



# Effectiveness Evaluation of the Party Committee of State-Owned Enterprises Participating in Major Decision-Making: A Case Study of Aviation Industry Corporation of China

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**Abstract:** One way to bring political advantages into play is that the state-owned enterprises (SOEs) have their Party committees participating in making important decisions. It is conducive for the SOEs Party committees to give full play to political advantages. The paper builds an evaluation index system of the Party committee of SOEs participating in making important decisions, and selects Aviation Industry Corporation of China as the empirical object. This paper uses the questionnaire survey and analytic hierarchy process (AHP) to evaluate the effectiveness of Aviation Industry Corporation of China's Party committee participating in making important decisions. According to the analysis, we put forward the corresponding suggestions.

**Keywords:** State-Owned Enterprise Party Committee, Important Decision-Making, Evaluation

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## 1. Introduction

As a pillar of the national economy, SOEs have a dominant position in national economy. It plays an important role in economic development and social progress. Party committees of SOEs have unique political advantages, and play an irreplaceable role in an enterprise's development. Making full use of the political advantages is the requirement of the Party Constitution and a fundamental condition for establishing the Chinese Characteristic Institution of Modern Enterprise.

It is not only an important way to enable the Party committee to make its political role [1] to involve enterprise Party committees in major decision-making processes, but also an important method to enhance the performance of enterprises. It can promote the enterprise's healthy and sustainable development. It is a useful way to improve the effectiveness and make full use of its functions by evaluating the effectiveness of SOE Party committees in making major decisions. Also, it is an important way to improve the business performance. However, Scholars have not yet constructed the

evaluation system concerning involvement of enterprise Party committees in major decision-making.

## 2. Index Design Principles and Criteria

### 2.1. Index Design Principles

#### 2.1.1. Scientific Principles

The index system should be easy to measure, calculate and analyze. The meaning of indicators should be accurate. It should be objective and correct in evaluating the effectiveness of SOE Party committees in major decision-making.

#### 2.1.2. Systemic Principles

The index system should reflect the overall systematic process. It also needs to have a clear structure reflecting logical relations among them and a comprehensive and logical process.

#### 2.1.3. Comprehensiveness Principles

The index system can fully summarize various aspects of the entire decision-making process and the final decision results.

#### **2.1.4. Importance Principles**

The index system should focus on the key aspects in the selection of indicators and remove the irrelevant indicators.

#### **2.1.5. Operability Principles**

The index system should be measurable and collectable, with the purpose of measuring and handling the indicators easily [2].

### **2.2. Evaluation Criteria**

#### **2.2.1. Whether It Is Conducive for the Party to Play a Core Political Role in the SOE**

Participating in making important decisions, a basic way to play a core role in the enterprise, is the important responsibility of the SOE Party committee. The core political role of the Party in a SOE Party is a feature of modern enterprises in the Chinese environment and it enables the Party committee to take advantage of its political influence. It is also decided by the Party's vanguard nature and ruling status. It is not only an inevitable choice to strengthen and improve the leadership of the Party, but also a necessary way for SOEs to maintain the socialist nature

#### **2.2.2. Whether It Is Beneficial to Consolidate the SOEs in the Market Economy**

As a pillar of the national economy, SOEs have a dominant position in the key areas and important sectors of the national economy. It plays a significant role to ensure sustainable, rapid and healthy development of the national economy. SOEs play an important guiding role in non-public ownership businesses as well. Moreover, it is a major tool to adjust macro-economic market. The role of SOEs in the market economy is crucial. Ensuring the position of SOE in the market economy is conducive to consolidating the sound development of the socialist economic system, to the construction of the socialist system with Chinese characteristics and to accelerating the pace of building a well-off society.

#### **2.2.3. Whether It Is Conducive to the Long-Term Development of SOEs**

A SOE's important decisions are closely related to the enterprise's survival and development. First of all, in terms of business development, operation strategy and development plans are all closely related to the long-term development of the enterprise. It is essential to set a long-term plan and focus on key technologies for an enterprise to grow healthily in the long-term. Secondly, the capital is also an important part of the enterprise's development. Effective capital operation is beneficial for the development of enterprises in all aspects. Thirdly, staff management is important as well. Management personnel at different levels influence the direction of the company's future, especially for SOEs. As the pillar of the national economy, SOEs should have higher standards for management positions. Therefore, major decision-making of SOEs has an important influence on its own long-term healthy development.

