



# Enterprise Management Models and Modernization of Enterprise Management

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**Abstract.** In the context of advancing a socialist market economy, enterprises are increasingly seeking to enhance economic efficiency and achieve sustainable development goals. As a result, they are exploring the correlation between their management models and the overall modernization of enterprise management. This article undertakes an analysis of enterprise management models and their alignment with the modernization of enterprise management. It aims to distill the prevailing issues in enterprise management, illuminate the evolving trends in modernized enterprise management models, and provide insights into effective strategies for fostering their modernization.

**Keywords:** Enterprise Management; Management Modernization; Enterprise Management Models

## 1 Introduction

In China's economic landscape, enterprises play a vital role in fostering economic growth and technological advancement, serving as foundational elements in driving national economic stability. To achieve the objective of modernizing national economic management in an increasingly competitive market, it's imperative for managers to delve into contemporary management strategies aligned with the evolving landscape. Understanding the interplay between enterprise management models and the pursuit of modernized enterprise management is crucial. As a result, industries have intensified their focus on innovating management approaches, aiming to modernize while adhering to sustainable development goals. This article aims to examine the correlation between enterprise management models and their modernization, proposing strategic developments in response to these dynamics.

## **2 Definition of Business Management Model and Business Management Modernisation**

### **2.1 Definition Of Enterprise Management Model**

The enterprise management mode serves as a systematic framework essential for addressing the multifaceted challenges encountered in business management (Asaul, 2020) [1]. Irrespective of the particular management approach a company chooses to embrace, the ultimate goal remains consistent: achieving effective enterprise management. As businesses progress, growing in scale and scope, their management requirements naturally evolve. The fluid nature of enterprise management necessitates corresponding adjustments in the selected management mode.

### **2.2 Definition of Modernisation of Enterprise Management**

The modernization of enterprise management hinges on harnessing the achievements of the third technological revolution, where computing assumes a pivotal role, and informatization emerges as the primary vehicle to enable streamlined enterprise management, harmonizing with the requisites of the modern knowledge economy (Karpenko, 2016) [2]. The conventional modernization of enterprise management primarily manifests in the domains of management philosophy, organizational structures, and management methodologies.

Firstly, in terms of the management concept, it is imperative for managers to adapt to the enterprise's development trajectory by fostering innovative management concepts and cultivating a forward-looking approach to business oversight. Secondly, with regard to management institutions, managers must streamline the organizational structure of the enterprise and implement corresponding systems to ensure the formalization and smooth functioning of enterprise management processes. Lastly, the management mode demands that managers proactively integrate modern technology into the enterprise's management practices, thereby enhancing operational efficiency and facilitating seamless business processes.

## **3 Classification and Characteristics of Enterprise Management Mode**

### **3.1 Responsibility Management Mode**

Within the spectrum of management modes, one of the paramount facets is the responsibility management mode (Matten, 2020) [3]. Under this paradigm, every department engaged in operational and managerial functions bears the weight of their designated duties. These responsibilities transcend the sole pursuit of economic gains for the enterprise; they encompass a degree of social responsibility as well. Fundamentally, this approach centers on crafting the enterprise's business management system with the overarching aim of fostering sustainable development for the organization.

### **3.2 Cultural Management Mode**

Cultural management mode constitutes a management mechanism grounded in the foundation of enterprise culture. Its essence lies in the regulation of employees' adherence to enterprise values, fostering an enhanced and guided sense of corporate identity. By cultivating a robust enterprise culture, employees are unified with a shared purpose, fostering a conducive environment for the thriving development of the enterprise.

### **3.3 Family Management Mode**

In China, a significant number of small and medium-sized enterprises (SMEs) opt for a family management mode. This preference is largely driven by the need for substantial initial capital, which can be readily supplied through the family's private resources (Hennart, 2019) [4]. However, in the practical realm of management, family dynamics, and emotional bonds often exert an influence on the development and execution of enterprise systems.

## **4 Problems in the Current Enterprise Management Work**

### **4.1 The Management Mode Has Big Defects**

The paramount goal of enterprise development is the generation of increased economic benefits, as this is the foundation upon which an enterprise can firmly establish itself in the market and achieve sustained growth. However, it is a common trend among corporate leaders to prioritize short-term gains and immediate profits over the formulation of comprehensive, long-term development strategies. This myopic focus on short-term interests often results in actions that compromise the enterprise's long-term well-being. Such an approach, emphasizing immediate financial gains at the expense of long-term planning, can divert the enterprise toward an unfavorable trajectory (Haessler, 2020) [5]. This narrow management style can also have adverse effects on the enterprise's reputation and market competitiveness. Furthermore, it can impede the enterprise's expansion efforts and, in extreme cases, precipitate financial crises or bankruptcy.

This situation arises because decision-makers within the enterprise often lack a comprehensive understanding of the market. This gap in market understanding is a fundamental distinction between small and medium-sized enterprises and their larger counterparts. It underscores the need for SMEs to invest in thorough market research and exploration to align their management practices with the long-term objectives of the business.

### **4.2 Managers' Lack of Innovative Spirit**

Some enterprise managers lack the spirit of innovation, focusing too much on avoiding potential risks and pursuing smooth operations. Although from an objective point of view, such an operational strategy can indeed allow enterprises to achieve long-term stable development, but the market is constantly changing, if the enterprise's

operational policy remains unchanged for a long period of time, then in the event of an economic downturn phenomenon, the enterprise will face greater risks.

### **4.3 Neglect of Departmental and Talent Management**

Some companies struggle with internal talent and department management. In smaller and medium-sized enterprises, departmental structures can be disorganized, leading to overlapping roles and inefficient communication between departments. This inefficiency can result in wasted talent, with some positions lacking necessary skills while others are overstaffed. Such a disorganized department structure can hinder operational efficiency and increase financial burdens (Kumar, 2022) [6]. To ensure long-term stability, it's crucial for company managers to adjust talent development strategies and improve departmental planning.

