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The future trends of Chinese enterprise management

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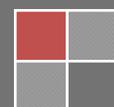
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ABSTRACT

Nowadays the people-oriented reviews in business management has been accepted. But the understanding doesn't cover all, which causes a lot of problems and unsatisfactory phenomenon in the practice of business management. After more than 60 years since the country founded, especially in the last 20 years, our business practice people management made a series of achievements. This article manifested these aspects and the problems in our country's enterprise management. And then described the impact of scientific and technological progress and innovation in modern business management.

KEYWORDS

People-oriented; Enterprise management; Business practice.



THE PEOPLE-ORIENTED REVIEWS IN MODERN BUSINESS MANAGEMENT

History of the people-oriented management

In the party's Second Plenary Session of the Seventh, Comrade Mao Zedong pointed out the working class in the city as the most important force which we should rely on. In May 1949, "the decision on the establishment of the factory management members and staff representatives meeting in state-owned industrial enterprises" and "implementing regulations" voted in the liberated areas in the north of the first staff meeting of representatives, staff representative meeting of the liberation region, the factory management committee, business management and other matters of democratization were clearly defined. It said that Factory Management Committee in accordance with the provisions of the specific requirements of their superiors to discuss the major issues discussing daily management, production, etc.; staff representatives hold regular meetings, employee representatives have the right to instruct an improved method and associated comments. The promotion of the enterprise management system, which allowed workers to participate in enterprise management, means the people-oriented management in the enterprise making the initial theory attempts. In the September 1949, the Chinese People's Political Consultative Conference adopted the "Common Program". It also loaded this management system of enterprises used in the liberated areas, officially started the state-owned enterprises in our country the daily management of the process of implementation of the management, construction of democratic management.

In June 1950, the "people's Republic of China Trade Union law" and the subsequent implementation of the law has gradually basic idea of this system. The basic meaning of "People management" and "people-oriented", are not raised clearly at that time, but the ownership status of the worker in the daily management of enterprises have begun to be fully recognized, ideology that we wholeheartedly rely on working class has begun with the tendency of people in this administration. Self-management and democratic management of enterprises represented the enterprises trying to do the related efforts in the daily management, these efforts were related with the socialist political attempts repeatedly and volatility. In 1956, the vertical management system is in a dominant position in our factory, the role of staff representatives meeting had been constantly eroded. To this end, the Chinese Communist Eighth congress decided that the workers' congress system and the director responsibility system under the leadership of party committees should be fully implemented in the state-run industrial enterprises. CPC clearly defined in the "several important issues notice about the working class", the existing conference will be represented by the employee representative congress, so in the daily management of the enterprise, the workers' congress played a more important role. Changes also covered the daily operations of the workers' congress, the representatives of the employees permanent system, staff responsibility on behalf of all employees, workers have the right to replace the unqualified, incompetent regime representatives. Since then, the practice of people management, democratic management in our industry is back on the right track. It played an important role in correcting the working style of leaders, easy internal contradictions, especially improving the performance of daily business, stimulating the enthusiasm of the masses of workers. In the "Cultural Revolution", the management system of Chinese enterprises have been completely devastated.

After the reform and opening up, China's enterprises further developed people management. In April 1978 Deng Xiaoping, presided over the relevant departments to develop a "decision to accelerate the industrial development of several issues (draft)", the resolution proposed to restore sole director of party leaders and workers' congress system in the implementation of state-owned enterprises. In the Second Plenary Session of the Eleventh Party, the workers' congress system in China state-owned enterprises gradually restored. CPC Central Committee, the State Council, clearly raised in "the state-owned industrial enterprises Interim Staff Congress" which enacted in July 1981, that the workers' congress corporate powers, the work agency of workers' congress. Since then, self-management and democratic administration in the practice of business people management stepped a further step.

In the 1990s, with the deepening of socialist reform, in order to achieve development and survival in an increasingly competitive market environment, China's enterprises, especially state-owned enterprises began to study and learn from the management of Western management, combined with the actual conduct of business management theory of exploration and innovation, people management is increasingly prominent in enterprise management. Mobilizing the enthusiasm of people in the development of enterprises, the concerns of human development, has become a very prominent position in the enterprise management. But in terms of people management practice there is still a lot of flaws.

THE ACHIEVEMENTS AFTER THE PROMOTION OF PEOPLE-ORIENTED MANAGEMENT

After more than 60 years since the country founded, especially in the last 20 years, our business practice people management made a series of achievements, which is mainly manifested in the following aspects.