#### **2.2.4. Whether It Is Conducive to Safeguarding the Vital Interests of Employees**

The involvement of SOE Party organizations into major decision-making should also give full consideration to the vital interests of employees. As a grass-roots Party committee, the involvement of SOE Party organizations into major decision-making should not only represent the willingness of staff members, but also maintain and safeguard the staff's fundamental interests. The staff is the foundation of an enterprise. Only by safeguarding the vital interests of an enterprise's staff, can we ensure employees' enthusiasm in their jobs in order to guarantee healthy and sound development of the company [3].

#### **2.2.5. Whether It Is Beneficial to the Implementation of Party and State Policies and Regulations**

The Party committee of a SOE, as the Party's grass-roots Party organizations, should stick to the socialist direction and make sure that the Party's guidelines, policies, state laws and regulations are implemented in the enterprise. It should carry out the Party and state policies and regulations under the process of participating in making important decisions. Only in this way, can we ensure that the political advantages of the Party committee in the SOE Party are conducive to the enterprise and the country's overall development, so that the core political role of the Party committee can be represented.

#### **2.2.6. Whether It Is Conducive to Strengthening the Party's Status**

The Communist Party of China is China's ruling Party. The involvement of SOE Party organizations in major decision-making is not only the basic way that plays to the core political role of the enterprise's basic level Party organization, but also a necessary requirement of consolidating the Party's ruling status [4] [5]. SOEs are the pillar of the national economy and the socialist economy. It is essential to grasp the development direction of socialism in order to develop the national economy, thus enterprise cannot abandon the leadership of the Party. It is crucial to develop effective leaders for the Party as well. Only in this way, can it ensure Chinese economic development in the direction of socialist economic system and the leadership of the Communist Party of China.

## **3. Index System and Choice of Evaluation Methods**

### **3.1. The Index System**

This study aims at evaluating the effectiveness of the involvement of SOE Party organizations in major decision-making. Given it that participating in decision-making is a dynamic process, during the evaluation the whole process of participating in decision-making needs to be considered. Therefore, this study holds that the effectiveness of the involvement of SOE Party organizations in major decision-making should include the main

decision-making body, the effectiveness of decision-making preparation, the effectiveness of decision-making process, and the effectiveness of decision-making results. This study integrates, builds and improves the index system on the basis of combining academic studies (Lu Chen (2011) [6], Yuanfang Wang (2013) [7], Yanhong Yao (2011) [8], Zhidong Shen (2013) [9] etc.).

### 3.1.1. Main Decision-Making Body

The main decision-making body refers to members participating in the decision-making. The quality of the main decision-making body and the rationality of the structure of the decision-making body can affect the quality and efficiency of major decisions. Therefore, the measurement mainly focuses on the members' capabilities and the structure of the decision-making group.

### 3.1.2. The Effectiveness of Preparation Before Participating in Decision-Making

It refers to the preparation before the Party committee members participate in decision-making, including understanding the internal and external management status and exchanging views with other members at decision-making

level. The effectiveness evaluation of preparation before participation in decision-making directly reflects whether Party members can participate efficiently in major decisions.

### 3.1.3. The Effectiveness of Participation Process in Decision-Making

It refers to the efficiency and quality of the decision-making process which Party members participate. The efficiency of the decision-making process will directly affect the final results and the speed of decision-making. The effectiveness of participation process in decision-making can be analyzed from two angles: the efficiency and effectiveness in decision-making.

### 3.1.4. The Effectiveness of Participation Results in Decision-Making

It refers to the various aspects of effects of the Party committee participating in decision-making. It is mainly used to reflect whether major decisions are helpful for the enterprise's development. It mainly focuses on the effects of decision-making on performance indexes and stakeholders. The concrete index system is in the following table 1.

