Research on Organizational Structure and Management Mode of Fuyao Group

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Abstract. China’s glass industry is booming. Fuyao Group can become China's glass industry giant, cannot leave the advanced management mode. Therefore, the research topic of this paper is the organizational structure and management mode of Fuyao. The research methods of this paper are as follows: firstly, collect the data of management mode and organizational structure of Fuyao Group. Then collect the problems encountered in the management process of Fuyao Group, and finally give the solutions according to these problems. The study found that Fuyao Group's organizational structure and human resources management, project management and brand management processes are advanced. However there are still some problems, such as employee recruitment, production and Research & Development (R & D) structure disconnection, project process defects. Therefore, it is suggested that Fuyao Group can optimize the organizational structure and optimize the process of human resources management, project management and brand management according to the problems encountered.

Keywords: Organizational structure; management mode; solution.

1. Introduction

In the early 1990s, China accounted for about one-fifth of world glass demand but is now the largest producer of glass and glass products [1]. China's glass industry is booming. On the demand side, Countries along the Belt and Road have a great need for infrastructure, both for China's own domestic market and for future cooperation among countries. On the supply side, the problem of overcapacity in Chinese construction and manufacturing is increasingly acute. However China's glass enterprises can increase foreign infrastructure investment business to hedge domestic demand decline. Thus, China's glass industry still has great development potential.

Fuyao Group is one of the top glass enterprises in China and it is one of the few top 500 glass enterprises in China. Fuyao Group, founded in 1987 in Fuzhou, China, is a large multinational group concentrates on automotive glass, listed on the main board of Shanghai Stock Exchange in 1993.Since its establishment, modern manufacturing facilities and commercial institutions has been established by Fuyao Group in sixteen provinces and cities in China. Eleven countries and regions such as the USA, Russia, Japan, Germany, South Korea, and has set up six design centers in China, America and Germany, with approximately 27,000 employees around the world. Fuyao products have been certified and selected by world-class automotive manufacturers and major automobile manufacturers, such as Bentley, Mercedes-Benz, BMW, Toyota, General Motors, Volkswagen, Chrysler and more. They provide global OEM support, services and complete solutions for automotive glass, and are considered "excellent global suppliers" by leading automakers. With the deepening of reform and the opening up of China, the standard of living of people keeps getting better, common people’s cars in the house. Fuyao Group, one in China and the fourth at the global level, shall profit this trend and set an example for automotive glass suppliers. Under the guidance of this goal, in line with the business purpose of “quality number one, effectiveness number one, reputation number one, the client number one, and service number one”. Fuyao has become a very large company with the capacities of conception, R & D, research and manufacture of automotive glass materials, models and related equipment. At the same time, the Fuyao Glass Institute has developed into a research institution with international influence. By developing and building industrial chains upstream and downstream, Fuyao has become an international brand representing the Chinese glass industry. The Fuyao Group will also make an important step forward in the future.
As the leader of the glass industry, the organizational structure and management mode of Fuyao Group will have great inspiration for the entire glass industry, but there are few studies in this regard. What is the organizational structure of Fuyao Group? What is the management mode of Fuyao Group? What problems will Fuyao Group encounter in the process of management? The discussion of these problems has great inspiration to the management of glass industry.

2. Introduction, organizational structure and management mode of Fuyao Group

China’s glass industry has entered a period of vigorous development; large and small glass enterprises have entered the Chinese market. In such a fierce competition in the Chinese glass market, Fuyao glass can stand out, relying on excellent management mode and impeccable quality. As China’s glass giant, Fuyao Group has been adhering to the principle of quality first. They believe that only strict control of product quality can make the group bigger and stronger. High-quality products, world-class research and development centre, the strong development of Fuyao’s product market is determined by good product line and strong production capacity. Automotive glass with the brand name "Fuyao" not only dominates the automotive glass correspondence and adjustment market, but also successfully enters the international automobile glass matching and fitting market, occupying a place in the fiercely competitive international market. In the domestic vehicle supporting market, Fuyao provides supporting for the famous automobile brands, and the market share occupies half of the country. In the international automotive glass supporting market, Fuyao has been the world’s eight largest auto manufacturers certification, Fuyao has become a number of automotive brands qualified suppliers, and bulk supply.

