Research on the risk control of Jingdong logistics Company

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Abstract

Risk control is the focus of logistics company risk management. However, because the risk control is a very complex project, many logistics companies have not achieved the ideal effect of risk control. As a new type of logistics service, the third party logistics service plays an important role in China’s logistics service market with the expansion of the demand for logistics service. On the basis of elaborating the current situation of Jingdong logistics company risk control, this paper focuses on identifying and analyzing the main risks faced by Jingdong logistics company, and then puts forward targeted measures to control the risks of Jingdong logistics company. It is hoped that this study can provide useful reference for the risk control of the third party logistics enterprises.

Keywords: Jingdong Logistics company; Logistics enterprises risk; Risk control

Introduction

With the gradual advancement of global economic integration, third-party logistics, as a new form of logistics, has greatly promoted the rapid development of the entire logistics industry by realizing the optimal allocation of enterprise resources and improving the operating efficiency and customer value of enterprises. Since the third-party logistics enterprises themselves neither produce nor sell goods, but only provide a variety of logistics services for both the supply and demand, the third-party logistics enterprises will face more risks than ordinary enterprises in the process of operation. Logistics enterprises have a particularly urgent need for risk control activities.

The original intention of the word "risk" refers to the danger that may occur, but the "risk" in the modern sense has greatly exceeded the original intention of "encounter danger", but gradually extended to "encounter damage or loss of opportunity or danger". Logistics operation has a certain particularity, which makes logistics enterprises in the process of logistics service will encounter many sudden, unpredictable and uncertain events. If these uncertainties are not controlled in time, the enterprise will be affected and suffer economic and reputation losses. These uncertain events that will have a negative impact on enterprises are logistics enterprise risks. Therefore, in order to obtain long-term development, logistics enterprises must carry out systematic risk control, and take necessary plans and measures to prevent all kinds of internal and external risks that enterprises may face.

Literature review

As pointed out in the COSO (The Committee of Sponsoring Organization of the Treadway Commission) report, no matter the size of the enterprise and the risk prevention ability, the enterprise will encounter more or less risks at different levels in the operation [1]. The job that the enterprise managers need to do is to pay close attention to the risks at different levels and take effective management measures according to the source and nature of the risks. Risk identification, risk assessment and risk response are the three main focal points for enterprises to strengthen risk control.

Jing Yang (2019) points out that risks run through the whole production and operation process of an enterprise. Enterprises in the process of pursuing its strategic and business objectives, it is necessary to control the risk as a very important and fundamental work, flexible use of various methods and means to those caused by uncertain risk factors for the consequences of control in enterprise within an acceptable range as far as possible, as to reduce the losses of the enterprise, and promote the realization of the interests of the organization [2].

Haiyan Yang (2019) believes that risk control of an enterprise is a management system established by an enterprise for the purpose of realizing its own sustainable development to prevent and control internal and external risks that have occurred or have not occurred yet [3]. Risk control is a very important and fundamental work in an enterprise management. Risk control is of great significance to the operation and future development of enterprises.

Zhisheng Wen and Hui Ma (2011) believe that the importance enterprises attach to risks is mainly determined by the probability of risk occurrence and the loss caused after risk
occurrence [4]. For this reason, they used the risk coordinate chart to conduct a classified study on risks (the horizontal axis and vertical axis of the coordinate chart represent the loss caused by risks and the probability of risk occurrence respectively), emphasizing that different response measures should be taken for different types of risks, and "risk control" should be combined with human factors.

Hongmei Luo and Xuegong Li (2014) studied the risk of chain breaking in the cold chain logistics, explored the risk control approach of the cold chain logistics system of agricultural products based on the characteristics of the cold chain logistics and the reliability theory, and demonstrated the feasibility of improving the risk control method from the four basic links [5].

Tsan-ming, Choi, Chun-hung, Chiu and Hing-kai Chan (2016) believe that with the globalization of business operations of enterprises, the logistics system will inevitably be disturbed by various uncertain factors, which will pose a threat to enterprises [6]. Therefore, for all logistics management professionals, an effective risk control program is the top priority of risk management. Through in-depth analysis of the four key areas of the logistics management system (interruption risk management, operational risk control, disaster emergency management, and logistics service risk analysis), they proposed various research directions for enterprises to deal with risks in the future.

