

A STUDY ON KOREAN SHIPBUILDING INDUSTRY' S COMPETITION ABILITY STRATEGY

Abstract

The theme of this thesis is on Korean shipbuilding industry' s competition ability. The reason of focusing on this theme is that the competition ability is a core of the development of an enterprise; so as to an industry, the general competition ability is one of our most important subjects of macro-economy study. Why the Korean shipbuilding industry' s development could exceed Japanese and Korea became the world first shipbuilding country? It is because of this self-containing powerful competition ability. This ability, the author thinks, mainly embodies on human resource, national policy on propping up giant enterprises, stable supply of row materials, and on the enterprises' acuity hold of the changeable world' s market of shipbuilding.

The author embarks his study on the change of the world' s economy development, and studies it under the big environment of the world economy development. The shipbuilding industry is a son-system of the world economy system. They impact on each other. Thus, we are able to feel the pulse of the shipbuilding industry' s development.

Comparison is the method of this article' s demonstration way. A large length of the article is comparing the Japanese and Chinese shipbuilding competition ability (especially Chinese) with Korean ones. The author believes that the reason why the status of the shipbuilding industry among China, Japan and Korea is changing is because some factors, which compose their competition ability, are changing. In the article, the author analyzes

the course, that how do those factors bring on the change of the competition ability. By comparison, the author suggests some strategies of how Korean shipbuilding industry actively faces the changeable world ocean shipment market and the competition from the progressive Chinese shipbuilding enterprises.

Also, quite a big amount of charts are used in this article to demonstrate the author's points. By using the charts, the author analyzes the data to reach the conclusion and decomposes the relating factors, and uses the quantitative analysis to compare and analysis those data.

The main contents of this article are as follows:

Article 1 Prologue The importance of the shipbuilding industry to a country's economy development.

Article 2 Summary of the world shipbuilding industry Three aspects:
1. The character of the world shipbuilding industry. The author considers that the world shipbuilding industry has three main characters: a) The shipbuilding industry needs huge capital investment. b) The shipbuilding industry is an export industry, which is strongly influenced by the world ocean shipment market. c) The shipbuilding industry strongly ties to other relating industries. 2. The status of the demand quantity in certain period. The demand of the ships is impacted by the ocean shipment and the world economy indeed. 3. The status of the industry and the trends of the demands. It mainly introduced the current status of the shipbuilding industry and the demand of the ships in the world; the background of the current ship demand and the introduction of the ship price.

Article 3 The status of the Korean shipbuilding industry Discourses upon the following three aspects: 1. The status of the Korean shipbuilding industry, 2. The trend of the Korean shipbuilding industry, 3. The analysis

of the Korean shipbuilding industry. The author analyzes the Korean enterprises by using the financial reports from three Korean main shipbuilding enterprises.

Article 4 Analysis on the outer environment Mainly discourses the impact of the factors' change on the shipbuilding industry upon the exchange rate, the changes of the thick board price which influence the profits, the supply, and the demand.

Article 5 Analysis on the competitors Analyzes the competition between Chinese and Japanese in this industry. Compares each of their competition ability with that of Korea, and analyzes their trends of development.

Article 6 Conclusion Poses the strategies that Korean shipbuilding industry needs to adopt. They are divided into basic strategies, strategies of emphasizing the development ability, the strategies of how to face those different competitor countries.

Key word: Shipbuilding industry, Competition ability, Amount of received orders, Strategy of development