

Abstract

Village banks are banking financial institutions approved by the China Banking and Insurance Regulatory Commission in accordance with relevant laws and regulations and funded by domestic and foreign financial institutions, domestic non-financial institution corporate legal persons and domestic natural persons, established in rural areas to provide financial services mainly for local farmers, agriculture and rural economic development. The establishment of village banks effectively fills the gap of financial services in rural areas and increases the financial support in rural areas. after the emergence of the new crown epidemic at the end of 2019, China has been in the normalization of epidemic prevention and control for a long time, and in this context, various problems such as the abandonment of rural arable land, stagnant sales of agricultural products, and the breakage of upstream and downstream capital chains of agriculture-related enterprises have occurred frequently, which objectively leads to a continuous increase in the repayment risk of agriculture-related loans, and for At the same time, the lack of technology in village banks, the slow development of online business, and the long loan issuance process under the epidemic prevention requirements have also had a series of negative impacts on the issuance of farm-related loans by village banks. There are certain limitations for village banks to play a financial role and guarantee the restoration of farming and production in rural areas.

As a major agricultural producer, China plays a very important role in the development of the national economy, and has been steadily developing in helping agriculture, rural areas and farmers, and is at the forefront of supporting rural areas to resume farming and production after the epidemic. The issuance, recovery and management of agriculture-related loans can directly or indirectly guide the production, circulation and turnover of agricultural economy, adjust the structure of industrial chain, promote the modernization of agricultural industry and accelerate the construction of new rural areas. In the face of the challenges posed by the epidemic to

village banks, how to actively implement policy support, ensure that loan funds can reach farmers, open up the "last mile to support agriculture", and guarantee the availability of agriculture-related loan applications, business process optimization is one of the keys, which has an important role that cannot be ignored.

This paper takes RH Village Bank of Xiang Yuan County as a case study enterprise, and takes the business process improvement plan of agriculture-related loans as the research object, focusing on the current situation of the use of agriculture-related loans in the grassroots counties and villages in China. This paper aims to optimize the lending process in order to improve the economic and social performance of RH Village Bank in Xiang Yuan County and to promote the smooth resumption of agricultural production in Xiang Yuan County after the epidemic.

First, this paper starts from the current situation of the farm-related loan business and the traditional loan business process of RH Village Bank in Xiang Yuan County, and analyzes in depth the problems revealed during the epidemic prevention and control, such as long and time-consuming business process, single product model, imperfect credit rating, and inadequate post-loan risk management, finds the root causes of the problems, and elaborates the business process improvement of farm-related loans of RH Village Bank in Xiang Yuan County. The necessity of business process improvement for agricultural-related loans was explained. Then, according to the process optimization theory, six sigma management theory, and comprehensive risk management theory, we used ESIA analysis to remove and simplify business processes, integrate industry chain resources, and build an automated information system, and completed the design of the improvement plan by combining six sigma management theory and comprehensive risk management theory to address the problems in the existing business processes of farm-related loans of RH Village Bank of Xiang Yuan County. The specific contents include the following four aspects: First, the key aspects of agriculture-related loan business are optimized, involving organizational structure adjustment, duplicate process removal and job responsibility simplification; second, the business model of "cooperative + company + farmer" is introduced to improve the market suitability of agriculture-related loan products; third, the credit rating system of agriculture-related loans is improved to

further ensure the approval and approval of loans. Third, the credit rating system of agriculture-related loans is improved to further ensure the standardization of the approval process and improve the loan availability rate; fourth, in order to cope with the negative impact of the epidemic and other unexpected risks on the agriculture-related loan business of RH Village Bank of Xiang Yuan County, a new risk monitoring mechanism is created in the post-loan management process and the non-performing loan collection process is recreated. After completing the program design, this paper, by combining the application of actual cases and the actual results, in can see that the agriculture-related loans have been significantly optimized compared with the previous process, which can help RH Village Bank of Xiang Yuan County to cope with the business pressure and market challenges brought by the new crown epidemic to a certain extent, and is of great significance to its future sustainable development. The overall advantages of the improved loan process can be summarized into the following four points: firstly, shortening the time consuming business process of agriculture-related loans; secondly, meeting the needs of the local market to resume cultivation and production after the epidemic; thirdly, increasing the availability of agriculture-related loans; and fourthly, improving the risk management of agriculture-related loans.

In terms of innovation value, due to the small volume and short development time of village banks, the research on village banks in the domestic research field is mostly focused within the macro perspective of strategic positioning, governance model, and development prospect, etc. The research in this paper has certain reference value for future research on specific business process improvement of village banks. Secondly, under the current normalized situation of epidemic in China, this paper adopts the perspective of epidemic prevention and fighting against epidemic to study how to optimize and improve the specific process of agriculture-related loans to meet the demand for resumption of production and realize the social reality after responding to the sudden public health emergency and facing the huge financial demand for resumption of production in rural areas at this stage, which has a new realistic perspective. Finally, this paper combines the loan applications of specific farmers in Xiang Yuan County, and attempts to analyze and

summarize the practical application of RH Village Bank's agricultural loan process improvement program in Xiang Yuan County to explore a new model of village bank agricultural loans that can be replicated and provide some reference value to the agricultural development of Xiang Yuan County and the whole country.

Although this paper has completed a study on the improvement of the business process of farm-related loans of RH Village Bank in Xiang Yuan County, the current scheme still has significant shortcomings and room for improvement. First, this paper analyzes and researches RH Village Bank in Xiang Yuan County, which is also limited by various factors such as the development scale of RH Village Bank in Xiang Yuan County, its organizational structure, the level of economic development of the region where it is located, agricultural planting preferences, and the scale of the industrial chain, and the resulting improvement scheme is difficult to have universal adaptation. Secondly, with the changing competitive market environment and epidemic prevention and control, the audit requirements and standards for loan business are constantly being improved and changed, so the process improvement plan needs to be continuously improved according to the changing market environment and social needs.

Key words: village bank; Agriculture-related loans; Loan process improvement

