The influencing factors and promotion path of enterprise management innovation

Ruochen Zhang*
College of economics, Beijing Technology and Business University, Beijing 100000, China
*Correspondence Author

Abstract. Enterprise management innovation is the source of enterprise development, management innovation refers to the organization in order to use resources more effectively to achieve the goal of innovation activities. Enterprise management innovation is the concrete practice of enterprise management innovation, which runs through the various management activities of the organization. It creates a new and more effective resource integration paradigm by improving and innovating management behavior, so that the enterprise and the environment can coordinate to better achieve the enterprise goals. This paper explores the influencing factors and improvement paths of enterprise management innovation.

Keywords: The enterprise management, Management innovation, Enterprise innovation.

1. Introduction

The development of science and technology and economy has changed the external environment of enterprises and brought new challenges and opportunities to enterprises. According to the 2020 Annual Report on The Development of Chinese Enterprises released by The Research Center for Urban and Competitiveness of The Chinese Academy of Social Sciences on March 2, as of 2020, there were 27,354,000 newly registered market entities in China, with a year-on-year growth of 12.8% [1]. In February 2021, there are 144 million active/existing market entities in China, among which 41.572 million enterprises [2]. It can be seen that the number of Chinese enterprises is increasing rapidly, but there are some problems in the development process of Chinese enterprises: 1. The management concept is too conservative, and there is a lack of standardized and practical management system. 2. Over-reliance on preferential policies given by the government, weak innovation consciousness, lack of long-term planning, and limited development goals to profit, sales revenue, output and other economic indicators.3. The excessive concentration of management power, the simple internal organizational structure of the enterprise and the neglect of the development situation of the industry and competitors have eliminated the enterprise in the fierce market competition. 4. Lack of excellent management talents, imperfect human resource management and imperfect employee compensation system lead to high employee mobility. These restricted the enterprise forward footsteps, lead to the emergence of corporate crisis, once the enterprise crisis, some enterprises to take measures to reduce the production or layoffs to save his life, there are also some enterprises, a full range of enterprise management innovation, the introduction of excellent talents in great quantities, increase r&d investment, expand capacity, accelerate the industry upgrading transformation of enterprises, to turn the crisis into opportunities. How to obtain competitive advantage has become the subject that enterprises are faced with, and enterprise management innovation is the inevitable choice.

Specifically, the way of enterprise management innovation includes the innovation of management thought, enterprise system, enterprise organization, enterprise culture, enterprise market and enterprise technology. Enterprise management innovation contributes to enhance the core competitiveness of enterprises, enterprise management innovation contributes to improve the economic benefits of enterprises, enterprise management innovation will ensure sustainable development of enterprises. Successful enterprise management innovation can make enterprises turn losses into profits, can make small enterprises into large enterprises, can make weak enterprises into strong enterprises, the key to the success of enterprise management innovation is to build a set of
systematic management innovation system. Encourage enterprises to innovate in management concepts, management ideas, organizational structures, management systems, management methods and other aspects. Based on the research on the influencing factors of enterprise management innovation, this paper puts forward the promotion path and strategy of enterprise management innovation.

2. Research on the definition of enterprise management innovation

Enterprise management is the general term of a series of activities such as planning, organizing, directing, coordinating and controlling the production and operation activities of enterprises. Joseph Alois Schumpeter proposed in his Theory of Economic Development in 1912 that production is a combination of the raw materials and forces at his disposal, and innovation is a new combination of these factors of production [3]. That is to say, he understood innovation as the redistribution and integration of production conditions and production factors. The process of incorporating such "new integration" into the production system is innovation, which can be embodied in technological innovation represented by new product development, product transformation and use of new production methods. Market innovation to explore new markets and expand the scale of the original market; Organizational innovation and grab new source of raw material supply by reforming original organizational form and establishing new management organization; These reflect the content of enterprise innovation. Therefore, enterprise innovation refers to the economic behavior that enterprises establish new production functions or combine various economic elements in new ways in the process of production and operation.

Stata points out from the perspective of organizational change that management innovation refers to the introduction and transformation of new things by enterprises [4], that is to say, enterprise management innovation is the change of management activities. Damanpour puts forward that management innovation refers to the process of updating organizational structure by implementing new management practices or concepts in the implementation of production, supply chain management, and quality management systems [5]. Benghozi started from the difference between management innovation, technological innovation and market innovation, and proposed that enterprise management innovation should be paid attention to and treated separately in enterprise management [6]. Birkinshaw proposed that management innovation refers to the process in which an enterprise explores and adopts a brand new management method, a brand new organizational structure or a brand new technological skills in management to better achieve the enterprise goals [7]. Abrahamson believes that management innovation is an organizational result and cultural change implemented by an enterprise to coordinate its external environment and internal development [8]. Hamel proposed that management innovation is to reform traditional management principles, situations, procedures and practices [9].

