

Time-space Management: New Trend of Assets Management in Colleges and Universities

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Abstract: With the analysis of components and categories, management mode, forms of organization and current problems of assets of colleges and universities, this paper urges that it is the trend for colleges and universities to carry out the value management policy for the improvement of cost efficiency. It is also the requirement for the improvement of management of colleges and universities and efficiency of assets management. The transforming from physical management to value management makes the new trend of assets time-space management in colleges and universities based on the value management come into being. This paper constructs physical assets management diagram of three dimensions of value, time and space in colleges and universities and explains respectively. It puts forward the conclusion that colleges and universities can carry out assets time-space management with the construction of visualization system in assets management in colleges and universities.

Key words: Colleges and universities; Assets management; Physical management; Value management; Time-space management

1 Introduction

1.1 Components and categories of colleges and universities assets

Colleges and Universities assets possess attributes and features of general assets. According to the Article 29 of Colleges and Universities Financial Regulations put forward by the China Ministry of Finance and the China Ministry of Education in 1997, "Colleges and Universities assets refer to all the economic resources possessed and used by colleges and universities, and they are legally recognized as state-owned assets that can be calculated with currency. Colleges and Universities assets consist of all property, bonds and other rights." They specifically include intangible assets, fixed assets, current assets and foreign investments, etc.

There are both broad and narrow senses of state-owned Colleges and Universities assets. In the narrow sense, they refer to state-invested fixed assets, low-value consumption goods and materials; in the broad sense, besides, they also include intellectual property rights, scientific research achievements, current assets, deferred assets and long-term investments. They are shown in the following Figure 1.

1.2 Typical assets management mode in colleges and universities

In accordance with the current system and mechanism of colleges and universities assets management in China, there are mainly three typical management modes (Wang Fengying, 2008).

1) Mode of unified direction and centralized management

This mode is usually employed in colleges and universities of small-sized scale assets. It refers that under the leadership of the principal, assets are managed with unified policy and system as well as unified resource assignment. There is no assets management institution at all. The leadership and command of management are centralized to the leaders of each level. This mode of management has the features of convenient conducting, unified commanding, unobstructed informing and instant feedback. As this kind of management power and functionality are only centralized to principal, it might affect the initiative of each basic unit in the college or university. What's more, it may make major leaders of the college or university indulges in the daily affairs of heavy burden and they have no time in thinking assets management deeply and profoundly.

2) Mode of unified direction and classified management

This mode is suitable for colleges and universities with less assets categories and middle-sized scale. It focuses on the assets categories, and assigns them to each functional department to implement specified management. Each specified department implement power of command and management within its designated assets category. This kind of mode has the advantages of relatively simplified management contents, clarified specification of each department, relatively small-sized administrative staff, and attentive division head research. It has the features of drawing up management policy and solving practical problems in the work. However, it also has the disadvantages of too many leading

levels, over-specified functions, split command, late feedback, more conflicts of interests, and inharmonious relations in department and so on. These may bring about passive position of unattended and over-attended management.

3) Mode of unified direction and grading management

This mode is usually employed by large-scale colleges and universities. It is used to carry out grading levels of management based on assets possessing and using units, and make clear of assets management function of each level. As it specifies and delegates power of assets management, it has the features of lightening burdens of management department and beneficial to construct responsibility system and urge initiative of staff of each level. However, it also has disadvantages of over-attentive administrative staff, unclear division, conflicting evasiveness, late feedback and reduced work efficiency after adding managing levels.

