

Research on the Influence of Corporate Culture Innovation on Corporate Management Innovation in The Era of Knowledge Economy

Jinglan Xue¹, Yiyang Chen^{1, *}, Liangfang Zhang¹, Yaoping Lei¹, Xiajing Chen², Rui Ye³,
Linglin Zhang⁴

¹Cavite State University, Indang4100, The Philippines

²Fujian Investment & Development Group Co.,Ltd., Fuzhou, 350001, China

³Hainan Jingerxin Information Technology Co., Ltd, Danzhou, 571700, China

⁴Hong Kong Huanyu Investment Immigration Consulting Co.,Ltd, Hong Kong, 999077, China

*Corresponding Author

Abstract: Entering the era of knowledge-based economy, enterprise competition is quietly transforming, and enterprise management and culture construction become especially critical. Enterprise culture innovation can not only improve the overall efficiency of enterprises, but also provide solid support for long-term stable growth of enterprises. This paper analyzes the necessity of enterprise culture innovation and enterprise management innovation according to the related contents of enterprise culture and enterprise culture innovation, and studies the influence of enterprise culture innovation on management innovation, the problems and countermeasures in the innovation process, in order to better help enterprises formulate effective business strategies and countermeasures to promote sustainable development of enterprises.

Keywords: Management; Cultural innovation; Corporate culture; Knowledge economy.

1. Introduction

In today's era, global integration has changed the way modern companies do business, and innovation is seen as the soul of a positive corporate culture. In order to achieve long-term stable growth, companies need to gain a unique competitive advantage through continuous learning and active innovation. Improving innovation capabilities has become an imperative for modern enterprises. The rapid development of technology has brought unprecedented opportunities to enterprises, but also requires a spirit of maximizing people's interests, dynamism, pursuit of excellence, teamwork, openness and tolerance, and the ability to develop sustainably. Cultural soft power can reveal the real strength of enterprises. By creating a good cultural atmosphere and improving the competitiveness of enterprises, it can not only help enterprises enhance their market share, but also promote their sustainable development. Innovation is not only a driving force for enterprises to gain competitive advantage, but also an effective measure to defeat competitors, which has a profound impact on the growth and development of enterprises. Promoting innovative changes in corporate culture and forming a cultural force conducive to knowledge innovation is an indispensable step for enterprises to adapt to the changing times. Only continuous innovation can improve the quality and efficiency of its own management and achieve long-term stable development of the enterprise.

2. Overview of Corporate Culture

2.1. The connotation of corporate culture

Enterprise culture is the sum of knowledge and material wealth with enterprise characteristics formed in the long-term production and management practice of the enterprise, and is the organizational culture of the enterprise. It not only reflects

the spiritual value of the enterprise, but also reflects the development goal of the enterprise, is the power source of the enterprise development, and is the guarantee of the enterprise's sustainable development.

As shown in Figure 1, corporate culture is divided into four levels: spiritual culture, institutional culture, behavioral culture and material culture, which are interrelated and intertwined to form a complete corporate culture structure. In this structure, the spiritual culture occupies the most critical position, which guides the development direction of the whole enterprise. As Thomas Watson Jr., the second generation president of IBM, said: "The success of an organization in comparison with other organizations is determined mainly by its basic philosophy, spirit and inner motivation, which are much more important than the level of technology, economic resources and organizational structure, innovation and choice of timing." [11]

2.2. The connotation of enterprise culture innovation and management innovation

As an intangible resource, corporate culture is a corporate value accepted by managers and decision makers and widely recognized by employees, and plays an important role in the corporate governance process. Corporate culture is a necessary tool for internal management innovation. An excellent corporate culture has the following characteristics: it values humanity and every employee; it has no entity, but can express itself through the daily management of the company; it constantly updates the times and social progress, meets market demand and promotes the development of the company.

The innovation of corporate culture is mainly reflected in two aspects, namely, conceptual innovation and institutional innovation. The development of corporate culture is crucial to the development of a company, not only making it dynamic,

but also bringing great economic benefits. Through continuous cultural innovation, companies can develop their brands and demonstrate their unique competitive advantages.