The people-oriented become the basic value orientation of the business management

After the implementation of the reform and opening up, China's economic system transforms from a planned economy to a market economy, showing a growing emphasis on business management people management. In 1979, the state gradually expand the scale of enterprise autonomy pilot. In 1984, Third Plenary Session "decision on economic reform," began to enhance the vitality of enterprises as the central link of economic reform, and proposed to separate government functions among enterprise management, business ownership and management, independent franchise business has been further expanded. Contract management system gradually being adopted in corporate practice. In 1987, the principle of self-managed enterprises was put, the government carried out only in accordance with the appropriate planning and policy,

oversight for business services and enterprises. In 1992, due to the congress affirmed the labor commodity, market-oriented human capital became an important factor of production. In 1993, the Third Plenary Session clearly stated that the establishment of property rights, powers and responsibilities clearly, separating the management of a modern enterprise system are the direction of our enterprise reform. Business management began to emerge administrative order management, management concepts also will change. Some companies began to try to use some of the humane management to promote the realization of economic efficiency of enterprises, in some large enterprises and foreign-funded enterprises also appear to use people management theory to guide the management of enterprises.

The level of the people-oriented business management accelerate

Since the reform and opening up, China's enterprise management level have made great progress. Many companies abandon traditional experience management methods, using human management, committed to sustainable development of enterprises. The improvement of our level of corporate managers is reflected in the following aspects: first, as the main market, the medium and large enterprises applied the management of people-oriented management philosophy; Second, diversified development of the enterprise organizational structure, on the basis of linear functions of the traditional enterprise, the division system, the parent company system, the matrix system and other new corporate organizational structure of enterprises are adopted to increase the enterprise's overall adaptation to the external environment; third, people management reach universal application in enterprise. The annual salary system, five insurance payments, stock options, employee stock ownership and other incentives to get full use in some enterprises. Corporate decision-making process developed toward a more scientific and democratic direction, strengthen the training of employees, focusing on human resource development the key role of creation and enterprise development. The application of People management in our enterprise, help exploring some excellent management and people management methods in the development process, providing effective methodology.

Under the guidance of people-oriented management philosophy, the international competitiveness of Chinese enterprises has improved significantly

Since Reform and opening up, especially after China's accession to WTO, Chinese companies increasingly recognized for people management, applying people management easily. Some enterprises gradually train a number of people who knows the management well, these man are assigned to branches to train and guide others, people-oriented management philosophy has been further improved. With the improvement of enterprise management level, the company's overall competitiveness and market share rapidly improved. A large number of enterprises, especially medium-sized enterprises, expressed obvious competitive advantage in the market, the economic strength has been greatly improved. People-oriented corporate management philosophy gradually replace managers experience as enterprise development concept, which is results of China's enterprises use the correct management philosophy in its development, the role of business has played a full human freedom, prompting the enterprise to maximize the benefits, so as to enhance the competitiveness of enterprises.

THE PROBLEMS IN CHINESE ENTERPRISES MANAGEMENT

For a long time, China's enterprise management mostly used by executive order-based management model, resulting in the understanding despise people-oriented, people's moral indifference, lack of management in employing humane, ignoring the psychological and spiritual needs of the incentives, lead to the overall development of business and personal development of employees out of line, not get organic unity of development. Chinese enterprises are lack of reasonable and effective management of people, it is reflected by the practice of the management problems of people, mainly in the following areas:

First, contempt of people. At present, although people management has been recognized by more and more enterprises, but there are a lot of companies do not put people in a prominent position in this administration, they are lack of people management thinking and understanding. People who practice domestic enterprise management has not yet formed a complete theory of the management system. Most companies generally believe people management is a dispensable work, lack of prospective and strategic theory. This "people management" is not real. but from the higher wages to the corporate culture of integration and control functions, thus the management of the enterprise is doomed to lose people management performance.

Second, indifferent of the moral quality of the employer. Some companies values only the economic benefits that people can provide, but neglected their moral qualities. This led to the development of enterprises in the process which will be caught in a vicious circle. Although companies have been achieved immediate, but the long term development of enterprises will suffer losses and may even lead to business failure. On the other hand, the moral quality of employees will be affected by the adverse effects of low moral quality of staff, which led to the rapid decline in the overall quality of employees, and ultimately resulting in a decline in production efficiency of enterprises. The essence is to employ people as "economic man", contrary to the people-oriented management philosophy.