*Table 1. The effectiveness index system of SOE Party committee participating in major decision-making.*

| First grade index                                                            | Second grade index                                   | Third grade index (A11)                                                                                                                     |
|------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Main decision-making body (A)                                                | The competence of the decision-making members (A1)   | Decision-making ability of Party committee members (A12)<br>Decision-making ability of non-Party committee members (A21)                    |
|                                                                              | MDM Structure (A2)                                   | Degree of staff participation<br>The reasonable degree of the two-way access and cross-representation of decision-making members (A22)      |
| The effectiveness of preparation before participating in decision-making (B) | The content of participation in decision-making (B1) | The understanding of the company's operation (B11)<br>The understanding of the external environment (B12)                                   |
|                                                                              | Effects of communication beforehand (B2)             | The communication of among internal members (B21)<br>The degree of communication between managers before decision-making (B22)              |
| The effectiveness of participation process in decision-making (C)            | The effects of decision-making process (C1)          | The sufficiency of opinion expression of Party committee members (C11)<br>Decisions subject's acceptance of opinion (C12)                   |
|                                                                              | The efficiency of decision-making process (C2)       | The exchange of information on decisions (C21)<br>The reduction of time cost by participating in decision-making (C22)                      |
| The effectiveness of participation results in decision-making (D)            | The effectiveness of stakeholder impact (D1)         | Government Satisfaction/compliance (D11)<br>Staff Satisfaction (D12)<br>Core shareholders satisfaction (D13)<br>Managers satisfaction (D14) |
|                                                                              | The effectiveness of impacts on the enterprise (D2)  | Efficiency of decision implementation (D21)<br>The degree of talent rational use (D22)                                                      |

### 3.2. Choice of Evaluation Methods

Nowadays, the mainstream methods used to evaluate include expert evaluation method, AHP, fuzzy comprehensive evaluation method, principal component analysis, gray correlation analysis method, entropy method, etc. The evaluation object in this study is major decision-making, and in the process the main body, process and result of participation in decision-making need to be evaluated comprehensively. The index system also includes the index of participation in the decision-making process. Every index plays a different role for the overall evaluation target, so every index also has different weight. When evaluated, there are the

following characteristics:

The evaluation object is the process of SOE Party committee participating in major decision-making, which has a subjectivity nature. Therefore, this study ruled out the methods such as the entropy method (which uses complete objective data for analysis).

The index with large numbers of qualitative indexes instead of quantitative index needs subjective judgment. So this study ruled out the method such as principal component analysis (which uses large numbers of quantitative data for analysis).

The index system in this study has a clear hierarchy. Therefore, the paper selects the analytic hierarchy process method to determine the weight.

Although large numbers of subjective measurement indexes are involved in the study, it covers the whole process of SOE Party committee participating in major decision-making and the evaluation system is relatively large. Therefore, this study ruled out expert evaluation method because of inaccuracy. But, while scoring the subjective item, we can consider experts' participation.

In conclusion, combining the evaluation target, this study suggests that using AHP to determine indexes weight and using fuzzy comprehensive evaluation method to overall evaluation are reasonable. With AHP to determine indexes weight it not only solves the problem that the index cannot be quantified but can also systematically analyze relative importance between each index. Fuzzy comprehensive evaluation method solves the problem that numbers of objective data cannot be acquired.

## 4. Empirical Analysis

### 4.1. Questionnaire Design

The measured variables are mostly qualitative in this index system of the study. The relevant data cannot be obtained from publicly available information that needs to judge subjectively. Most of the world's scholars use the questionnaires method when they evaluated decision-making. So this study also used questionnaire methods to collect data. This study integrates international scholars' studies on evaluation of decisions combined with the situation of SOE Party committee participating in important decision-making, and then designed the indicator system and questionnaire.

According to the index system and the contents of the evaluation, this study designed two types questionnaires. Questionnaire I is about the relative importance evaluation of indicators. It is used to determine the weight of each indicator. Questionnaire II is about the effectiveness of SOE Party committee participating in making important decisions. It is used to evaluate the indicators and is measured by the 7 point Likert-scale.

In this study, 10 experts were invited to fill in a questionnaire. The 10 experts include business leaders and renowned scholars in the field of research. Questionnaire II was distributed to 350 copies. The research object is Aviation Industry Corporation of China and its affiliated companies' leaders, middle-level managers and junior staff. A total of 283 copies of questionnaires were recovered. The collecting rate was 80.86%.

### 4.2. Data Collection and Sample Description

Based on the returned questionnaires, we screened the questionnaires, removed invalid ones and remained 254 valid questionnaires. The questionnaire response rate was 89.75%. We analyzed them by SPSS20.0. Samples is described as follows: the number of corporate leaders, middle-level managers and the general staff who filled this questionnaire accounts for 26%, 48.8% and 25.2% respectively. Specific statistical structure of the sample frequency is shown in the following Table 2.

