



Research on Alibaba's Industrial Digital Transformation Process Based on "Tri-wei" Thought

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Abstract. Digital transformation is accelerating with the rapid development of the Internet. The whole society is moving towards the digital age and commercial development in this digital age gives birth to the new commercial civilization. The new business civilization is based on people-oriented, win-win cooperation, openness, and sharing, and creates value and benefits for everyone and the whole society. It requires enterprises to return their focus from traffic to people themselves, pay attention to customers, consumers, and every specific person, and create value for the whole society through strict requirements on themselves and active performance of social responsibilities. In the process of digital transformation, Chinese enterprises are faced with constraints from various factors such as lack of professional talents, enterprise technical ability, overall strategy, weak management foundation, and so on. How to promote the digital transformation of enterprises under the background of new commercial civilization has become an issue that all small and medium-sized enterprises have to consider. Based on the excellent traditional Chinese culture, Oriental Management puts forward the core idea of "people-oriented, moral first, people for people", which can contribute Chinese wisdom to enterprise management under the background of new commercial civilization. Taking Alibaba as an example, based on the "Tri-wei" thought, this paper discusses how Alibaba pays attention to everyone in the organization, fulfills social responsibilities, and requires managers in the process of promoting industrial digital transformation, to provide a valuable reference for enterprise management in the digital era.

Keywords: Digital transformation · "Tri-wei" thought · Oriental Management · Alibaba

1 The Thought of "Tri-wei" in Oriental Management

1.1 People-Oriented

So far, the development of enterprise management has roughly experienced the stage of traditional management, scientific management, modern management, and new century management. The role of a human in enterprise management gradually gets the attention

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of managers as enterprise management goes through different stages of development. In the beginning, all management activities rely on the personal experience of managers while ignoring the enthusiasm and creativity of employees. Later, with the application of scientific management methods in organizations, employees are regarded as tool people to improve the efficiency of enterprises. It is not until the management stage of the new century that the dominant position of people in enterprise management begins to highlight (Min, 2021).

People are regarded as the key elements of the management system in Oriental Management. “People-oriented” thinking regards each person in the organization as the subject of management (Dongshui, 2005). Oriental management researchers advocate that enterprise managers should attach importance to the role of people and respect their dominant position in the organization (He & Zongwei, 2006). “People-oriented” emphasizes that people are the purpose rather than the tool of management activities. Management activities in organizations revolve around how to give full play to people’s enthusiasm, initiative, and creativity. However, “people-oriented” not only regards people as the primary factor of management but also attaches importance to the realization of personal value by providing people with training opportunities so that they can develop in all aspects while exerting their talents (He & Zongwei, 2006).

1.2 Morality-Oriented

The idea of “morality-oriented” in Oriental management originated from the idea of benevolence and morality in the Analects of Confucius, which emphasized the role of moral ethics in management. At the individual level, putting ethics first requires the manager to have a high level of moral cultivation and pay attention to the construction of personal moral values, but also requires the manager to pay attention to “self-cultivation”, strengthen self-management and abide by professional ethics (He & Zongwei, 2006). At the enterprise level, putting ethics first also requires enterprises to undertake corresponding social responsibilities. In the process of development, enterprises should put ethics and social responsibilities in first place. The governance of health of Oriental management especially emphasizes the governance of health with virtue, the pursuit of profit with righteousness, the establishment of the core concept of enterprise management with benevolence and morality, and the emphasis on corporate responsibility to society (He & Zongwei, 2006). Only by having the courage to assume various social responsibilities, can enterprises avoid losing their direction in the process of development and ensure lasting development (Xiangyang, 2021).

1.3 Ren wei wei ren

The core idea of Oriental management is “Ren wei wei ren”, which emphasizes how to mobilize and give play to people’s enthusiasm, initiative, and creativity, that is, pay attention to the plasticity of people’s morality and behavior, to provide people with the possibility of development and to serve others and the society. Professor Su Dongshui believes that everyone should first pay attention to their behavior cultivation, the so-called “correct people must correct themselves first”, the premise of requiring others is to be strict with themselves, set an example, and then from the perspective of “human”,

to engage in, control and adjust their behavior, to create a good interpersonal relationship and incentive environment, so that people can work in a stimulated state for a long time. In this way, people's subjective initiative is brought into play.