The organizational structure of Fuyao Group includes the Board of Supervisors, the Board of Governors, the Group Authority, the Executive Committee, subsidiary groups, subsidiaries and their respective specific departments. In order to ensure that the company's decision-making, management and supervision, so that the company's business activities under effective monitoring and efficient operation, Fuyao Group's institutional functions clear, flat organization, agile, efficient, conducive to efficient communication and cooperation between departments, business units. Fuyao Group's organizational structure is conducive to meeting customer and market demand, while considering the growth and development of the organization itself, to support the company’s overall strategic development.

Next, I will introduce the division of six organizations of Fuyao Group. First of all, the board of supervisors is the monitoring body of corporate strategy, investment and operation, and supervises the work of the board of directors and the executive committee. Second, the Group Board is the company's strategy, investment business decision-making bodies. Discuss the report submitted by the executive committee of the group, approve the annual budget and decision-making plan, determine the disposal of assets, approve the appointment and removal of vice presidents and above, pay and rewards and punishments, responsible for the company's external public relations. The Group Authority is the strategic implementation and management organization under the leadership of the Group President, reporting to the Board. Then, the sub-groups of Fuyao Group are set according to the business field and the subsequent development of the enterprise. The sub-group is responsible for the comprehensive business activities in the business area under its jurisdiction and reports to the president of Fuyao Group. Fuyao Group, which owns more than 51 per cent of the shares, is called a subsidiary and is headed by the presidents of the subsidiary groups and accountable to them.

Finally, Fuyao Group organizations at all levels adopt the executive committee system, set up a number of members. The Executive Committee consists of the Executive Committee of the Group Authority, the Sub-Group Executive Committee and the Sub-Company Executive Committee. The responsibility of the Executive Committee of the Group Management Board is to formulate the business strategy and management system of the Group, to formulate the annual budget, to discuss the major issues involved in the company's business process and to formulate countermeasures. The
Sub-Group Executive Committee is the Sub-Group’s business decision-making body, composed of Sub-Group Chairman, President, Vice President, Director of Accounting, Sub-Group HRBP Director and experts. Responsible for discussing the major issues involved in the operation process of sub-group and formulating countermeasures. Subsidiary Executive Committee is the subsidiary's business decision-making body, members by the general manager, deputy general manager, deputy general manager, finance department manager, personnel department manager, quality assurance department manager, sales department manager.

The project management process of Fuyao Group is as follows: the company will send the approved project approval report to the project group, which marks the beginning of the project. The project team will also receive the 2D, 3D drawings of the products and the needs of customers on the same day. On the second day, the project team will hold an internal project start-up meeting to summarize the process time and clarify customer needs as well as the difficulties and pains that the project may encounter. Seven days after the start of the project, the project team will contact customers to hold a customer start-up meeting. At the meeting, the project team will re-comb the pain points and difficulties in the project with the customers, and ultimately determine a brief review scheme, which is extremely important for the follow-up of the entire project.

Next, the project team will regularly report the progress of the project to the customer until the product starts debugging, the product usually needs to be debugged several times to select the final sample, and between each debugging, the project team will hold seminars to modify the mold of the product according to the customer's needs, in order to get the final OTS, and then the project team will go to the mold company to accept, and pull the mold back to the factory. After the product returns to the factory, the project team will provide PPAP data, which can be mass-produced after being approved by the customer, and a project is concluded.

Fuyao Group’s human resources management mainly includes nine modules, personnel policy, organizational management, human resources planning, talent recruitment and allocation, talent assessment and training, talent incentives, personnel affairs and services, human resources assessment, human resources analysis and improvement. Among them, Fuyao Group attaches great importance to the recruitment and training of talents. For this reason, Fuyao Group has formulated a talent echelon construction plan, which divides talents into different levels according to human resources strategy, and provides professional training for different levels of talents, so that employees can grow into expert technical talents or comprehensive management talents.