*Table 2. Sample frequency statistics.*

| Survey (SV)           | Frequency | Percentage | Effective Percent | Cumulative Percent |
|-----------------------|-----------|------------|-------------------|--------------------|
| Business leaders      | 66        | 26         | 26                | 26                 |
| Middle-level managers | 124       | 48.8       | 48.8              | 74.8               |
| General Staff         | 64        | 25.2       | 25.2              | 100                |
| Total                 | 254       | 100        | 100               | —                  |

### 4.3. The Reliability and Validity Analysis

#### 4.3.1. Reliability Analysis

This paper analyses the reliability of the overall sample data by SPSS20.0. Cronbach's  $\alpha$  coefficient of the overall sample was 0.948, for each category, the values were 0.802, 0.883, 0.913 and 0.904 (Table 3). It can be seen that the Cronbach's alpha coefficients of the overall sample and each dimension were greater than 0.7 [10]. It shows that the overall sample and each dimension is reliability, with good internal consistency.

*Table 3. Reliability test Cronbach's Alpha Coefficient Summary.*

| Reliability test       | Name                                                                                                    | Number of items | Cronbach's Alpha |
|------------------------|---------------------------------------------------------------------------------------------------------|-----------------|------------------|
| Overall Reliability    | The effectiveness of state-owned enterprises Party committee participating in important decision-making | 18              | 0.948            |
|                        | The main body of participation in decision-making(PDB)                                                  | 4               | 0.802            |
|                        | The effectiveness of the decision-making preparation(PDPre)                                             | 4               | 0.883            |
| Dimensions Reliability | The effectiveness of the decision-making process(PDPro)                                                 | 4               | 0.913            |
|                        | The effectiveness of the decision-making results(PDR)                                                   | 6               | 0.904            |

#### 4.3.2. Validity Analysis

In this study, the validity of the sample data is measured by factor analysis. The scale of KMO is 0.938, bigger than 0.7. The Bartlett test of sphere significance probability is less than 0.01 (Table 4), indicating that the sample data is suitable for factor analysis [11].

*Table 4. KMO and Bartlett's test.*

| Sampling sufficient degree of Kaiser-Meyer-Olkin measure. |                        | 0.938    |
|-----------------------------------------------------------|------------------------|----------|
| Bartlett test of sphere                                   | Approximate chi-square | 3295.606 |
|                                                           | df                     | 153      |
|                                                           | Sig.                   | .000     |

The cumulative contribution rate reaches 72.773%, greater than 65%, indicating that the extraction of four common factors explains the results well (Table 5). D11, D12, D13, D14, D213 and D22 compose the common factor 1. C11, C12, C21 and C22 compose the common factor 2. B11, B12, B21 and B22 compose the common factor 3. A11, A12, A21 and A22 compose the common factor 4 (Table 5). Based on the above analysis, sample data has good validity.

**Table 5.** Total variance explained.

|    | Original |               |              | Extraction |               |            | Rotate |               |              |
|----|----------|---------------|--------------|------------|---------------|------------|--------|---------------|--------------|
|    | Total    | % of Variance | Cumulative % | Total      | % of Variance | Cumulative | Total  | % of Variance | Cumulative % |
| 1  | 9.659    | 53.662        | 53.662       | 9.659      | 53.662        | 53.662     | 3.763  | 20.903        | 20.903       |
| 2  | 1.265    | 7.028         | 60.690       | 1.265      | 7.028         | 60.690     | 3.438  | 19.099        | 40.002       |
| 3  | 1.189    | 6.604         | 67.294       | 1.189      | 6.604         | 67.294     | 3.149  | 17.495        | 57.497       |
| 4  | 0.986    | 5.479         | 72.773       | 0.986      | 5.479         | 72.773     | 2.750  | 15.276        | 72.773       |
| 5  | 0.675    | 3.752         | 76.525       |            |               |            |        |               |              |
| 6  | 0.617    | 3.426         | 79.951       |            |               |            |        |               |              |
| 7  | 0.53     | 2.944         | 82.895       |            |               |            |        |               |              |
| 8  | 0.429    | 2.385         | 85.279       |            |               |            |        |               |              |
| 9  | 0.4      | 2.22          | 87.499       |            |               |            |        |               |              |
| 10 | 0.358    | 1.99          | 89.49        |            |               |            |        |               |              |
| 11 | 0.323    | 1.793         | 91.282       |            |               |            |        |               |              |
| 12 | 0.292    | 1.621         | 92.904       |            |               |            |        |               |              |
| 13 | 0.259    | 1.44          | 94.344       |            |               |            |        |               |              |
| 14 | 0.247    | 1.375         | 95.718       |            |               |            |        |               |              |
| 15 | 0.226    | 1.254         | 96.973       |            |               |            |        |               |              |
| 16 | 0.215    | 1.196         | 98.169       |            |               |            |        |               |              |
| 17 | 0.181    | 1.007         | 99.176       |            |               |            |        |               |              |
| 18 | 0.148    | 0.824         | 100          |            |               |            |        |               |              |

Extraction Method: Principal Component Analysis.