Third, the lack of humane. The development of business management from the "object-oriented" to "people-oriented" is a leap of modern business management theory, laid the foundation for the rapid development of modern enterprises. Man is the most active element, the modern enterprise management only really highlight talent in the enterprise and firmly establish the people-oriented management philosophy, enterprises can develop under the guidance of the correct concept. In recent years, some Chinese companies are beginning to realize the central role of the human enterprise

management, but because of unawareness of the related concept of human management, the management in specific practices do not get enough attention. This leads to a lot of enterprises have developed a number of people involved in the management of the management system, but do not get proper results. Finally business people management miss personalized content, employees has been seen as "economic man" and "social", resulting in a real implementation of the relevant management measures, it is difficult to achieve the desired effect, it is difficult to inspire staff enthusiasm.

Fourth, encourage the people but ignoring the psychological and spiritual needs. Although many companies proposed a "people-oriented", but some managers still use the traditional management model, there is no executive order to get rid of interference management, the use of coercive measures, rigid system, strict discipline, strict hierarchy to maintain business management, administration and management is still in an unequal position, on an equal sense of personality just stay in the theoretical sense.

THE IMPACT OF SCIENTIFIC AND TECHNOLOGICAL PROGRESS AND INNOVATION IN MODERN BUSINESS MANAGEMENT

Scientific and technological progress and innovation can improve their market competitiveness

Technology innovation is the key to enhance the core competitiveness of enterprises

Nowadays, faced the accelerating economic globalization, the rapid development of science and technology, fierce competition of modern enterprises, enterprises have gained vigor necessary to technological innovation as a breakthrough to a market-oriented as the yardstick, through the introduction of new technology and science into practical productive forces, particularly technological innovation, so that enterprises in a dominant position in the market competition to gain market excess profits it may win success.

Scientific and technological progress and innovation promote the combination of elements of production

Modern business is a process in which variety of science, technology and innovation will be combined as an organism. Professor Michael Porter classified competitive advantage into two categories in his book "Competitive Strategy" and "competitive advantage", one is low-cost advantage, and the other is differential advantage, these two can't be away from technology and innovation support. Through simple changes, increase, decrease, alternative combinations of production elements

We can stimulate technological innovation and enterprise awareness to adapt to market changes in consumption patterns. Such as Anhui TianKang Group, 2005 annual turnover of 1.07 billion yuan, an increase of more than 250 million yuan in 2000, of 820 million yuan, an increase of 3.28 times. The Enterprise 2005 technology investment 23,123 yuan, 427 million yuan output value of new products to achieve, accounting for 39.9 percent of annual output.

Business management of scientific and technological progress and innovation dependence

Enhance the capability of independent innovation

Scientific and technological progress and innovation is determinant which affect the survival and development of the many enterprises, technological innovation can promote enterprises to enhance autonomy, innovation process, master the core technology, it is the basis for achieving sustainable development of enterprises. Companies can only expand its scale and enhance its competitiveness relying on scientific and technological progress. Successful technology innovation system through technology promotion, lead to changes in product mixed, market structure evolution upgrade and promote continued economic growth.

Enterprises change the input-output ratio relying on scientific and technological progress and innovation

To improve the economic efficiency of enterprises, we should do as little as possible in the case of investment to maximize output. From the investment point of view, it means lower consumption and rational use of funds and material resources; From the output perspective, it means the requirement to increase product variety, improve product quality and expand product yield. Companies only rely on scientific and technological progress and innovation, these objectives can be achieved, as far as possible in order to maximize the economic benefits. And the use of new products will encourage researchers to further develop the business and the development of newer products, and promote the production and operation of continuous development and leap.

Technological progress and innovation can contribute to the sustainable development of enterprises

Since the Industrial Revolution, the global economy continued to develop at an amazing speed, but in people's blind pursuit of economic development, they ignored the protection of the environment, leading to a series of environmental damage, such as : global warming, ozone depletion, acid rain increased air and water pollution, desertification, and so on. Coupled with global population growth, increased demand for consumer goods, leading to shorter product life cycles, so that the number of lost value in use of waste products soared. Mankind has realized that environmental pollution and deterioration has increasingly hinder the social development and human survival. Thus, the United Nations held in Brazil in 1992 World Conference on Environment and Development, adopted the "Rio Declaration on Environment and Development" and "Agenda 21" and proposed the establishment of economic, social and environmental sustainable development model of coordination in enterprises, they should play a leading role, especially heavy industry. In the enterprise, technological

progress and innovation capacity has been beyond the enterprise's own products and services, competition among enterprises sublimation technology for the enterprise strength of the contest. Therefore, the popularity of technological innovation time longer than any of the products and services, but also need to provide more long-term strategic development of enterprises, but also the inevitable choice for sustainable development of enterprises.