Fuyao Group’s brand management is mainly divided into two parts, one is internal brand building, one is external brand building. Fuyao Group’s internal brand building is mainly through a magazine ‘Fuyao People’ to reflect, this magazine is to collect manuscripts from employees, and then organized by the Ministry of Publicity produced. It includes eight contents: the honor of FuYao Group, the foreign relations of FuYao Group, the investigation and research of leaders, the breakthrough and innovation of technology, the development direction of the group, the application of products, the sharing of experience of employees and the analysis of the glass industry. Through the reports on these contents, employees are proud of the rapid development of the group, so that employees have a stronger sense of identity to the group and work more vigorously.

Fuyao Group to ‘si pin’ to create a brand image: character, product, quality, taste. Fuyao Group has been implementing the idea that quality assurance is the best brand building, because if the product quality is not good, more brand publicity is ineffective, so Fuyao Group strictly control product quality, which is a good foreign brand management. Fuyao Group also set up a WeChat public number. The propaganda department will upload some brand stories and combine current affairs to promote its products, so that others can better understand the brand culture of Fuyao Group. Fuyao Group will also actively participate in various exhibitions, set up their own booths to promote products.
3. Problems in Management of Fuyao Group

3.1 Organizational structure

Because organizational structure is the framework of the relations on jobs, systems, operating process, people and groups making efforts to achieve the goals, so it’s very important for a group [2]. Fuyao Group's organizational structure has been quite mature, but there will inevitably be some problems, such as Fuyao Group's responsibilities are very clear, but the authority is not clear or corresponding, which often causes some problems. Fuyao Group in the organizational structure of another problem is the R & D architecture and production architecture in different organizations, resulting in R & D and production out of touch, affecting product implementation.

3.2 Project management

In the process of project management, the project department will encounter many problems, the most important is three problems. The first problem is that in the process of sample debugging, It is difficult to book a mold company in Fuzhou, so if a customer wants this sample again, it is very time-consuming and energy-consuming to start making again. The second problem is that after receiving the OTS, the project department usually sends the sample to the customer for verification. Before sending it, the project team will confirm that the sample is intact. However, due to the problems in the transportation process, the customer often feedbacks that there are various problems in the sample when receiving the sample, such as sample wear and paint drop. Therefore, the customer will refuse to sign, but there is no problem when sending the product itself, so there is no way to return it. In this way, the project progress is delayed. This phenomenon is common in the project department, but there is no better solution. The third problem is that in the progress of the project, there will be various risks. Risk is divided into internal and external risks. Projects for internal reasons may also be delayed due to factors within the organization. For example, unrealistic corporate strategy. Executives sometimes have unrealistic expectations about projects by requiring them to be completed in a short time. When they set unrealistic goals without investigating reality or giving instructions on how to improve the overall efficiency of the enterprise, the project will naturally be 'delayed' because the initial estimates are not unreasonable; or for example, the multi-tasks of employees make project managers and members lose focus. When they lose focus on a project, they are more likely to lose track of work and fall behind schedule. External reasons include possible delays in the project due to risks in external activities related to the project. For example, Fuyao Group imported a batch of materials from abroad before. In the process of making the mold, due to the operation error, the size of the mold made does not meet the requirements of the customers. However, at this time, all domestic suppliers have not sold this material, and it will take several months to buy again abroad. Such a long time will lead to the project beyond expectations and heavy losses. Risks like this are very common in project management, but there is no good remedy.

3.3 Human resource management

In the recruitment of employees, Fuyao Group often encounters a problem. The second half of each year is the time when orders are the largest, but this is the off-season of recruitment, and the demand for group recruitment is difficult to meet. Today, the field of Human Resource Management is experiencing large pressures, obtaining suitable human resources becomes increasingly problematic as the number of applicants per vacancy declines [3]. Another problem is that with the gradual disappearance of China’s demographic dividend, the attraction of manufacturing industry for talents is becoming smaller and smaller. How to meet the recruitment of talents has become an urgent problem for Fuyao Group.

3.4 Brand management

The increasing recognition, by both managers and academics, of the significance of brands as sources of sustained competitive advantage accentuates the importance [4]. However, in the process
of brand management, there are often problems. For example, in the process of soliciting manuscripts for ‘Fuyao People’ magazine, employees will not participate actively, which will delay the production time of the magazine. Therefore, how to improve employees’ enthusiasm for participation is a problem that needs to be solved by the propaganda department. The second problem is that Fuyao Group is well-known throughout the glass industry and in the south-eastern region, but because glass is not people’s daily necessities, Fuyao Group’s brand may not be well-known to every household. These two problems need to be solved in the brand management of Fuyao Group.