Cultural innovation management is a systematic approach to improving a company's internal operations based on rules and regulations, resolving conflicts and disputes, and

strengthening company cohesion. Outdated and rigid cultural management does not win the trust of employees and is not conducive to the company's growth. Therefore, company management must keep up with the times and commit to management innovation in order to achieve innovative company development.

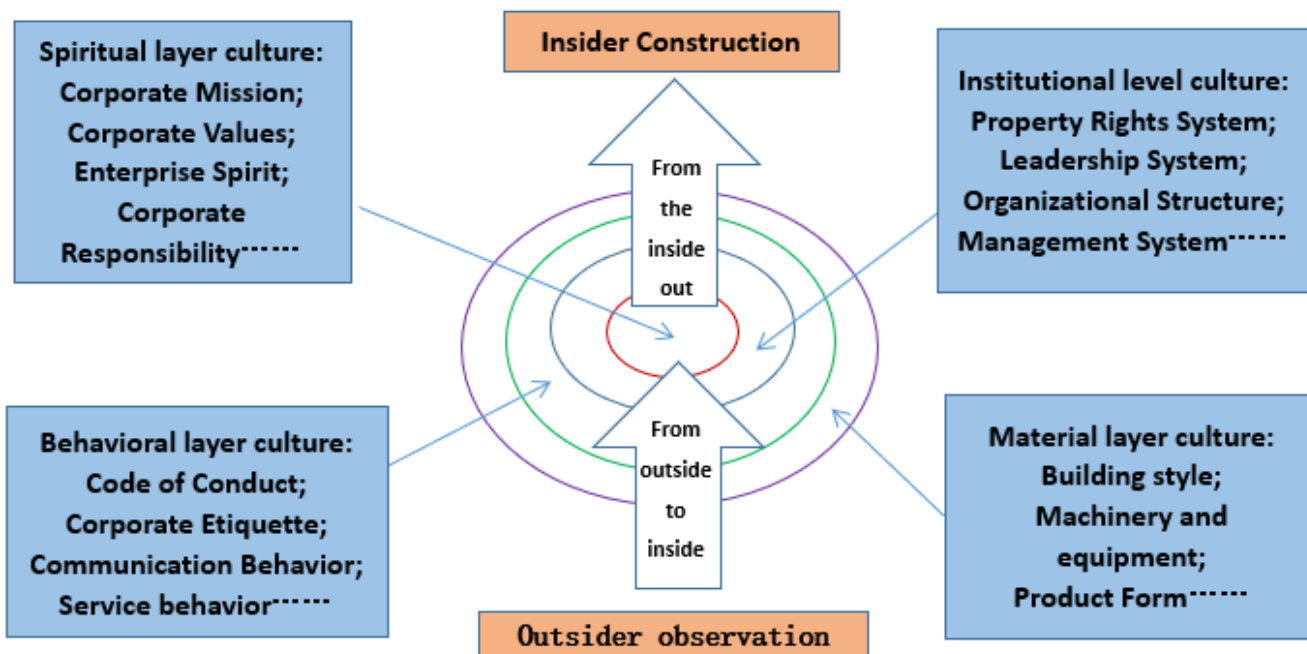


Figure 1. The four-layer structure of corporate culture

2.3. The significance of corporate culture innovation and management innovation

The Organization for Economic Cooperation and Development (OECD) defines innovation as "a process in which multiple activities interact to develop, produce, and operate an invention with the goal of realizing that it will lead

to a new market and ultimately to a market advantage". According to Barton (1992), "The key to a company's ability to innovate is to have employees with a solid professional foundation, the ability to control professional core systems and management information systems, and the ability to have corporate values." [12] The interaction form is shown in Figure 2.