Domestic scholars have made a more detailed explanation of the connotation of enterprise management innovation. Some scholars have defined management innovation in terms of purpose and content. Rui Minjie puts forward that management innovation is to create a more effective way of resource integration for enterprises to achieve their goals [10]. Chang Xiuze believes that management innovation is the innovation of organizational structure and management methods by enterprises in order to reduce management costs [11]. From the perspective of the process of enterprise management innovation, Su Jingqin and Lin Haifen put forward that management innovation requires enterprises to properly modify and implement the introduced management concepts, skills and structures in combination with the actual situation and internal and external environment, so as to achieve effective utilization of organizational resources [12].

To sum up, enterprise management innovation is not an abstract concept, but the innovation of management methods, technology and organizational structure in the process of enterprise management. The purpose of management innovation is to improve the operating efficiency of enterprises, reduce transaction costs, and optimize the allocation of resources more reasonably.
Therefore, this paper holds that the definition of management innovation is to update the existing management concept, management process and organizational structure through specific resource integration methods according to the changes of internal and external environment, so as to maintain the sustainable competitive advantage of enterprises, achieve the performance goals of enterprises and achieve the sustainable development of enterprises. Through sorting out the concept of management innovation, it can be concluded that management innovation has a strong dependence on the environment. Specifically, enterprises have different methods and ideas to solve problems in different environments, and the results are far from each other. This paper discusses the measures of enterprise management innovation from five modules of strategic innovation, organizational innovation, market innovation, research and development management innovation and human resource management innovation.

3. Literature review

Domestic and foreign scholars study enterprise management innovation from different perspectives. Some scholars study the influencing factors and motivation of enterprise management innovation: the motivation of enterprise management innovation refers to the power source of enterprise management innovation. Any management innovation activities are inseparable from the internal factors of the main body of management innovation, enterprise internal and external factors. The subject of management innovation includes entrepreneurs, enterprise managers and general employees. Entrepreneur is the core subject of enterprise management innovation. Entrepreneur puts forward the goal or initial idea of management innovation and standardizes the activities of management innovation. Entrepreneurs use their own capabilities to provide conditions and support for the development of enterprise management innovation, and promote the implementation of enterprise management innovation results. For example, management innovation will bring changes to the original organizational management mode and adjust the interests of some personnel, which requires entrepreneurs to eliminate various obstacles with the help of power and personal prestige in the organization and promote the smooth implementation of management results. Enterprise managers refer to professional talents engaged in production, marketing, finance and other aspects, who are likely to become the main body of management innovation. Some employees are engaged in the front-line work of the enterprise, and it is easy to find the problems existing in the enterprise. They are the discoverers of the enterprise's problems. The internal factors of the subject of management innovation include: 1. The psychological needs of entrepreneurs, enterprise managers and employees for management innovation, and the pursuit of a sense of achievement. The innovation psychological demand of the management innovation subject is the result of their pursuit of personal achievement, self-value, social responsibility and corporate responsibility. Many management innovation subjects carry out management innovation for the pursuit of a sense of achievement. In the process of enterprise management innovation, the subject of management innovation gives full play to the innovation ability, achieves success or solves difficult problems, and gets pleasure and psychological satisfaction from it, which exceeds the material incentive and realizes the demand of self-realization. Harvard Professor Michael McClelland believes that the more such people a company has, the faster it will grow. 2. The impact of economic factors. The subject of management innovation has the behavior of management innovation because of the pursuit of income and reward or the pursuit of enterprise survival and development. 3. Responsibility. The subject of management innovation should be responsible for its work within the scope of its work. The sense of responsibility will make the subject of management innovation have a sense of mission in the ideological consciousness, prompting the subject of management innovation to make unremitting efforts, and finally achieve innovation success. The sense of responsibility can be either generated by the position the manager is in or caused by competitive pressure. Of course, conscientiousness may also arise from a person's personality and mental model. Responsibility can not only stimulate enterprise management innovation behavior, but also maintain the normal operation of management innovation.
process until success. In addition, personal characteristics of entrepreneurs, such as entrepreneurship, education level, experience, leadership, age, leadership and heterogeneity, all affect the implementation of management innovation to varying degrees [13]. The motivation, cognitive level and management style chosen by entrepreneurs and managers play a key role in the implementation of enterprise management innovation [14]. Lack of practice by enterprise managers will lead to failure of management innovation [15]. The knowledge, ability and skills of employees, the ability of the organization to integrate such knowledge, and the commitment and belief of employees will drive the implementation of management innovation [16].