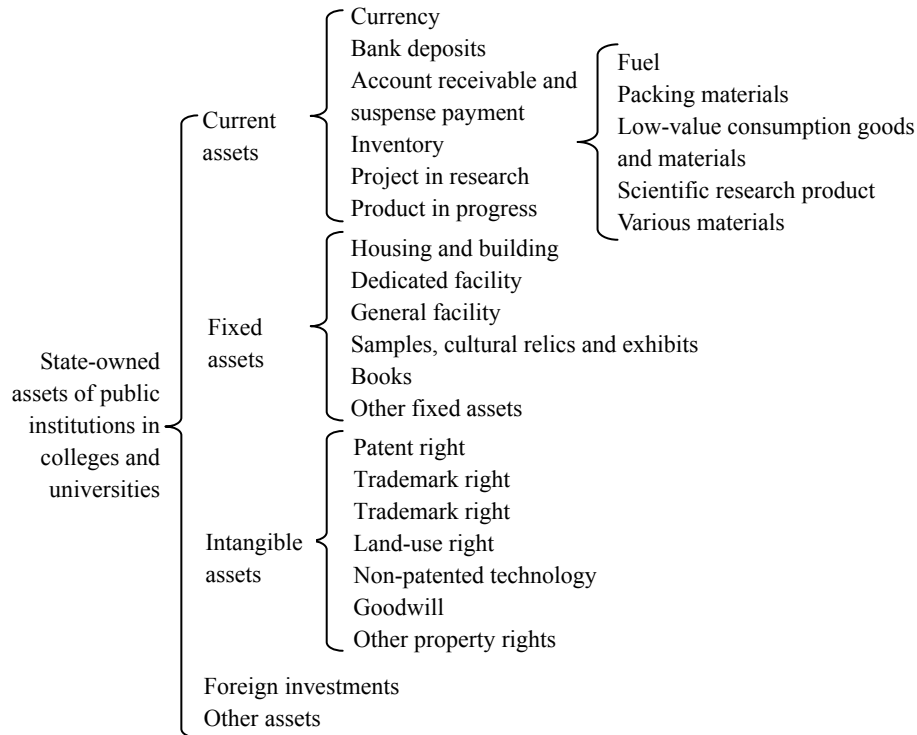


Figure 1 Category of Colleges and Universities Assets

1.3 Forms of organization of assets management in colleges and universities

Nowadays, the scale of each college and university and the management mode, to a considerable extent, have impact on forms of organization of assets management. Generally, corresponding forms of organization are chosen on the basis of assets forms (Zhong Liangfeng, 2008).

As for currency assets, there are three forms of management organization: unified calculation by financial department of specified level management, two-stage calculation by financial department of specified level management and unified calculation and management by financial department.

As for tangible assets and intangible assets, there are four forms of management organization: graded indirect management by independent assets management department, graded direct management by independent assets management department, direct management by independent assets management department and direct management by financial department. Though there are differences in management modes and forms of organization in each college and university, management principle and manipulating methods are nearly the same in routine work of assets management.

Assets management in colleges and universities is becoming more and more important in the transition process from planned economy to socialist market economy. According to the on-line survey of 72 universities of the Ministry of Education on January, 2010, by the author, 54 of them have set assets management department, in which 37 universities, including Beijing Normal University, North-East University, and Fudan University, call the department assets management office. 21 of them

set this management office with title of stated-owned assets. Although titles are different, the assets management consciousness is strengthened day by day. According to the survey, Jilin University covers the most comprehensive state-owned assets management range, which includes fixed management like instrument management, housing property management and intangible assets management.

Nowadays, a lot of colleges and universities have set up institutions specialized in state-owned assets management from the actual conditions and the above mentioned forms of organization of state-owned assets management, which are responsible for the state-owned assets management of the entire college or university.

1.4 Problems in assets management in colleges and universities

Colleges and Universities in China have obtained obvious progress in Assets Management with several years of efforts and practice. However, as it is a very complicated systematic project that covers a wide range, achievements of assets management could hardly be compared with assets management in commercial enterprises. In fact, many aspects of assets management could not adapt to development of new trend. Thus, there exist weak points and common problems at different levels.

1) On the aspect of fixed assets management, management concepts in colleges and universities lag behind and it is in need of improvement. Usually, attention is put more on increment management, currency management, rule-based financial management, but less on inventory management, assets management and assets performance management (An Xiumei, 2005). What's more, there are also problems like unsound assets management system, lagging assets management methods, unreasonable assets assignment, unreal assets calculation, serious assets waste, incompetent assets management regulation, low efficiency of assets in use, weak management in transition from non-business assets management to business assets management, etc.

2) On the aspect of intangible assets management, attention is put more on tangible assets than that on intangible assets. Furthermore, intangible assets flow away and situation of tort of right are serious. Conversion rate of scientific achievement is very low, and there is not a proper human resources management in intangible management.

3) On the aspect of business assets management, the consciousness of copyright is so weak that there is no powerful supervision and control. Moreover, there is no systematic asset and capital verification and valuation and lacks scientific policy in business assets.

2 Physical Management of Assets

As the impact of planned economy, Chinese assets management in colleges and universities are mainly in physical management in the long run of the past. The so-called physical management of assets is about the management of whether physical materials exist or not. If physical materials exist in the assets check, then assets are responsibly controlled and managed. Obviously, this kind of management method ignores measurement of assets value and cost efficiency, which definitely leads to the situation that each department mainly cares about owning assets to the largest extent, and criticizes the power of department, while there is no caring about cost efficiency of assets, valuation or assessment (Zhu Zhigang, 1996).