In terms of risk control methods, domestic and foreign scholars have made great achievements in their studies. For example, K.Oien (2001) proposed the risk index system of Quantitative Risk Analysis (QRA) based on the characteristics of offshore oil drilling platforms as a tool for risk control of offshore oil facilities [7]. The index system has two distinct characteristics: it has a true basis for covering all risks; and it determines that the risk factor that contributes the most to the total risk is the actual change of each factor based on the evaluation of the platform staff, rather than the change of theoretical hypothesis.

Hendricks and Singhal (2003) analyzed the impact of logistics risks on enterprises by collecting some public data released by listed companies [8]. Lijun Zhou (2010) believes that the most effective way for a logistics enterprise to enhance its core competitiveness and reduce logistics costs is to do a good job in logistics business [9]. Therefore, on the basis of various risks faced by logistics outsourcing of enterprises, she constructed the risk control model and corresponding control strategy system of logistics outsourcing, which laid the basic theory for the risk control of logistics enterprises.

To sum up, at present, most scholars at home and abroad focus on the risk control in the process of logistics or the management of the enterprise itself, but ignore the risk control of the logistics enterprise itself. In fact, logistics enterprises can achieve smaller logistics costs and greater economic benefits by implementing risk prevention to control risks and avoid risks [10]. In this paper, Jingdong logistics company as a case, through the analysis of Jingdong logistics company risk control problems, and put forward the corresponding solutions, in order to make Jingdong logistics company risk control can be further improved.

Jingdong Logistics Company and its risk control

Introduction of logistics services of JD Logistics Company

Jingdong Logistics Company began to establish its own logistics in 2007, and was formally established in 2017. By December 31, 2019, Jingdong Logistics Company has about 700 warehouses in China, with a total area of about 16.9 million square meters. About 88 percent of the country’s administrative districts and counties can deliver goods in one day, and JD Logistics Company’s self-operated delivery service covers 99 percent of the country’s regions. By 2022, its logistics network will cover more than 300 cities in China, forming the largest intra-city distribution network in the country. At present, the 25 "Asia No.1" intelligent logistics parks operated by JD Logistics company constitute the largest intelligent warehouse group in Asia.

As a major provider of logistics services in China, JD Logistics Company’s main business involves: warehouse integration, cold chain logistics, bulk logistics, international supply chain, supply chain finance and express business. At the same time, JD Logistics Company can also provide time-based services and value-added services according to the needs of customers. Thus, JD Logistics Company has formed three distinctive service systems: warehouse distribution integration, JD express and JD logistics. Considering different requirements and characteristics of industry supply chain, in the process of warehousing integrated supply chain services, Jingdong logistics company put forward to develop and service demand industry characteristics corresponding to the service plan (for example, in terms of food safety, Jingdong logistics of fresh seafood, fruits, vegetables and so on carries on the entire journey monitoring and management; In terms of cold chain logistics, the company provides multi-temperature layer cold chain logistics products, and provides priority distribution rights for fresh food and vegetables). By 2020, the "JD Express" service provided by JD Logistics company has covered most parts of the Chinese mainland, and 42 cities can provide door-to-door pick-up service. The logistics cloud service provided by JD Logistics company realizes the purpose of better optimizing the business process and logistics system.

Current situation and existing problems of JD logistics company risk control

In the control of logistics risk, Jingdong Logistics Company has made a lot of efforts and achieved good results. For example, in the process of logistics and distribution, in order to improve the speed of distribution, JD Logistics Company first chooses to maintain a good relationship with some large suppliers to ensure timely contact with suppliers for delivery when the inventory is insufficient. Secondly, as long as customers place an order, the operation center will notify the warehouse to deal with the goods at the fastest speed. Thirdly, every
employee in the warehouse of JD Logistics company is equipped with a computer, which can not only deal with the place- ment of goods in the warehouse more reasonably, but also find the goods in the shortest time. In terms of post transaction risk control, in order to improve the speed of return and exchange of goods, JD Logistics company has launched a speed audit to ensure that the return and exchange of goods can be carried out in the shortest time. In view of the situation that customers cannot pick up goods on time, JD Logistics Company has launched the service of regular delivery and self- pick up goods. At the same time, the deliveryman is required to contact the customer in advance before delivery to confirm whether it is convenient to receive the goods. In addition to large household appliances, JD Logistics Company adopts the payment method of inspection before payment, which also improves customer satisfaction to a certain extent and reduces the corresponding litigation risk.