**Table 6.** Rotation Component Matrix *a*.

|     | Component |       |       |       |
|-----|-----------|-------|-------|-------|
|     | 1         | 2     | 3     | 4     |
| D11 | 0.781     | 0.173 | 0.247 | 0.067 |
| D12 | 0.744     | 0.274 | 0.239 | 0.272 |
| D14 | 0.663     | 0.425 | 0.259 | 0.131 |
| D21 | 0.655     | 0.224 | 0.249 | 0.386 |
| D22 | 0.614     | 0.411 | 0.21  | 0.398 |
| D13 | 0.61      | 0.384 | 0.344 | 0.018 |
| C11 | 0.275     | 0.796 | 0.294 | 0.179 |
| C12 | 0.281     | 0.788 | 0.227 | 0.313 |
| C21 | 0.258     | 0.757 | 0.285 | 0.269 |
| C22 | 0.309     | 0.74  | 0.128 | 0.229 |
| B12 | 0.202     | 0.203 | 0.814 | 0.207 |
| B22 | 0.216     | 0.207 | 0.78  | 0.189 |
| B11 | 0.313     | 0.166 | 0.734 | 0.276 |
| B21 | 0.332     | 0.339 | 0.678 | 0.207 |
| A22 | -0.132    | 0.208 | 0.231 | 0.713 |
| A12 | 0.288     | 0.195 | 0.269 | 0.687 |
| A21 | 0.375     | 0.244 | 0.051 | 0.678 |
| A11 | 0.36      | 0.209 | 0.327 | 0.674 |

Extraction Method: Principal Component Analysis.

Rotation Method: A Kaiser standardized orthogonal rotation method.

A rotation after 7 iterations to converge.

#### 4.4. Weight Determination (AHP)

##### 4.4.1. Build Hierarchy

First we should build a hierarchy before AHP, shown in Figure 1. Target level is the effectiveness of state-owned enterprises Party committee participating in important decisions. Intermediate layer 1 includes four sub-goals,

namely the main body of participation in decision-making, the effectiveness of the decision-making preparation, the effectiveness of the decision-making process and the effectiveness of the decision-making results. Each level of indicators (intermediate layer 1) contain two sub-goals, as shown in Figure 1. The lowest level includes 18 items.

##### 4.4.2. Determining the Weight and Consistency Test

We sort out the relative importance data for all levels of indicators that the 10 experts scored, and obtained the following judgment matrix. Then, we calculated the judgment matrix and the weight of each level of the matrix, and checked the consistency. Ultimately we figured out the sorting of different layers and determined the final weight of each layer. There are many ways to process the judgment matrix. This study used root method to process the judgment matrix and used AHP analysis software to calculate. Corresponding results are shown as follows. Relative to M, the following table is the relative importance among A, B, C and D.

**Table 7.** Judgment matrix *M*.

| M | A   | B   | C | D |
|---|-----|-----|---|---|
| A | 1   | 2   | 2 | 1 |
| B | 1/2 | 1   | 2 | 1 |
| C | 1/2 | 1/2 | 1 | 1 |
| D | 1   | 1   | 1 | 1 |

Through calculation,  $W=[0.3431, 0.2426, 0.1716, 0.2426]^T$ ,  $\lambda=4.1213$ ,  $C.I.=0.0404$ ,  $C.R.=0.0454<0.1$ . It passed the consistency test. The overall weight,  $W_M=[0.1716, 0.0572, 0.0286, 0.0858, 0.0539, 0.027, 0.1078, 0.0539, 0.0915, 0.0458, 0.0275, 0.0069, 0.0702, 0.0235, 0.0166, 0.0111, 0.0607, 0.0607]^T$ , Specific results are shown in Table 8.