With the adjustment of domestic policy, dedication to education by government has increased gradually. Assets in colleges and universities are extending in both scale and amount. However, China puts forward the policy of Institutions Interim Measures for the State-owned Assets Management, which has given definite regulation and requirement to assets management in colleges and universities.

Contribution of assets in colleges and universities is mainly in teaching assisting, scientific research, administrative management and logistics, etc. Physical management of assets is mainly in four aspects of purchasing, accepting, using and disposal. From the operating angle of assets management, each links is so important that it should execute system and regulation of country and college or university itself, and improve the physical management of assets in colleges and universities day by day (Wang Guixia, 1999).

2.1 Assets purchasing management

Colleges and universities should make the plan and spending based on the practical need and financial status so as to avoid repeat purchasing, and use government procurement and bid inviting to get the best cost performance ratio.

2.2 Assets accepting management

Assets' accepting is a significant link in physical assets management. Assets department in colleges and universities should focus on both quantity and quality. Panel of experts is needed in checking and

accepting large-scale and valuable equipment. No acceptance and application will be given to equipment not conforming to quality standard and requirements to purchasing documents.

2.3 Assets using management

A large amount of assets in colleges and universities are plant and equipments, among which the most expensive separate assets are housing and building. On the using of assets, it requires to establish assigning or possessing standard and management regulation. As for housing and building, colleges and universities may draw up different house-using regulation based on the different specification of departments of teaching assisting, administrative management and logistics, and they may assign office housing on the basis of formulation and characteristics of departments. As for plant and equipments, categorize them in different qualities and functions: office equipments are arranged and maintained on regulation of staff; teaching equipments are arranged and maintained on number of students and using frequency; experiment equipments are arranged and maintained on the working amount of teaching and scientific research. With periodic review and maintenance to assets, colleges and universities can know current situation of using of assets.

2.4 Assets disposal management

The life expectancy of assets should report for approval in accordance with related rules of country, practical using situation and defined authority. Assets proposal includes assets roll-out, assets write-off and assets selling. Colleges and universities should set up assets proposal examining group to check and appraise assets needing to be proposed in each department. It also designates assets needing to be written off. After writing off on regulation, assets are arranged to physical writing off proposal and the salvage value will be drawn back.

3 Value Management of Assets

Although physical assets management requires colleges and universities to set up general accounts, sub-accounts and subsidiary accounts as well as assets card, makes the accounts conform to card and physical materials with assets check and inventory, i.e. all physical materials have their own masters, so as to avoid flowing away of assets, physical management could not reflect true value and current using situation and intangible wear and tear of assets. Thus, value management is needed in making up drawbacks in physical management.

Value management in colleges and universities means to make everyone know the value of assets and be responsible for the value. Assets management department should master the trend of assets in value management, and be competent in making scientific decision on value transferring and changing so as to optimize assets structure. It is inevitable to carry out value management in improving assets using efficiency, in improving teaching efficiency and in obtaining higher level and efficiency in assets management in colleges and universities.

3.1 Serve high efficient platform for assets value management with network and information technique

Colleges and universities can apply to computer technique to establish a set of online assets management system on campus network. After being checked and accepted to the storage, the system comes out with assets card and subsidiary accounts automatically and classifies and gathers the data on the assets categories. Assets management department can access to the data on campus network to check accounts so as to make the conformity to accounts and accounts card, which is both saving time and energy as well as accurate.

3.2 Raise benefit accounting standard of assets value management with business assets depreciation mode

Nowadays, colleges and universities are running under market economic system and the assets value changes continuously in inner market economic rules (Yan Weidong, 2008). Although according to the rules of the policy of Institutions Interim Measures for the State-owned Assets Management, it is not necessary to take depreciation into account, the calculating of teaching cost and efficiency are quite significant. Assets management department can take the mode in business and enterprise to collect suppositional depreciation from different departments in various classes, values and qualities. Thus, it can be used to make assessment and valuation to assets of each department and then motivate staff initiative and usage efficiency.

3.3 Promote the analysis of assets efficiency with assets value management

Assets management department in colleges and universities should make assessment and valuation to assets value management periodically. Although the aim system could not be compared with that of

companies and enterprises, the data can be used to value social benefits in employing assets in teaching and economic benefits. It can also be used to check the merits and drawbacks, which may become the reference to improve management and promote efficiency.

