Transformation of Enterprise Organization Model with Digital Empowerment

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Chunlian Zhang*
Jiangxi University of Technology, Nanchang, China
***Corresponding author, e-mail: 200999104@ jxut.edu.cn**

Abstract

Under the impact of new pneumonia, the digital economy upstream, become the mainstay of economic and social development. Although the organizational model and culture of traditional enterprises support the rapid development of enterprises in the traditional industrial era, in the new digital era, it is easy to show sickness and fatigue. In the era of digital economy, the rise of individual consciousness, the shift of market center and the change of development environment, etc., have made the disadvantages of the traditional organizational model of bureaucratic enterprises prominent, a new organizational model is urgently needed to ensure market vitality. For this reason, this paper studies the organization mode transformation of enterprises under the background of digital economy.

Keywords

Digital economy; Enterprise organization model; Flexibility; Networking

Introduction

With the rise of a new round of technological and Industrial Revolution, especially the application of new information technologies such as big data, artificial intelligence, mobile Internet, cloud computing and 5G, with data as the core factor of production and digital technology as the driving force of the new mode of production, human society is rapidly entering the digital economy era. By 2020, China's digital economy will have grown to 39.2 trillion yuan, accounting for 38.6 percent of the country's gross domestic product. Under the impact of new crown pneumonia, the digital economy goes against the current and becomes the mainstay of economic and social development. "We will actively develop the new-generation information technology industry and the digital economy, and promote in-depth integration of the Internet, the Internet of things, big data, satellite navigation and artificial intelligence with the real economy," XI said. A special chapter has been set out in the 14th five-year plan and the 2035 outline of the vision, titled "Accelerating Digital Development and building a digital China." These all pointed out the direction for our country digital economy development.

The G20 Digital Economy Development and cooperation initiative released by the G20 Hangzhou Summit, held in Hangzhou, Zhejiang Province in 2017, provides an authoritative definition of the digital economy,

digital economy refers to a series of economic activities in which the use of digitized knowledge and information is the key factor of production, the modern information network is the important carrier, and the effective use of information and communication technology is the important impetus of efficiency promotion and economic structure optimization. The digital economy is also a completely new economic system in which both information and business activities are digitized. In this economic system, data is the key factor of production on which economic development depends. It is deeply affecting the way of human behavior, and constantly giving birth to new organizations, new forms of business, and new models, for example, from taxis to ride-hailing, from Toyota to Tesla's car technology changes, the rise of online delivery platform, mobile payment means, and so on. And enterprises are applying big data from single links such as research and development, production to the integration of end-to-end full chain extension, with the flow of data to improve the efficiency of the entire industrial chain, the penetration of big data is also moving from information integration to intelligent analysis and decision-making. This change in the era of digital economy also challenges the organizational model of enterprises.

The Disadvantages of the Traditional Enterprise Organization Mode

Linear structure, linear-functional structure, functional structure, decentralized structure and other four enterprise organizational structure, is a common structural form in traditional economy. The linear organizational structure model is the most typical of these organizational structure models, and its influence is the most extensive. Although the organizational model and culture of traditional enterprises support the rapid development of enterprises in the traditional industrial era, in the new digital era, it is easy to show sickness and fatigue. At the individual level, it is difficult to mobilize the vitality and integration of the new generation of employees, and at the organizational level, it is difficult to guarantee the flexibility of the organization to adapt to the fast-changing and uncertain external environment, it is difficult to support the sustained, rapid and healthy development of traditional enterprises in the digital age.

The organizational structure of linear system has four characteristics: consistency of power and responsibility, hierarchical chain of command, specialization of functions and standardization of work, which meet the needs of large-scale industrial production, however, in the digital economy era, communication efficiency is reduced because of more management levels, and in functional organizational structure, activities are organized from top to bottom according to the same functions, there isn't much coordination between the various functions within the organization, and this organizational model is the best choice for the small and medium enterprises. In the digital age, the digitization of the C side forces the digitization of the B side to accelerate, this requires the strengthening of cooperation and synergy among the departments within the enterprise to achieve cross-sectoral cooperation and innovation, the existing functional organizational structure can not meet this need; The linear-functional organizational structure model not only retains the centralized features of the linear organizational structure model, but also absorbs the functional departmentalization features of the functional organizational structure model, it is suitable for the complex but relatively stable enterprise organization. In the digital economy era, there are thick barriers between the enterprise departments in the cooperation and resource sharing of this organization structure The advantage of decentralized organization lies in that it can reduce the degree of centralization, weaken the negative influence of linear organization-

al structure, improve the sense of responsibility, promote the combination of power and responsibility, and improve organizational performance, however, it is easy to show such rigid cultural pathological features as centralized culture, hierarchical culture and rigid culture.