However, Jingdong Logistics Company also has some deficiencies in the process of logistics risk control, which are mainly manifested in the following aspects:

**Human resource risk**

The human resource risks of JD Logistics Company generally come from two aspects: (1) the high mobility of human resources. As we all know, the human resources of logistics enterprises are a kind of fluid resources, and excellent employees always have the need to find a better and higher position. In recent years, the demission rate of Jingdong Logistics Company has been rising, and there are even queues to leave. Sometimes, the number of people leaving in one day is as high as one hundred. In addition, Jingdong Logistics Company has faced great operating pressure in recent years, and had to make necessary layoff and salary reduction, which led to many grass-root staff choosing to leave due to low salary level, small development prospects, heavy business volume and high work pressure. The loss of a large number of outstanding talents has caused human resources risks to JD Logistics Company. (2) Human resource management is complex and difficult. According to statistics, as of December 31, 2019, JD Logistics Company has about 220,000 regular employees. Obviously, it is a very complicated and difficult work to carry out the human resource management of so many employees, to make reasonable plans for each employee and to carry out reasonable job matching. In addition, the rapid growth of Jingdong Logistics Company, some branch managers do not have the relevant management experience accumulation, do not have the corresponding management ability, which greatly increases the difficulty of enterprise human resource management, to bring the corresponding risks to the enterprise. Human resource risk has the characteristics of type B risk, that is, the probability of risk occurrence is very high, but the loss caused by a single event is relatively small. If the risk control is carried out when the problem evolves into a risk and then affects the operation of the enterprise, the enterprise will be in a very passive position, and may cause great reputation loss and economic loss.

**Distribution cost risk**

By the end of 2019, JD Logistics Company had 7,640 "Express" outlets in China and opened hundreds of air transport routes. With its "express delivery" service in 26 cities including Beijing, Shanghai, Guangzhou and Shenzhen, JD Logistics Company has delivered goods to nearly 300 cities on the next or third day. However, because the number of customers in some second-tier and third-tier cities is less and scattered than that in first-tier cities, the cost of self-establishment of logistics and distribution systems in these areas is huge. With the continuous expansion of customer groups in second-tier and third-tier cities, the distribution network is becoming more and more diffuse. In order to guarantee the distribution speed, more express delivery network needs to be built. Therefore, it has become a big problem for Jingdong to arrange the best delivery route for goods. If the choice of logistics transportation tools and transportation routes is not reasonable, the delivery route will be too long and lead to delayed delivery, which will greatly increase the delivery cost of Jingdong Logistics Company. In addition, JD Logistics Company promises that the company will return goods without any reason within seven days. If a second delivery is needed, the cost of the second delivery will be entirely borne by the company itself. Obviously, this increases the return rate of customers to a certain extent, and further increases the distribution cost of enterprises. The risk of high distribution cost has the characteristics of class A risk, that is, the probability of occurrence of such risk is high, and once the risk occurs, it may lead to the rupture of the cash flow of logistics enterprises, aggravate the capital burden of enterprises, reduce the ability of enterprises to resist risks, and do great harm to enterprises.

**The legal risks**

Legal risk is also called compliance supervision risk. Due to the complex operation of logistics enterprises, including not only the internal management of enterprises, but also the cooperation with other enterprises to carry out logistics business, etc., logistics enterprises are faced with more legal risks than ordinary enterprises. But most logistics enterprises do not have a special department to study the legal risks that enterprises may face. The main legal risks that JD Logistics faces Company are: (1) Contract risk. The legal risks caused by the signing of the contract between JD Logistics Company and the service demanders. (2) Information risk. The security of the system itself or the security of the information exchange process (such as the disclosure of customer trade secrets) may lead to the risk of legal disputes when the logistics management problems are solved in an informationized way. (3) Performance risk. This refers to the risk of breach of contract of partners of logistics enterprises, which is difficult to prevent. Logistics enterprises can only use legal means to protect their rights and interests and transfer their risks. The legal risk JD Logistics Company faces is a C-type risk, that is, the probability of such risk is very low, but once it happens, it will bring huge losses to the logistics enterprises. However, this kind of risk is preventable and controllable, and enterprises can realize the control of risk by strengthening the awareness of legal risk prevention.
In view of the impact of the above risks on the operation of Jingdong Logistics Company and the company's future development needs, strengthening the control of risks has become the top priority and priority of Jingdong Logistics Company. JD Logistics Company should improve the ability of identifying, evaluating and controlling risks to help the company prevent and control business risks and reduce losses. This paper will discuss the risk control of Jingdong Logistics Company based on the mode of "risk control objective determination -- risk control strategy -- risk control effect evaluation", and then put forward measures to further improve the company’s risk control.