4 Time-space Management of Assets

The author holds that time-space management of assets is a new shape after the transition from physical management to value management. Time-space management consists of two aspects: one is that it has both physical management and suppositional value management; the other is that it covers time and space management of assets. The time covers the entire life circle of assets, and the space covers the position, distribution and attribute of assets in the change of the entire life circle. Time-space management is based on the physical management and value management. If the physical assets were a space container, and value was a dimension, then time and space should be the second and the third dimension of assets respectively. This is shown in the following Figure 2:

In the three-dimension space of physical assets, value management is on the basis of account managing and takes notes of the change of value forms in the entire life circle. It is affected by time dimension and space dimension and also by assets devaluation of technological progress and other extrinsic factors as well.

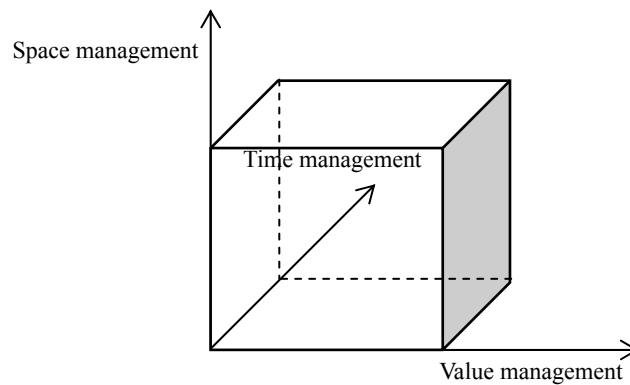


Figure 2 Diagram of Three-dimension Management of Physical Assets

Time management refers to the entire life circle of assets. It includes processes of purchasing, distribution, using, operating and maintaining and final scrapping. Life circle of assets can be divided into four stages: design/ model selection, purchasing/ logistics, operating/ maintaining and follow-up/ evaluation. It is shown in the following Figure 3:

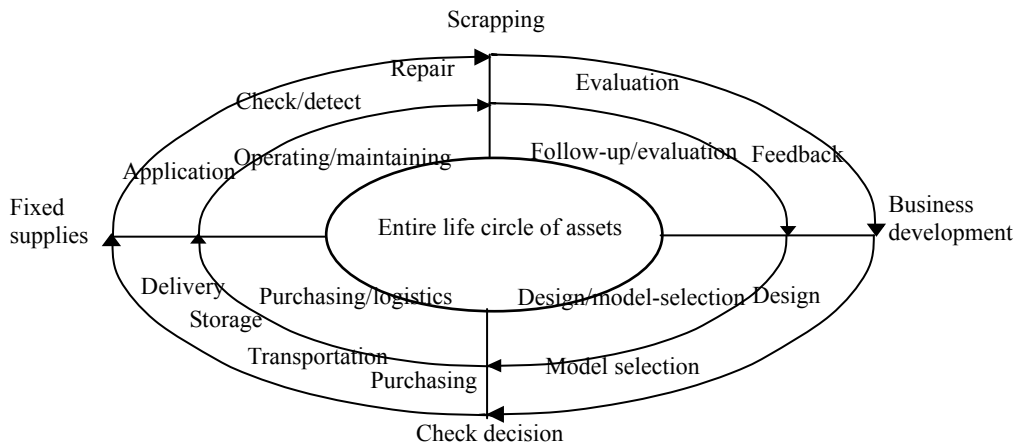


Figure 3 Mode of Entire Life Circle of Assets (Zhen Ping, 2006)

Space management refers to the change of geographical position of assets, which impacts the shape of value and the life circle. That is to say, when the place, site or affiliation and other special attributes of assets change, the corresponding book value and life circle change accordingly. For instance, a piece

of equipment in A school can not start up for not being used for a long time. As for value management and time management, it stays at the lowest position. When the equipment is transferred to B school after reparation and it works normally, the value management and time management then return to the original position.

5 Conclusion

5.1 Time-space management of assets is a new shape of assets management

Time-space management is a new trend of management after the transition from physical management to value management of assets.

5.2 Construct visualization system for assets management and fulfill time-space assets management

With the combination of assets management information system and geographic information system and its ability in managing and analyzing special attributes, colleges and universities can establish three-dimension visualization system for assets management and fulfill time-space assets management and finally enhance efficiency of assets management.

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