The Development of Digital Economy Has Put Forward New Requirements for Enterprise Organization Mode

In the era of digital economy, the rise of individual consciousness, the shift of market center and the change of development environment, etc. , have made the disadvantages of the traditional organizational model of bureaucratic enterprises prominent, a new organizational model is urgently needed to ensure market vitality. In the era of digital economy, agile organizations characterized by network, flatness and flexibility are coming into being.

The new requirement of Digital Economy on enterprise organization mode: the Law of efficient innovation. In the era of digital economy, users have already mastered the absolute right to speak. All decisions made by enterprises are based on users'needs, how to obtain relevant data from the source of user demand instead of traditional market orders as the key decision-making basis, and combine the ability, experience and knowledge accumulated by the organization to ensure the efficient execution of the decision-making, from the "Organizational efficiency rule" in the traditional big industry era, it has evolved into the "Efficient innovation rule"in the digital economy.

The new requirement of Digital Economy on enterprise organization mode: information management principle. From the point of view of management and operation, the amount of data processed and analyzed for enterprise management after 5G commercial use will increase greatly, and the efficiency and quality requirements of data analysis will become more and more strict, rather than simply missing out on business opportunities, it is likely to be crowded out and disappear by companies that have adapted to 5G earlier and have access to big data. Take the retail industry as an example, after the implementation of 5G Commerce, the retail enterprises can completely open online and offline based on big data, forming a set of tighter, more complete retail shopping system.

The new requirement of Digital Economy on enterprise organization mode: Flexible Management Principle. As information technology increasingly permeates the development of industry, flexibility, as a dynamic concept, has been widely accepted in the development of various industries, mainly as the ability to adapt to the external environment and internal organizational changes, this ability reflects the industry's rapid response to the market and rapid adaptation to environmental changes. The external performance of industrial flexible development is a new development path driven by industrial convergence, while the internal performance is the cross-border cooperation formed by the organizational structure of enterprises which adapt to the digital technology environment, thus finally forms the intelligent industry, realizes the flexible development.

Countermeasures and Suggestions on Constructing Digital Enterprise Organization

In the era of digital economy, enterprises need to construct corresponding organization mode of digital enter-

prises in order to adapt to the new changes such as production cooperation network, product service individuation, market response in time, etc. . The digital enterprise organization takes the promotion of the individual ability of the employees as its grasp, and uses the new generation information technology such as big data, Internet, artificial intelligence to transform the enterprise structure, Operation Mode and its management mechanism, it makes the structure form change to the network of the boundary extension, the management mechanism change to the flat change of the level reduction, and the operation mode change to the flexible change of the high efficiency. The organizational model can be summed up as five online organizations: one is online organizations: that is, online organizations, clear rights and responsibilities, visual; two is online communication: effective and safe communication, work and life separation; Third, collaboration online: that is, online task, workflow collaboration, to achieve knowledge and experience precipitation and sharing; fourth, business online: through online business processes and business behavior, to realize the enterprise's big data decision making and analysis ability; five is the ecological online: the enterprise centered Upstream and downstream and the customer online connection, uses the big data to optimize the entire ecological user experience, continuous optimization of production and sales efficiency. Therefore, people-oriented digital enterprise organization and transparent management stimulate the creativity of everyone in the ecosystem, and then enhance the vitality of the enterprise. To this end, we should build digital business organizations from the following aspects:

Strengthening the research and guidance of enterprise organization reform in the new period. On the one hand, we should carry out a systematic study around the organizational transformation of enterprises, and make clear the changing characteristics of value creation, value distribution, capital function, market law, etc. in the digital economy era, to deepen the understanding of the impact factors, development trends, practical experience, strategic steps, Ways and means, environmental protection and other aspects of organizational change; We need to formulate and issue policy guidance for accelerating organizational change in enterprises, support the active transformation of state-owned large and medium-sized enterprises, and guide small and medium-sized enterprises in building new organizational models that suit their own characteristics, through the establishment of a "People-oriented"new organizational model, fully stimulate the creativity, competitiveness and vitality of development, in the modern economic system to make contributions.