“Ren wei wei ren” is the unity of “Ren wei” and “Wei ren”, in which “Ren wei” is a self-oriented individual behavior. Everyone exists as an independent individual in a certain organization and will show various behaviors. “Wei ren” refers to motivating others and serving others, which is manifested as other-oriented service behavior. It emphasizes the effect of serving others objectively while individuals have their own psychological and behavioral plasticity. “Ren wei” and “Wei ren” are interrelated and transformed. According to Mr. Su Dongshui, the concept of “Ren wei wei ren” refers to solving three pairs of contradictions in the process of life, life management, and interpersonal relations. One is to solve the contradiction between incentive and service. The incentive is to mobilize the enthusiasm of people, and to motivate others to serve others; The second is to solve the contradictions in the interesting relationship and emphasize the pursuit of profit with righteousness; The third is to solve the unity of thought and action between man and man, that is, the relationship between egoism and altruism. Egoism precedes altruism, and individuals must start from the altruistic point of view to realize the purpose of egoism. Man represents a high moral realm, and is also a high integration and organic unity of self-orientation and other-orientation, which is manifested in the following ways: “behavior demonstration, role model; Decentralization of power and participation of subordinates; Fuzzy structure, full flow; Identification of characteristics, effective incentive; Service customers, win-win cooperation.”

2 The Application of “Tri-wei” Thought in Alibaba’s Industrial Digital Transformation Process

2.1 People-Oriented – Alibaba Focuses on Every Specific Person

All along, Alibaba has been insisting on integrating human text into the construction of corporate culture, advocating humanized management, respecting employees' wishes, encouraging innovation, providing opportunities for employees' development, creating a harmonious atmosphere of interpersonal relations and a good working environment, and encouraging corporate leaders and employees to care for and support each other (Lu, 2020). The whole society is stepping into the digital age with the rapid development of the Internet, and commercial development in this age has spawned a new commercial civilization. Zhang Yong, CEO and chairman of Alibaba Group, believes that “the essence of business civilization in the digital era is to return to people themselves from traffic and trading volume, and to paying attention to customers, consumers and specific people”. Therefore, in the process of promoting various industries in China to be digitalized and intelligent, Alibaba still insists on people as an important factor in the development of enterprises and regards employees, customers, and consumers as an important focus of enterprise development. This idea coincides with the idea of “people-oriented” in Oriental management. Professor Su Dongshui believes that “people” in people-oriented management refers to everyone in the organization. This view breaks through the traditional division of employees, customers, and stakeholders, and everyone is the subject rather than the object of management (Dongshui, 2005).

2.2 Morality-Oriented – Alibaba Integrates Social Responsibility into Corporate Development

When it comes to Alibaba's ethics, David Wei, the former CEO of Alibaba, said that in business management, Alibaba always upholds the idea of "governing the company by virtue". Rather than an Internet or e-commerce company, Alibaba has positioned itself as a service company that solves problems for small businesses. In the process of pursuing continuous development of enterprises, Alibaba has its own unique "Ali way" and "Ali virtue". "Ali Way" refers to the strength of Alibaba, is to make the world not difficult to do business; The "virtue of Ali" is embodied in honest management and putting morality first (Zhanhong, 2009). "Morality oriented" in Oriental Management emphasizes that enterprises should actively fulfill their social responsibilities, which is also the governance philosophy of Alibaba. In the Internet industry, Alibaba is the first enterprise to release a social responsibility report. The release of the first social responsibility report marks the beginning of the systematic and standardized implementation of social responsibility in the e-commerce industry. Alibaba believes that enterprises can only be respected if they actively undertake social responsibilities and solve social problems.

Many enterprises are fulfilling their social responsibilities just like Alibaba, but Alibaba has its particularity in fulfilling its social responsibilities. The difference between Alibaba and other enterprises is that Alibaba not only pays attention to fulfilling its responsibilities, but also encourages more enterprises to participate in it, and serves the whole society with the digital technology and experience it has accumulated in the process of development. In the digital age, which has brought challenges to more and more traditional enterprises, Alibaba actively plays to its advantages and provides support from various aspects to help small and medium-sized enterprises solve the difficulties of digital transformation, thus facilitating the digital transformation of SMEs and driving the digital development of many SMEs. For example, based on its long-term experience in business operation, Alibaba launches a new business operating system, dedicating itself to providing digital services for SMEs and helping them improve their digital capabilities, thus boosting the digital transformation process of small and medium-sized enterprises (Changchun, 2021). In addition, to cope with the impact of COVID-19, Alibaba once again launched the "Spring Thunder Plan" to help small and medium-sized enterprises, encouraged manufacturing enterprises to innovate and cooperate with e-commerce platforms, and encouraged e-commerce platforms to open live streaming functions on Alibaba 1688 platform, vigorously develop new forms of digital marketing such as live streaming, and improve the marketing digital transformation ability of manufacturing enterprises. Digital transformation strengthens the communication between enterprises and the outside world, and customers and other stakeholders can obtain information related to enterprises more quickly, either positive or negative. Enterprises' active commitment to social responsibility is conducive to building a good corporate image for enterprises and promoting their long-term development (Ruishen & Lei, 2021). From a small team of 18 people at the beginning, Alibaba incorporated social responsibility into its genes at the very beginning and has grown into a world-class technology company. Enterprises should realize that only by actively fulfilling their social responsibilities