4. Solutions to management problems

For FuYao Group in the organizational structure of the authority is not clear, FuYao Group should re-clear the rights and responsibilities of the various departments, the division of the authority of each department, to prevent the occurrence of unclear responsibilities. For the problems of R & D structure and production structure, Fuyao Group should also readjust its organizational structure or establish new organizations to strengthen the connection between R & D and production structure and prevent the disconnection between R & D and production.

Project management is essential for a large group, which is related to the orderly conduct of many projects. For the three issues of project management, the author has some suggestions. Question 1 is possible to notify the customer in advance of the recent commissioning when preparing to debug the mold. The purchase department asks if there is any order for such mold, and if there is any, it can notify the supplier of production. This can reduce the waste of time and resources for the mold because of customer needs. The second question the project team can take a video when sending the goods to prove that the goods are intact. Fuyao Group can also send a witness to test and sign the goods when they are shipped. Third, Risk is unavoidable. This unexpected time is more difficult to avoid, so the project department should do risk management. risk management should be an important and integral part of project management and risk management is one of the key project management processes [5, 6].First, the Fuyao Group can generate possible risk forms through risk identification and risk analysis, formulate strategies to deal with risks, control, track and record risks. When the risk comes, remedial action is for minimizing the effects of risks when they happen or when they have to be taken, it is necessary to identify the risk, and then formulate corresponding emergency plans, conclude with a theoretical and research agenda for future work to reduce or mitigate the negative impact of risk events, so as to control the risk [7,8].

For the issue of employee recruitment, Fuyao Glass can provide attractive job descriptions and improve the sense of responsibility of the recruitment management team. The way an organization recruits can influence the type of employees it hires, how they perform, and their retention rate [9]. HR can stand in the perspective of the applicant and focus on what he will do, what he can learn and what kind of person he will become in the job description through transposition thinking. Enhances the effectiveness of the selection process of candidates and encourages the achievement of the development goals of an enterprise or a company [10]. Fuyao Group should also increase the publicity of foreign image, so that more people can understand the enterprise culture and employee benefits of Fuyao Group, so as to attract excellent talents.

In solving the problem of brand management, the author suggest that Fuyao Glass can invest more rewards on the basis of the original draft awards, and can recognize the most active departments and issue awards, which can greatly improve the enthusiasm of employees to contribute. In terms of brand promotion, Fuyao Group can open official short video accounts, some brand culture, product promotion, employee activity video released to the short video platform, so that more people understand Fuyao's corporate culture and brand culture.
5. Conclusion

Through research, this paper introduces the organizational structure, human resources management, project management and brand management mode of Fuyao Group. This study found that although Fuyao Group’s current organizational structure and management model has been quite detailed and complete. However there are still some problems in organizational structure, human resources management, project management and brand management. For example, due to the Fuyao Group’s production and R & D architecture in different organizations caused by R & D and mass production disjointed, project management processes for risk management did not do well, employee needs and recruitment season conflict and so on. To solve these problems, the author suggested that Fuyao Group can make some adjustments to the organizational structure and management model. Fuyao Group can optimize its organizational structure to keep production and R & D institutions out of touch. Fuyao Group can also optimize the process of project management and do a good job in risk management to reduce losses caused by risks. In terms of brand management, Fuyao Group can increase the intensity of brand publicity, so that more people understand Fuyao Glass. And increase the intensity of brand propaganda, but also can make more talents to understand the Fuyao Group, which can alleviate the Fuyao Group. The main contribution of this paper is to study the organizational structure and management mode of Fuyao Group. As a giant of China’s glass industry, Fuyao Group’s organizational structure and management mode have great reference significance for the development of China’s glass enterprises. The current research has not yet studied the relationship between the management mode and organizational structure of Fuyao Group. Future research should conduct a deeper analysis of the organizational structure and management mode of Fuyao Group.

References