Internal factors include ownership structure, organizational culture, financial capital, cost and income, growth and scale expansion, development strategy and external environment change. The ownership structure of a company is a collection of share holders. Corporate ownership structure has both direct and indirect effects on enterprise management innovation [17]. Overly mature shareholders' intolerance of failure will weaken the motivation of management innovation [18], and the high degree of accountability of stakeholders may slow down the implementation of management innovation, while stock options can promote managers to choose to reduce dividends and share the loss of innovation failure with shareholders, which will enhance the motivation of management innovation [19]. To sum up, the relationship between shareholders and managers and the relationship between major shareholders and minority shareholders will have different impacts on management innovation. Organizational culture is a unique cultural image of an organization composed of its values, beliefs, rituals, symbols and ways of doing things, reflecting the norms, values and beliefs shared by people in the organization [20]. The value of innovation in organizational culture plays a positive role in management innovation. The organizational culture with innovative consciousness makes enterprises carry out structural innovation by supporting new thinking mode and new working mode. Different situations and different environments make organizational culture have different influences on management innovation. In the context of highly uncertain operating environment, strong entrepreneur innovation consciousness and organizational culture advocating innovation, enterprises tend to adopt mutational management innovation [21]. Enterprises will carry out management innovation when the management innovation to be implemented is considered to be in line with organizational values and has profit prospects, or when the innovation to be implemented is considered to be not in line with organizational values but will not cause any loss. Therefore, organizational culture affects the type and process of enterprise management innovation. Enterprise management innovation needs to rely on a solid financial foundation [22], and the availability of financial resources is positively correlated with implementation policies [23]. Large organizations with abundant funds and talents are more prone to innovation, while the lack of human and financial resources will form internal barriers related to resources [24]. Especially for small micro enterprise resource is scarce, when considering whether to implement scientific and technological innovation, the need to consider their own financial situation, the lack of financial support of enterprise innovation management may have a negative impact, however, Small micro-enterprise may achieve greater development through management innovation.

In the process of enterprise growth, information, capital, talent, material resources and other aspects of exchange and communication constantly occur with the external environment. When the external environmental factors of an enterprise change, the above factors will affect the internal resource allocation process of the enterprise and force the enterprise to carry out management innovation. The external environmental factors that affect the enterprise to carry out management innovation include government policies, technological progress and economic environment. The first is political. In order to obtain and maintain their legal status, enterprises need to carry out management innovation to conform to local government policies and legal environment [25]. Different government policies have different impacts on enterprise management innovation [26]. Taking oil enterprises as an example, the government can provide policy support and resource support in the management innovation activities of oil enterprises. Through promulgation of relevant policies, the government guides petroleum enterprises to establish cooperative relations with universities, scientific research
institutes and management consulting institutions to provide support for corporate management innovation. Therefore, when the government advocates management innovation and makes policies to guide it, it will stimulate the enthusiasm of management innovation and produce large-scale management innovation behavior. The degree to which an enterprise makes use of government policies will also affect its management innovation. Secondly, economic factors. Changes in the economic environment will force enterprises to adopt management innovation to enhance the effectiveness of management control, cope with the challenges in the uncertain environment, and promote the rapid development of enterprises [27]. However, higher uncertainty of economic policies will increase the financing innovation cost of enterprises [28]. At present, China's economic policy of sustainable development has created opportunities for enterprises to implement management innovation. Finally, technological. The development of science and technology, on the one hand, provides the necessary technical tools for management innovation, so that some previously impossible management methods can be realized now; On the other hand, it will challenge the existing management mode and force enterprises to innovate in order to adapt to the new technological and economic environment. For example, the development of IT technology enables enterprises to establish SCM, CRM, CIMS and other management systems. Some industrial enterprises introduce industrial Internet platform, establish efficient data system, greatly improve data management and analysis ability, and quickly gather edge data to the cloud, extract valuable information, and realize scientific decision-making.