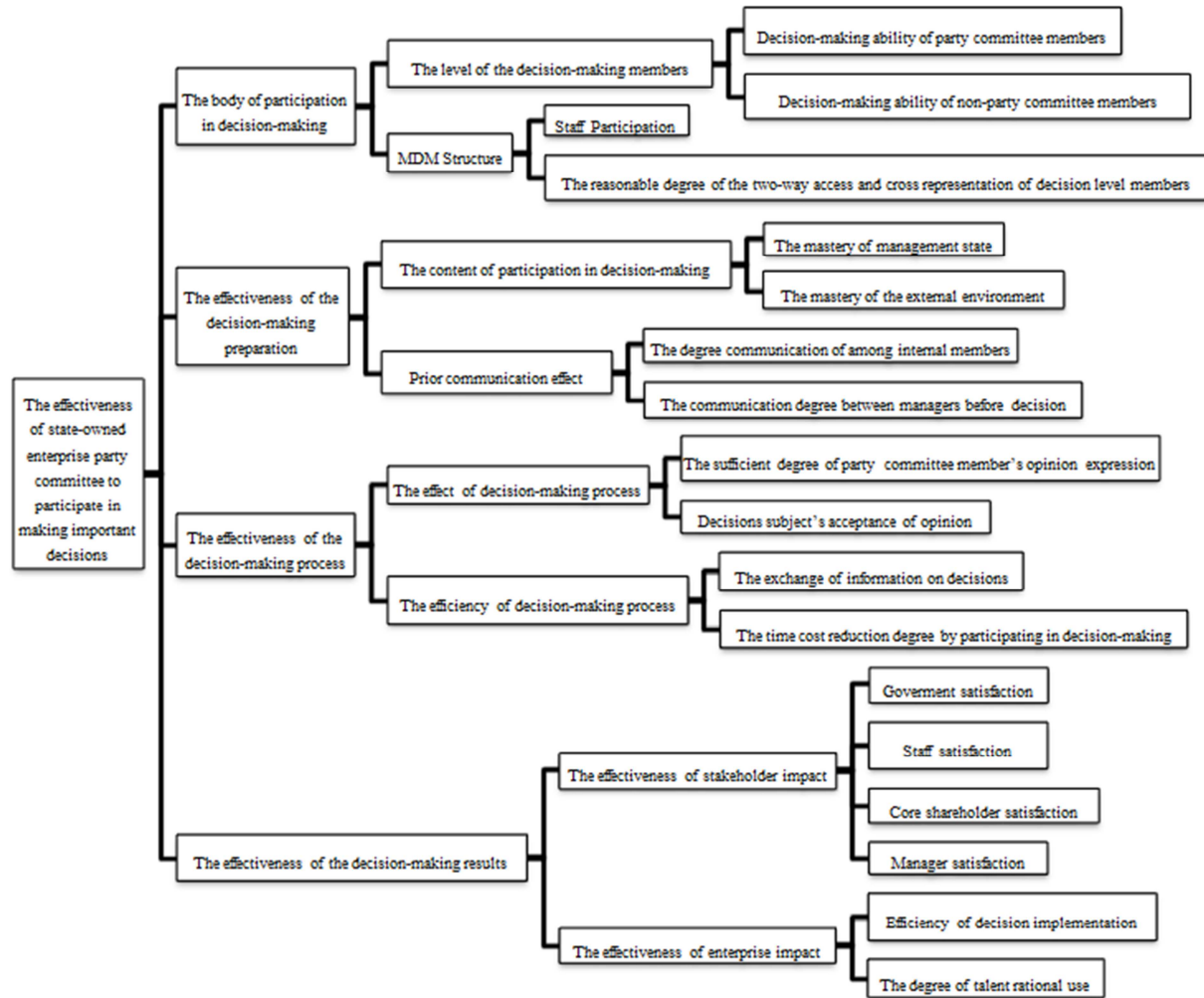


Figure 1. The hierarchy of effectiveness evaluation of State-owned Enterprises Party committee participating in important decision-making.