The mode of JD logistics company risk control

Determination of risk control objectives

In the process of risk control, without goals, it is impossible to measure the effectiveness of risk control and the results of the implementation of risk control strategies, so that it is impossible to know whether the enterprise's risk control ability has been improved. Therefore, JD Logistics Company must set goals for risk control. In view of the three main risks, JD Logistics Company can build a risk control system with easy-to-quantify monitoring indicators as the standard, and determine the risk control objectives.

Staff Turnover Rate

The turnover rate is an important and easily observable index to measure the level of human resource management in an enterprise, by which managers can clearly understand the status of human resource management in an enterprise. As is known to all, logistics enterprises have a large demand for grass-roots employees, which, to a certain extent, will lead to the recruitment of some grass-roots employees with insufficient professionalism into the workforce. In addition, the logistics work of grass-roots employees is heavy and they have to contact with customers face to face. At this time, if a low-quality employee meets a picky customer, it is easy to have work disputes between employees and customers. Once a job dispute occurs, the enterprise will inevitably suffer economic losses in order to recover the corresponding reputation loss, and the employees will be deducted their wages or even forced to leave their jobs. Obviously, JD Logistics Company should take a series of measures to recruit appropriate employees and train them regularly to improve their professionalism and professional ethics, which will be very helpful to prevent the occurrence of work disputes, and the enterprise will therefore reduce the turnover rate of employees. At the same time, the improvement of employee professionalism and professional ethics will also improve customer satisfaction to a certain extent, so as to achieve the purpose of reducing corporate human resource risks.

Error Rate of Goods

Errors in goods refer to errors in the registration and receipt of goods, delay in delivery, loss of goods, damage to goods, etc. Cargo errors not only directly bring economic losses to logistics enterprises, but also affect customer satisfaction and damage the reputation and image of enterprises. And to regain the trust of customers, companies will need to pay more than before. Therefore, the enterprise must make every effort to reduce the rate of goods error. Zero-error is an ideal state of cargo error rate management in logistics enterprises. Although zero error requires a very high level of operation and management, high administrative expenses and costs, but because it can greatly improve the reputation and competitiveness of logistics enterprises, has become the direction of unremitting efforts of logistics enterprises.

Proportion of logistics and distribution costs

JD Logistics Company has a wide range of goods distribution, almost all over the country. In order to ensure the speed and quality of distribution, JD Logistics Company has spent a lot of man power and material resources to build a logistics distribution system, so the corresponding fixed costs of enterprises are relatively high. The operating cost of logistics enterprises mainly consists of fixed cost and variable cost, and the level of variable cost depends on the rationality of distribution scheme to a large extent. By constantly optimizing the delivery path of goods, JD Logistics Company can greatly reduce the waste of resources in the delivery process, maximize the use of its manpower and equipment resources, so as to achieve the purpose of reducing the delivery cost of goods. Obviously, by monitoring the proportion of the distribution cost in the total operating cost of the enterprise, JD Logistics Company can timely understand the change of the distribution cost and the effectiveness of the corresponding risk control measures.

Risk control strategy

Establish a risk early warning mechanism

JD Logistics Company should adopt the key index method to carry out risk assessment and establish a risk early warning system accordingly. In other words, the object of enterprise risk assessment is divided into several key indicators and standards (that is, these key indicators constitute the main cause of a certain risk of the enterprise), and the risk early warning system is established with the standard as the early warning point. In the daily operation process, JD Logistics Company shall regularly analyze and determine these key risk index data by special personnel. When the data reaches the index standard set by the risk early warning system, the risk early warning system will release the risk early warning information.

Develop risk control methods

JD Logistics Company can adopt the following four methods in terms of risk control strategy:

The first is risk aversion. This refers to the strategy that enterprises choose to give up certain risky behaviors to avoid certain risks after weighing the advantages and disadvantages. However, risk avoidance is a very negative means of risk control, because avoiding a certain risk may mean giving up the huge profits associated with the risk, so enterprises will only use this strategy when a certain risk has a high probability of occurrence, brings great losses and there is no backup plan with the same goal.
The second is damage control. This refers to the reasonable and effective planning and specific risk control measures taken by enterprise managers in order to prevent the occurrence of risk events or reduce the occurrence of risk events to reduce their actual losses. Loss control can be divided into control before the event, control and control after the event. Among them, preventive loss control can reduce the probability of occurrence of enterprise risk events, while in-event loss control and post-event loss control can reduce the loss size brought to the enterprise after occurrence of risk events.