and paying attention to their “morality” can they lead their long-term and sustainable development.

2.3 Ren wei wei ren – The Best Way to Empower Others is to Set Yourself on Fire

“Ren wei wei ren” requires managers to first pay attention to their behavior cultivation, set an example for others, establish a corresponding management and restraint mechanism, and then ask others to constantly adjust their behavior, consistent with the values of the enterprise, to ensure that people’s subjective initiative is given full play. As the organic unity of self-orientation and others’ orientation, human beings require managers to start from an altruistic point of view to achieve the goal of egoism. In line with this, in order to become an excellent manager in Alibaba, five “management methods” must be learned: First, to understand and make good use of people, that is, managers should understand employees and arrange them to appropriate positions through a comprehensive evaluation of employees, to help them give full play to their value; Second, surpass one’s master or teacher in learning, that is, managers should try their best to cultivate people, allow themselves and employees to make mistakes, draw lessons from mistakes, gain growth, and cultivate new people as the source of their progress and happiness; Three is the implementation of the results, managers should set an example, on the one hand, take the results to speak, on the other hand, also to use the results to constrain and manage employees; Four is the lead, managers assume greater responsibility, to be strict with themselves, for employees to do the example, set an example; Five is aboveboard. As a manager, even if there is a mistake, it should be transparent enough, rather than trying to cover it up. Managers should always reflect on their behavior and do things candidly (Chuan, 2016).

In the process of promoting industrial digital transformation, Alibaba has always carried out the management concept of “Ren wei wei ren”. Daniel Zhang, CEO of Alibaba, said, “The best way to empower others is to set yourself on fire, to try and make mistakes, to bear the consequences, and to systematically open your accumulated abilities to others. Alibaba launched the accumulated capabilities as the Ali Business operating system to enable the global retail industry to complete the digital transformation. In addition, Alibaba adjusts its organizational structure at an average rate of two to three times a year, which is also the most frequent adjustment among Chinese Internet giants. Facing the new era of the digital economy, Alibaba has carried out a new round of major organizational adjustment, upgrading the Ali Cloud business group to the Ali Cloud intelligent business group, and planning suitable talents for positions, to lay the organizational foundation and enrich the leadership for the development in the next 5 to 10 years. Otherwise, Alibaba’s organizational restructuring not only provides opportunities for the development of employees, but also excavates a new generation of outstanding management talents for the company, and accumulates batches of core figures for the organization, making the company as good as clouds and rich as a man. While realizing altruism, it also realizes self-interest.

3 Conclusion

Oriental management science has its roots in China's outstanding traditional culture. It is a unique Chinese management philosophy system that integrates philosophy from hundreds of schools of thought in China and western management theories. The three ideas of "People-oriented, Morality-oriented, Ren wei wei ren" integrate the excellent traditional culture and management practice, and provide the reference for enterprise management in the new commercial civilization.

Although Chinese enterprises still face many problems in the process of digital transformation, Alibaba always pays attention to employees and customers in the process of promoting the digital transformation of small and medium-sized enterprises, actively assumes social responsibilities, drives more enterprises to fulfill their responsibilities, strictly requires managers and takes itself as an example to provide guidance for the management of small and medium-sized enterprises in the process of digital transformation. In the future, Chinese enterprises, especially small and medium-sized enterprises, should not only absorb western advanced management ideas but also integrate eastern management ideas and draw management wisdom from China's excellent traditional culture, to grasp opportunities and solve problems such as lack of talents and weak management foundation, to accelerate the process of digital transformation and improve the success rate of transformation.

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