Table 8. Index weight results.

|                                                                                                                       | First grade indexes                                             | Second grade indexes                                        | Third grade indexes                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| The Effectiveness evaluation of state-owned enterprise Party committee to participate in making important decisions M | The main participation body in decision-making A (0.3431)       | The level of the decision-making members A1 (0.2288)        | Decision-making ability of Party committee members A11 (0.1716)                                             |
|                                                                                                                       |                                                                 |                                                             | Decision-making ability of non-Party committee members A12 (0.0572)                                         |
|                                                                                                                       |                                                                 | MDM Structure A2 (0.1144)                                   | Staff Participation A21 (0.0286)                                                                            |
|                                                                                                                       |                                                                 |                                                             | The reasonable degree of the two-way access and cross-representation of decision level members A22 (0.0858) |
|                                                                                                                       | The effectiveness of the decision-making preparation B (0.2426) | The content of participation in decision-making B1 (0.0809) | The mastery of management state B11 (0.0539)                                                                |
|                                                                                                                       |                                                                 |                                                             | The mastery of the external environment B12 (0.027)                                                         |
|                                                                                                                       |                                                                 | Prior communication effect B2 (0.1618)                      | The degree communication of among internal members B21 (0.1078)                                             |
|                                                                                                                       |                                                                 |                                                             | The communication degree between managers before decision B22 (0.0539)                                      |
|                                                                                                                       | The effectiveness of the decision-making process C (0.1716)     | The effect of decision-making process C2 (0.1373)           | The sufficient degree of Party committee members opinion expression C11 (0.0915)                            |
|                                                                                                                       |                                                                 |                                                             | Decisions subject's acceptance of opinion C12 (0.0458)                                                      |
|                                                                                                                       |                                                                 | The efficiency of the decision-making process C2 (0.0343)   | The exchange of information on decisions C21 (0.0275)                                                       |
|                                                                                                                       |                                                                 |                                                             | The time cost reduction degree by participating in decision-making C22 (0.0069)                             |
|                                                                                                                       | The effectiveness of the decision-making results D (0.2426)     | The effectiveness of stakeholder impact D1 (0.1213)         | Government Satisfaction D11 (0.0702)                                                                        |
|                                                                                                                       |                                                                 |                                                             | Staff Satisfaction D12 (0.0235)                                                                             |
|                                                                                                                       |                                                                 |                                                             | Core shareholder satisfaction D13 (0.0166)                                                                  |
|                                                                                                                       |                                                                 |                                                             | Manager satisfaction D14 (0.0111)                                                                           |
|                                                                                                                       |                                                                 | The effectiveness of enterprise impact D2 (0.1213)          | Efficiency of decision implementation D21 (0.0607)                                                          |
|                                                                                                                       |                                                                 |                                                             | The degree of talent rational use D22 (0.0607)                                                              |

Based on the relative importance score of each indicator, the main body of participation in decision-making has the largest share of index, and the comprehensive quality of the decision-making body plays a crucial role in major decisions. The effectiveness of the decision-making preparation and the effectiveness of the decision-making results are of the same importance, while the effectiveness of the decision-making process accounts for a relatively small proportion. From the specific indicators, we can obtain that decision-making ability of Party committee members, the degree of communication among internal members, the sufficiency of opinion expression of Party committee members and the reasonable degree of the two-way access and cross-representation of decision-making members affect the effectiveness relatively large.

#### 4.5. Evaluation and Results Analysis

##### 4.5.1. Result Calculation

This study evaluates the overall status of AVIC's Party committee involved in major decision-making using the data

which is collected from questionnaires 1 which is called the effectiveness of the SOE Party committee participating in major decision-making. Through the evaluation, the paper obtains an evaluation set  $V = \{\text{very dissent, dissent, slightly dissent, neutral, slightly consent, consent, very consent}\}$ , and uses the average of overall questionnaires as the score of each item. Therefore, the score matrix  $R$  of each item can be obtained. In this part the author not only introduces the weight matrix of each item obtained in the above section but also calculates the final evaluation result  $M$ .

The overall results of the effectiveness evaluation of AVIC Party committees involved in major decision-making is  $M = R \times W_M = 6.22$ .

According to the index weight at all levels mentioned above, index of each level is evaluated, namely, the score of index of each level = weight of index of every level  $W_i$  \* score of each index  $R_i$ , and the score of index at each level can be obtained. Scores of index at each level are shown in Table 9.

