One of the main reasons for this situation is the company's low level of accounts receivable management.

First of all, it is necessary to formulate reasonable credit policies that are suitable for the actual situation of customers and optimize the performance level of working capital management. Before sales, the company should understand the credit of enterprises from all aspects and give corresponding ratings, and then formulate different credit lines and terms according to the differences in credit ratings. Secondly, the financial officer responsible for receiving payments should track remittances based on the customer's internal business situation, timely reconcile with outstanding customers, ensure that the accounts receivable amount matches the book value, and enable customers to return funds on time. Finally, it is necessary to adjust the collection efforts of accounts receivable, and there should be mutual communication and exchange between the finance department and the sales department. In order to stimulate employees' initiative in collecting accounts, the speed of accounts receivable collection can be linked to the performance of the sales department, and appropriate rewards and punishments can be given according to the current management status of the sales department, which is conducive to strengthening the attention of relevant responsible personnel in the company to accounts receivable management.

(3) Optimize the structure of current liabilities and improve the management level of accounts payable

Late payment can affect the company's own image and reduce its credibility. First of all, the company needs to improve the accounts payable management scheme, clarify the work authority of

internal purchase approval personnel, and establish a reasonable purchase application system. The accounting personnel need to strengthen the payment control of accounts payable, improve the payment process, strictly abide by the relevant payment terms of the purchase contract to handle business, timely handle accounts payable that need not be paid for various reasons, and avoid violations of non-short-term malicious arrears. Secondly, strengthen the management of suppliers, classify and organize their information, establish detailed transaction records for their business dealings, and update relevant information in a timely manner.^[8]

4.3. Channel based working capital improvement measures

(1) Suggestions on optimization of working capital management of procurement channels

Firstly, it is necessary to strengthen inventory control of materials. Business departments can regularly develop detailed procurement plans based on material properties and processing needs. Purchasers also need to constantly monitor production and operation conditions, grasp the required material consumption, and determine feasible material purchase plans. Secondly, selecting high-quality suppliers is also important. Establishing a raw material evaluation mechanism, comparing and analyzing the material quality and prices of multiple competitors, reducing the cost of raw materials in procurement channels, and improving the economic benefits of the company's potential market in the future. At the same time, with commercial reputation as a guarantee, the company's procurement plan and requirements are promptly communicated to suppliers, and mutual trust and sharing of relevant information are ensured to ensure effective integration between supply and demand, forming a mutually beneficial "community of interests" for cooperation.

(2) Suggestions on optimization of working capital management of production channels

The production channel is a hub connecting the company's procurement system and terminal sales channels. On the one hand, the company needs to continuously strengthen production management, improve production turnover speed within product inventory, and avoid backlog. On the other hand, it is necessary to strengthen the internal tracking of payments between major production and distribution channels within the company, in order to avoid the significant proportion of other accounts payable. Although other payables do not directly come from procurement and sales activities, they may also affect the company's production and operation activities. To establish accounting standards that are relevant to the company's actual situation, violations must be promptly corrected and strictly controlled. Integrate the management level of other accounts payable with daily performance audits, increase employee participation and importance in other accounts payable management work, and promote the long-term development of the company.

(3) Suggestions on optimization of working capital management of marketing channels

Firstly, it is necessary to adjust the company's marketing model. The main market sales target of the company is public hospitals at or above the second level, which have been stable for a long time. However, the purchased medical supplies are relatively large in quantity and accounts, and usually have the characteristic of slow recovery of accounts receivable. There is also a marketing model with small medical institutions such as clinics and pharmacies as the main customers, characterized by fast investment return, low costs, but relatively low profit margins.

Therefore, combining the two marketing models can further expand sales scale and improve market competitiveness. In the future, effective measures need to be taken to continuously improve the management of various accounts receivable verification, shorten the cycle of bank reconciliation, and actively and efficiently implement accounts receivable recovery work. At the same time, it is necessary to strengthen information sharing with procurement and production departments, adhere to the concept of "determining production based on sales", actively utilize online marketing, and establish connections with major e-commerce platforms. Because the company has large warehouses and comprehensive drug monitoring systems in different regions, it is necessary to leverage its advantages in warehousing, logistics, and distribution.

5. Conclusion

Neptune Group lacks a relatively reasonable working capital management system, scientific control of working capital components, insufficient attention to the supervision of working capital channels, and weak professional knowledge of management personnel. Based on these problems, enterprises

should optimize the company system, staff management awareness, working capital components and various channels. The substantive procedures and standardized operation of how to incorporate working capital management into the company's operation also need to be rectified according to the company's specific operating conditions.

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