We will increase support for the reform of entrepreneurs and the innovation of Management Concepts. First, improve the government service system, optimize the process of service projects for enterprises and entrepreneurs, and create a social atmosphere that encourages innovation and tolerates failure, to give entrepreneurs more understanding, tolerance and help them overcome their mistakes and failures in innovation; and to establish and improve a training system for outstanding entrepreneurs and provide them with training and coaching for organizational change, to help them identify gaps, identify problems, set goals, implement improvements, and ensure that they have sufficient knowledge and capacity to lead the growth of their businesses, providing targeted information services on policies, markets and services to meet the needs of entrepreneurs, supporting them in expanding their international horizons, enhancing their strategic thinking and enhancing their spirit of innovation, enhance their ability to identify opportunities, integrate resources, create value, and give back to society.

Guiding enterprises to speed up the reform of organizational model through "Double creation". Through new technologies such as the internet platform, "Shuangchuang"brings together resources of knowledge, technol-

ogy, talents and other factors, and continuously stimulates the innovation potential and entrepreneurial vitality of the whole society, it has fostered and given birth to a new driving force for economic and social development. We should further strengthen the leading and driving role of "Double Innovation"for enterprises. First, relying on the domestic advanced enterprise clusters, and focusing on building an open and innovative organizational model, explore the promotion mechanism of organizational change, innovative guiding policies, platform service system and diversified investment and financing environment to form a new organizational model that can be replicated and popularized; Secondly, to solve the problem of the lack of growth motive force, we should set up the model project of organizational change and innovation, and explore the typical practice and advanced experience that can stimulate the work will and innovation potential of the employees Third, select a number of enterprises with advanced management and broad prospects to conduct pilot demonstrations in the major areas of the digital economy, such as the Internet, cloud computing, big data and artificial intelligence, probe into the new path of enterprise organization reform.

Make great efforts to realize the transformation of employee management style. Organizations need to attract and retain top talent by paying more than the industry average for employees to move from a disciplined, punitive management style to one that rewards innovation, support for high employee compensation comes from the organization's stable and highly competitive cash flow business. This is also why the emphasis on agile iteration, to create flexible changes to adapt to the digital organizational structure, but also pay attention to the current phase of the advantage of cash flow business stability and development. From the outside, it is necessary to maintain the competitive advantage of the organization in the current market, and from the inside, it is enough to support the continuous cultivation of innovative talents.

Maintain a culture of innovation within the organization. It is necessary to maintain the culture of innovation within the organization through the propaganda and edification of organizational culture, as well as strict screening and elimination mechanism. According to the German Academy of Engineering's Industry 4.0 index, "Advanced Technology provides access to a wider range of data, but the potential use of the data depends entirely on the organizational structure and culture of the enterprise."The successful transformation of the organizational structure from bureaucracy to flatness depends more on the effective implementation of the new "Enabling and innovative"culture in every employee. Business Innovation requires new incentives as the basis to improve the organizational spirit of innovation that dares to break the rules and explore new ways, both to encourage each organization member to accept the new things and sensitivity, and satisfy their need for self-fulfillment. The elimination mechanism has solved the problem of the rejuvenation of the talent team to a certain extent, and at the same time has played a role in the consolidation and support of the Enterprise's innovation culture. The importance of talents in the organization's digital transformation is self-evident, it is a common cultural requirement for digital organizations to replace "Organizational discipline culture"with "Organizational innovation culture".

It can be seen that enterprise legal person is the key to promote the development of digital economy. The digital economy is a typical new economy. It is the key to develop the digital economy to encourage and guide the main body of enterprises to take an active part in the digital economy and to construct the digital enterprise organization.

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