The third is risk transfer. This refers to the enterprise through the way of signing a contract to transfer the relevant risk to the contracting party’s behavior. In this way, the enterprise can basically reduce the risk by more than half, and can successfully avoid the huge loss caused by the occurrence of risk. The main forms of risk transfer are contract and insurance.

Finally, there is risk retention (or risk-taking), which means that the enterprise bears all the losses caused by the risk itself. Risk retention is divided into unplanned retention and planned self-insurance. Unplanned reservation refers to the use of discretionary funds to pay for the loss caused by the risk after the risk occurs. When the risk occurs suddenly or the loss caused by the risk is underestimated, the enterprise will adopt the way of unplanned reservation to assume the risk. Planned self-insurance refers to the preparation of a part of reserved funds before the occurrence of risky behaviors so as to obtain funds to compensate the losses in time after the occurrence of risks.

Evaluation of risk control effect

Without evaluation and feedback, the manager will not be able to know how well the work is being performed and done. Because only by evaluating and assessing the results of various risk control activities, logistics enterprises can show the effects of risk control, and then expose the problems and deficiencies of risk control activities, so as to solve them as the management focus of the next work cycle. There are many kinds of risks in the business activities of logistics enterprises, but when evaluating the effect of risk control, the key indexes that have great influence on the enterprises should be selected. The main steps of risk control effect evaluation are as follows:

Step 1: Analyze all the risks faced by logistics enterprises in recent years, and identify the main risks.
Step 2: Based on the analysis of the current situation of enterprise risk control, identify the key indicators of current risk control. For example, the main assessment indicators of the risk control objectives of Jingdong Logistics Company are: personnel turnover rate, cargo error rate, and the proportion of logistics cost.
Step 3: Ensuring weighting of selected evaluation indexes. The weight of the index is different, its importance is different, the degree of influence to the enterprise is different. Enterprises can determine the weight of each index by quantitative analysis, qualitative analysis or analytic hierarchy process.
Step 4: Based on the enterprise’s current risk control level, its own strength, industry status and national economic policies, the evaluation criteria of each index are formulated.

Step 5: Design the staff risk control evaluation and assessment form, calculate the actual score of enterprise risk control, conduct statistical analysis on these results, and write the evaluation and assessment report of enterprise risk control. The report generally includes the implementation time of the assessment, the problems and solutions in the assessment process, and suggestions for the future implementation of the assessment, etc.

Countermeasures to improve the risk control of Jingdong Logistics Company

Human resource risk control

Human resource risk has a high probability of occurrence, but it can be controlled. Therefore, in addition to risk retention, JD Logistics Company also needs to carry out risk prevention and loss control, that is, to take a series of effective measures to reduce the probability of risk occurrence and reduce the loss caused by the occurrence of risk. Specific measures are as follows:

Human resource planning

The management department needs to work out a recruitment plan and a staffing plan, and then recruit for each position according to the plan. For new positions, the company needs to analyze the responsibilities of new positions, clarify their specific tasks, and then plan the recruitment and appointment plan for new positions, so as to ensure that each new position has employees and each new employee has something to do. In the process of personnel recruitment, the human resources department needs to fully understand the quality, ability, occupational adaptability and other characteristics of the new hires, and on the basis of carefully selecting and allocating personnel, the personnel can be selected in quantity.

Build the internal flow mechanism of employees

Under the premise of reducing costs, JD Logistics Company needs to build an internal mobility mechanism for employees, that is, except for some newly established departments and posts, the personnel selection and appointment for other posts should be selected from within the enterprise. As the internal mobility of positions becomes stronger, enterprises can not only fully mobilize the enthusiasm and enthusiasm of employees, save the cost of human resource management, but also reduce the difficulty of staff management and improve the vitality of the enterprise.