**Table 9.** The score table of AVIC Party committees' major decision-making participation effectiveness evaluation.

| evaluation target | score | first grade index | score | second grade index | score | third grade index | score |
|-------------------|-------|-------------------|-------|--------------------|-------|-------------------|-------|
| M                 | 6.22  | A                 | 6.29  | A1                 | 6.31  | A11               | 6.35  |
|                   |       |                   |       |                    |       | A12               | 6.19  |
|                   |       |                   |       | A2                 | 6.26  | A21               | 6.2   |
|                   |       |                   |       |                    |       | A22               | 6.28  |
|                   |       | B                 | 6.045 | B1                 | 6.097 | B11               | 6.24  |
|                   |       |                   |       |                    |       | B12               | 5.81  |
|                   |       |                   |       | B2                 | 6.02  | B21               | 6.03  |
|                   |       |                   |       |                    |       | B22               | 6     |
|                   |       | C                 | 6.229 | C1                 | 6.26  | C11               | 6.26  |
|                   |       |                   |       |                    |       | C12               | 6.27  |
|                   |       |                   |       | C2                 | 6.108 | C21               | 6.09  |
|                   |       |                   |       |                    |       | C22               | 6.18  |
|                   |       | D                 | 6.271 |                    |       | D11               | 6.4   |
|                   |       |                   |       | D1                 | 6.203 | D12               | 6.09  |
|                   |       |                   |       |                    |       | D13               | 5.78  |
|                   |       |                   |       |                    |       | D14               | 5.83  |
|                   |       |                   |       | D2                 | 6.34  | D21               | 6.38  |
|                   |       |                   |       |                    |       | D22               | 6.3   |

##### 4.5.2. Result Analysis

From the overall evaluation results, the effectiveness of AVIC Party committee's decision-making participation is above good. The overall score is 6.22 which is between consent and very consent in the evaluation of set. The score shows that employees of all levels in the company hold a positive attitude towards the effectiveness of the Party committee's participation in major decision-making.

From the first grade index scores, overall evaluation results are good. All the index scores of this level are higher than 6. But compared with the overall score of 6.22, the score of the effectiveness of decision-making participation preparation is 6.0457, which shows that the AVIC Party committee is slightly insufficient in preparing for participating in decision-making. The score of the main body of participation

in decision-making and the score of the effectiveness of decision-making participation results are good and maintain high. The score of the effectiveness of decision-making participation process compared to the overall score is average.

From the second index of scores, overall evaluation results are good. The AVIC Party committee is relatively good in the effectiveness of the impact on the enterprise, decision-making members' competence, decision-making group structure and decision-making process effects. Each item score is above 6.22. The content of participation in decision-making, prior communication and decision-making process efficiency are worse than the overall level of 6.22 and these aspects need to be further strengthened. The score of the impact on the stakeholders is average.

From the third index of scores, the sub-index of the effectiveness of AVIC Party committee participating in major

decision-making shows both positive and negative results. Concrete results are as follows: a. Major decisions which AVIC Party committee participated can be highly compliant with national policies (the score is 6.4). It shows that Party members can play a positive role in guiding and it is of great help for Party committee to give full play of the political advantages. b. The efficiency of AVIC's major decision implementation (the score is 6.38) is relatively high. It shows that the Party committee has a good supervising and urging effect on the process of decision implementation. c. The score of Party committee members' decision-making ability is relatively high. It shows that the competence of Party committee members in decision-making is high and this also affects the Party members' role in participating in major decision-making. d. There are some places with defects in AVIC Party committee involved in major decision-making. For example, the understanding by Party committee members about the enterprise's external environment, the satisfaction of higher units, the satisfaction of top management team, the internal or external communications of Party committee in advance, the exchange of views on decision-making conference and the satisfaction of employees about the major decisions are all worth thinking and improving further by group Party committee.

## 5. Conclusion and Expectation

The SOE Party committee participates in making important decisions is not only one of the ways to take political advantage, but also an effective way to improve business performance. Evaluating the effectiveness of the Party committee in the SOE to participate in major decision-making is a useful way to improve businesses performance. It can ensure the Party's political advantages. On the basis of the previous literature and the position of SOEs, this paper screened 18 indicators to build the effectiveness of the SOE Party committee participating in making important decisions. The evaluation indicator system focuses on the following four aspects: the subject of participate decision-making, the effectiveness of the decision-making preparation before participating, the effectiveness of the decision-making process, the effectiveness of the participation decision results. And this paper carries out an empirical study through a questionnaire survey. Final evaluation results show that the effectiveness of Aviation Industry Corporation of China Party committee participating in making important decisions is good. This paper indicates that there are rooms for further improvement in some aspects.

The SOE Party committee participating in making important decisions is a complex issue. The paper has some gaps in using survey research methods, and the indicator system can be further improved. These aspects require further study and improvement.

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