Scientific and technological progress and innovation is a modern enterprise practice the scientific concept of development of specific

The scientific concept of development's first prerequisite is to develop, this development means that sustainable development, rather than Banded type of development, which prompted profit-oriented enterprises can not benefit without caring anything, and management of production to make people's livelihood, bear some social responsibility, and to maximize business interests in collaboration with the community. Therefore, the development of modern enterprises can not simply pursue only economic benefits, but to bear the social responsibility. Such as when the country face natural disasters, the enterprises should have the courage to provide helpness as possible as they can, in the event of sudden public with so many positive aspects to enhance the external image, to pave the way long-term development of enterprises.

Technological progress and innovation achieve the optimal allocation of business, financial and material

Application of sustainable development is an emerging field, in order to develop a good business, the enterprises must be innovative and explore the experience and theory in innovation. Whether it is possible to achieve sustainable development of the scientific enterprise, the key lies in the ability of the business to make human, financial, material and other resources companies achieve optimum configuration and utilization of the resources of the most rationalized, so as to effectively reduce production costs, improve the comprehensive competitiveness of enterprises. in the introduction of technology and innovation Enterprises should focus on the internal laws of enterprise development, and constantly enhance their understanding of management innovation managers, prompting managers consciously advanced technology and management innovation into concrete work. Only enterprises recognize the rule of enterprise management innovation and make scientific and rationally usage in the course of the development of enterprises to fully, it will enable enterprises to achieve optimal management of state. Currently the world's renewable resources increasingly scarce, which means the enterprises must master the scientifically rationally and efficiently existing resources, and the exploitation of resources has not been made use of to replace exhausted or will soon do the depletion of natural resources. Though continuous Science and technology investment and innovation, developing new resources, saving own resources, to ultimately achieve sustainable development of enterprises. Research shows that a business from inception to peak and then decline experienced an average of 40 years. in the competitive operation of the market, companies have become commonplace short-lived, and how to strengthen the corporate strength, and promote sustainable development of enterprises, it is necessary for the well-known enterprises study the life cycle, can help us to learn the secrets of long-lasting business, providing help for the long-term development of Chinese enterprises. DuPont is typical enterprise for sustainable development. The company was an early gunpowder factory, now the world's second-largest chemical company, in the last two centuries of evolution, DuPont is the world's chemical industry which has been the most successful and trustworthy company. So, how do DuPont do it? two hundred years ago, DuPont is mainly a manufacturer of gunpowder company; One hundred years later, DuPont business focus to the global chemicals, materials and energy; DuPont entered into the second hundred years, it provides real solutions to improve people's lives. Why DuPont can become the most innovative company in one of the world's two centuries in the course of development, it is because, in the process of creating products of DuPont's core values remain constant, endless exploration of science and committed to the health, integrity, fair treatment of customers and other businesses.

Scientific and technological progress and innovation can improve the economic strength of individuals

Scientific and technological progress and innovation can improve labor productivity

Whether traditional or modern business enterprise, improving labor productivity is the only way and an important way to improve overall economic efficiency. With the popularity and the emergence of a series of innovative technology and new knowledge, industry workers have the opportunity to learn and master the latest scientific knowledge and skills, to enhance the proficiency of the average labor enterprises, shorten labor time; scientific and technological progress and innovation can improve the modern management tools and management methods, so that the production process greater effectiveness, scale much greater, workers and production to achieve the best combination, thereby enhancing labor productivity.

Technological progress and innovation can promote Chinese enterprises into the international market

A small group of modern enterprises which applied scientific and technological progress and innovation have successfully participated in the international competition, occupied a certain market share. Such as Peking University Founder Group independently developed the Chinese laser typesetting system, which had been occupied overseas Chinese newspaper 80% of the market and so on. In the fierce market competition, a number of companies using technology innovation in exporting products to seize the international market, began to make their production sites distributed overseas, while making a profit, they should learn the knowledge of outstanding foreign companies., thus they directly participate in international competition, and enhance their international competitiveness.

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