4. The development status and promotion path of enterprise management innovation

In recent years, Chinese enterprise management innovation shows the characteristics of comprehensiveness and times. Chinese enterprise management innovation involves many aspects, such as marketing innovation, strategic decision and implementation innovation, human resource management innovation and technological innovation. With the gradual improvement of the socialist market economic system, Chinese enterprises continue to introduce advanced marketing concepts and methods to carry out marketing management innovation and carry out specialized marketing, marketing system reform and marketing network construction in combination with their own actual situation. From the current situation of Chinese enterprise management innovation, Chinese enterprises have begun to pay attention to the construction and protection of their own brand, and regard service as a part of the product, through services and other means to improve customer transfer value and enhance the market competitiveness of enterprises. In terms of strategic decision-making, enterprises engaged in production and business activities in more than two industries and providing more than two kinds of products or services at the same time choose diversification strategy, which can effectively avoid industry risks. Enterprises adopting refocusing strategy concentrate superior resources in a certain industry to build their comparative advantages. However, the economic development environment is changing, and the competitive advantage of enterprises is also changing, which requires enterprises to implement strategic transformation. Taking Chinese energy enterprises as an example, in the face of insufficient resources and energy, they should extend the industrial chain, develop renewable resources and recycle traditional resources, so as to achieve sustainable development of enterprises. Therefore, the implementation of sustainable development strategy has become another feature of the strategic choice of Chinese enterprises. In terms of human resource management innovation, it pays more attention to exploring the value of employees, adopts a more flexible salary system, carries out staff training, and enhances the happiness of employees. In terms of scientific and technological innovation management, enterprises should enhance their independent research and development capabilities.

With the development of economy, there are still some problems in the management innovation of Chinese enterprises, which need to keep pace with the times. This paper holds that enterprises need to innovate their development strategies in order to conform to the development of the new era and
the new economic development. Enterprises also need to establish people-oriented new management consciousness, innovation of humanized management. The essence of enterprise management innovation lies in stimulating the creativity of employees. Therefore, the design of management innovation scheme should focus on stimulating the creativity of employees to improve the level of organization management. In the design of management innovation scheme, it is necessary to strengthen staff training. First of all, to just hired a new staff to conduct a comprehensive quality of tailored training and business training, including rotational of pre-service training, business training, corporate culture value after create positions with training, corporate training high-quality service concept, so that new employees to the company have a comprehensive understanding of, and be able to deeper into the cultural value of the company, more quickly into the work and familiar with the work, to serve the company's customers with higher service quality. Then, a scientific and perfect salary mechanism should be established. The salary incentive mechanism within the company should establish a set of well-structured and flexible personalized salary mechanism with reasonable structure according to different levels, different positions and different length of service, so as to ensure the compliance and fairness of salary performance distribution in various departments of the enterprise. At the same time, the company's compensation incentive system should be reasonably adjusted according to the actual situation. Only by formulating an indicator system that is in line with the actual business performance of the majority of employees can employees be recognized and their work enthusiasm and initiative be stimulated. In view of the importance of entrepreneurs, entrepreneurs need to constantly improve their personal quality, enhance knowledge management ability and reduce the uncertainty of management innovation. Entrepreneurs can obtain external knowledge from customers, competitors, suppliers, partners and experts.

In addition, enterprises also need to optimize the organizational structure according to their own development. For example, enterprises carry out shareholding reform and allocate a certain amount of stock to the company's employees in proportion. In addition, the company holds a general meeting of all employees every year. Entrepreneurs inform all employees of the company's latest mid- and long-term development plan and annual target plan, so that employees can fully understand the development plan of the company. Entrepreneurs should absorb the suggestions put forward by employees on the development plan of the company, which is conducive to the formation of healthy and upward value culture and innovative enterprise culture.

To sum up, enterprises should guarantee the implementation of enterprise management innovation from organizational structure, organizational culture, human resources and other aspects.

5. Conclusion

This paper summarizes the motivation and characteristics of enterprise management innovation through the method of literature review, and combined with the current situation of Chinese enterprise management innovation, put forward the relevant measures to optimize enterprise management innovation. Enterprise management innovation is a strong guarantee to realize healthy and sustainable development of enterprises. Entrepreneurs need to develop innovative management measures in line with the development of enterprises according to the current situation of enterprise management, and improve the management innovation ability of enterprises through the change of management concept, organizational structure, organizational culture and optimization of human resources.

References