Conducted regular training for front-line staff

At present, most of the grass-roots employees employed by logistics enterprises in China have a low educational level and generally lack professional skills and accomplishment. Due to the lack of formal operation training, staff rough handling and other problems are common, resulting in the reduction of customer satisfaction, and a certain reputation loss of logistics enterprises. In order to fundamentally solve the human resources problem of the relatively low level of employees, JD Logistics Company needs to improve the professional skills of employees, implement the standardized operation of employees and enhance their professional quality through regular and institutionalized employee training programs.
Risk control of excessive logistics distribution costs

Logistics enterprises need to set up a large number of distribution network and distribution personnel to ensure the speed and convenience of distribution. The network logistics distribution network layout means the huge demand for capital cost. The dependence of logistics enterprises on self-established logistic routes indicates that logistic enterprises prefer the latter in the choice of risk avoidance and risk retention. Obviously, control distribution cost will become the key to risk control of logistics enterprises. To this end, JD Logistics Company can take the following measures to control its distribution costs:

Choose the best delivery route

Logistics enterprises to choose a scientific and reasonable best distribution route, not only to improve the distribution efficiency, better service for customers, but also to save the cost of enterprise distribution, promote the long-term development of enterprises. Because of the complexity of logistics distribution, logistics enterprises usually use mathematical method or computer simulation method to determine the scientific and reasonable distribution path when optimizing the distribution scheme. At present, the main method for logistics enterprises to optimize the distribution route is to minimize the total tonnage and kilometers of vehicle transportation on the distribution route. This is a relatively mature method to optimize the distribution scheme for the purpose of reducing the cost of logistics distribution, also known as mileage saving method. Obviously, JD Logistics Company can reduce the cost of logistics distribution by optimizing the logistics distribution path by using the mile-saving method.

Improve the after-sales service system

Improving the after-sales service system is mainly to reduce the return rate and avoid secondary distribution. Due to the huge order processing volume of customers every day, if the communication and coordination with customers are not timely, the customer demands are not properly handled or the service attitude in the process of order processing is not in place, JD Logistics Company may lead to more customers' requests for returning goods without any reason, which will greatly improve the return rate of customers. To control the return rate of customers, JD Logistics Company needs to further improve its after-sales service system, including designing standardized service process, clarifying post responsibility system and standardizing service terms. The key to reducing customer return rate is to ensure marketable products and services purchased by customers. For this reason, JD Logistics Company should cooperate with relevant suppliers and platform enterprises to ensure the quality of products supplied, eliminate fake goods, and recommend and help customers to buy satisfactory products and services. In addition, in the process of providing relevant services, if the customer is not satisfied with the situation of return, JD Logistics Company should do the corresponding statistical work, analyze the reasons, formulate corresponding countermeasures, to avoid the recurrence of similar situations.

Risk control related to legal issues

Once the risk of legal problems occurs, it will bring very serious consequences to enterprises. To this, the enterprise should give high attention. As for the control of risks related to legal issues, JD Logistics Company can respond from the following two aspects:

Strengthen the awareness of legal risk prevention

Concerning the risks of legal issues, enterprises should take preventive measures in advance as the priority, and take preventive measures in the process and after the event as the auxiliary. Entrepreneurs must realize that although the risks associated with legal problems are very harmful, they can be prevented and controlled in advance. Therefore, it is very necessary to strengthen the legal risk prevention consciousness of enterprises. For third-party logistics companies (such as JD Logistics Company), they can take precautions by signing corresponding insurance contracts with insurance companies before delivering goods. If the risk accident occurs in the process of distribution of goods, because the insurance company can settle claims in accordance with the provisions of the contract, so the logistics enterprise can realize the transfer of risk.

Establish a corporate legal adviser system

JD Logistics Company must establish a corporate legal adviser system with general counsel as the core. At present, there is still a gap between the legal counsel system of China's logistics enterprises and that of some foreign enterprises, especially those in Europe and the United States, and it is in the immature stage. Although the legal counsel team of all domestic enterprises has exceeded 100,000 people, most enterprises lack professional legal counsel or legal risk prevention consciousness, and some enterprises even do not have a full-time legal adviser. The establishment of a relatively complete enterprise legal adviser system will be conducive to preventing the legal risk of logistics enterprises.

Conclusion

Compared with other industries, the third party logistics enterprise risk management research is still in the initial stage. The risk management of the third party logistics enterprises is more fragile and complex than that of other industries because of their special attributes. In order to improve the risk management efficiency of the third-party logistics enterprises, the risk management should follow the systematic principles: constructing the risk control model, setting up the risk control objectives, putting forward the solutions and specific measures to solve different risks, and monitoring the effectiveness of risk control through the risk control effect evaluation system.

As a famous third-party logistics service enterprise in the Chinese market, JD Logistics Company has made some achievements in risk control, but it also has some shortcomings, which are as follows: (1) insufficient human resource risk control; (2) high logistics and distribution cost; (3) the legal risk control is not perfect. Therefore, Jingdong Logistics needs to take targeted risk prevention and control measures to deal with.
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