## **5 The Future Development Trend of Enterprise Management Mode**

### **5.1 Changes in the Management Concept of Enterprises**

From a management perspective, the core shift lies in moving away from the singular pursuit of profit maximization towards a commitment to sustainable development. Through pertinent empirical analyses, it becomes evident that an excessive fixation on profits can hinder an enterprise's ability to achieve sustainable growth. The relentless pursuit of profit maximization may even lead an enterprise into precarious situations. Therefore, it is imperative for businesses to prioritize awareness of the trajectory of modernization in order to ensure their long-term viability and success.

### **5.2 Sustainable Development**

Sustainable development represents a form of strategic wisdom in the realm of development, a concept that has found profound application in contemporary enterprise management. When enterprises adhere to the principles of sustainable development in shaping their management strategies and employee relations, significant financial benefits are reaped. This not only secures the enterprise's competitive standing in the market but also propels its growth and transformation. It infuses the organization with fresh vitality, ensuring that it remains relevant in an ever-evolving business landscape (Broman, 2017) [7].

Adhering to the principles of sustainable development in designing a management system extends the enterprise's objectives beyond mere profit maximization. Instead, it strives for the maximization of comprehensive benefits. This approach fosters the autonomy of sustainable development and provides ample room for the organization's evolution. This management approach aligns harmoniously with the ideals of fostering both corporate growth and the well-being of employees. It has assumed an increasingly

significant role in modern enterprise management and has emerged as a guiding principle for numerous organizations when making critical management decisions.

### **5.3 Intelligent Development**

With the advancement of Internet technology, the concept of intelligent management in enterprise operations has gained prominence, offering substantial support for enhancing management efficiency. In the era of Internet, modern information technology has found application across nearly every industry, transforming the way people live and work. An increasing number of enterprises are integrating modern information technology into their management strategies. For instance, many companies implement clocking systems that require employees to log their attendance using mobile phones within specified time frames at designated locations. The backend system records this attendance data, providing a clear and convenient way to monitor employee attendance. This not only improves attendance rates by motivating staff but also enhances management efficiency (Li, 2017) [8].

As Internet technology continues to evolve, the intelligent management approach matures and becomes emblematic of modern enterprise management. It reflects a shift towards leveraging technology for more efficient, data-driven, and responsive management practices.

## **6 Specific Measures for The Implementation of Enterprise Management Modernisation**

### **6.1 Innovative Enterprise Management Ideas**

Ideology serves as the guiding principle for action. In the realm of enterprise management, it's imperative to strike a balance between the chosen management mode and the pursuit of modernization. Regardless of the specific management approach adopted, the overarching goal should be a trajectory towards modernization. This is particularly critical when operating within the framework of a modern enterprise system. It necessitates a continuous process of innovation in our management concepts, aimed at enhancing the adaptability of enterprise management to evolving circumstances and the ever-changing needs of development (Ryzhakova, 2019) [9].

### **6.2 Improve Enterprise Management System**

Enhancing and refining the enterprise management system is a crucial step towards advancing the modernization of enterprise management and maximizing its effectiveness. In the specific implementation process, regardless of the chosen enterprise management approach, it's essential to emphasize the construction of a contemporary management system. This not only involves establishing a suitable organizational structure for enterprise management but also requires a continuous effort to bolster the adaptability of the chosen management mode.

For instance, when enterprises are implementing a supply chain management model, they should strive to harness its potential benefits in strengthening various aspects of the supply chain. This entails diligent management at every link of the supply chain, including the establishment of corresponding coordination mechanisms. The ultimate goal is to make supply chain management more synergistic and seamless.

### **6.3 Strengthen the Management of Enterprise Talent Team**

Talent resources are a fundamental cornerstone for the stable development of enterprises (Hongal, 2020) [10], occupying a pivotal role that cannot be overlooked. To further propel the modernization of enterprise management, it is imperative to bolster the construction of a talented workforce. The selection of exceptional top-tier talent holds significant importance. In an era of globalization, enterprise competition has grown increasingly intense. During these competitive battles, any weaknesses in the enterprise's talent pool, especially the absence of core technical personnel, can significantly diminish the competitive strength of the enterprise. Therefore, it's essential to continuously attract top talent and fortify the construction of the enterprise's talent team, ensuring it provides the necessary support to foster the enterprise's growth.

### **6.4 Strengthen the Information Construction of Enterprise Management**

For enterprises to implement modernized management, it is crucial to establish a robust information management system. In the current era, significant strides have been made in Internet and information technologies, ushering in an era of digital economy for enterprise development. Enterprises should depart from traditional management models and adopt an information-driven approach. This is essential to align with the changing times and to stimulate economic benefits for the enterprise.

## **7 Conclusion**

In summary, regardless of the specific approach to enterprise management, it is imperative for companies to prioritize modernization, incorporating diverse strategies and systematic thinking. The ultimate goal is to drive enterprise management in the direction of modernization. While it is encouraging that modern enterprise systems have gained increasing attention, there remain significant challenges in implementing enterprise management modernization. Many companies still lack a deep understanding of what modernizing management truly entails, and, at times, they adopt models that do not align with their developmental needs.

To address this, companies should tailor their management approach to their unique circumstances and future requirements, vigorously promoting modernization. This involves fostering innovation in management thinking, enhancing management systems, nurturing a strong corporate culture, and advancing management technologies. By

making breakthroughs in various facets of enterprise management, the aim is to steer enterprise management onto a path of innovative development.

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