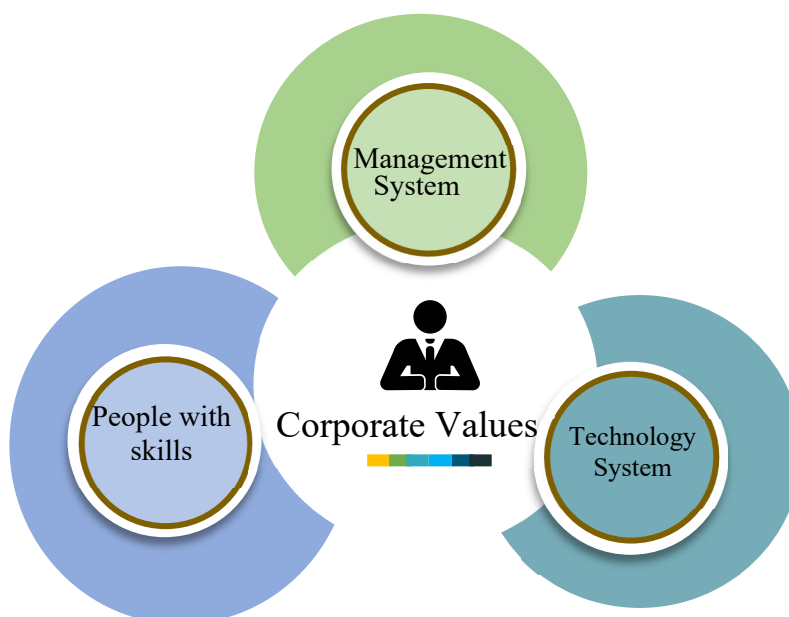


Figure 2. The core and interactions of firms' innovation capabilities

Although corporate culture innovation does not bring direct economic benefits to an enterprise, it can bring additional value to an enterprise in a variety of ways. In the long run, the

value of corporate culture innovation is immeasurable, as it can sustainably support the growth of a company and bring tangible economic benefits. The power of culture is important

for the development of a company: companies with a great culture enhance cohesion, and employees consciously improve their skills and thus contribute to the company's growth.

Due to the accelerated integration of the world economy, the management model of enterprises is being constantly updated to build a perfect and sustainable business model and adopt a comprehensive and harmonious management model to meet today's market demand, improve the motivation of employees and enhance the core competitiveness of enterprises in order to maximize economic benefits.

3. Analysis of the Impact of Corporate Culture Innovation on Management Innovation

3.1. Contribute to innovative management models

The traditional business management model can no longer meet the needs of the knowledge-based economy and needs to be reformed to keep up with the times. Strengthening cultural innovation and promoting business model innovation will contribute to the future development of companies. Cultural innovation is unique and diverse, especially in the absence of clear goals, in-depth understanding of each employee, and moreover, the need to develop policies that meet market needs to achieve management model innovation. Different companies may have different cultures. For example, some companies emphasize teamwork, but many employees tend to focus only on their own interests and ignore the needs of others. If companies focus only on their own interests and ignore the needs of others, they will lose many talented people. Integrate the corporate culture into individual interests and teamwork, so as to play a good coordinating role in corporate culture management and improve the efficiency and motivation of employees.

3.2. Improve the quality of work of your employees

Employees' positive attitude towards work directly affects their productivity. If employees can maintain a positive attitude, their productivity and quality of work will improve. In order for employees to perform better, we need to make sure that the corporate culture is deeply rooted in their hearts so that everyone can feel the value of the corporate culture and make it really work. Continuously strengthen the corporate culture innovation so that employees clearly understand the corporate culture, work in accordance with the corporate system, promote the effective development of management innovation, contribute to the long-term development of the company, and ensure that all work is effectively carried out around the corporate culture innovation.

3.3. Develop a good competitive advantage

Changing times have brought new opportunities, new challenges and new tests to enterprises. In order to increase their market influence and survive better, companies need to keep up with the times, understand market needs in real time, gain social benefits while improving economic efficiency, and achieve overall business development. A healthy and stable corporate culture is important for companies not only to improve operational efficiency and product quality, but also

to build trust with customers, withstand challenges from all areas, improve the overall image of the company, attract valuable customers, and gain favorable market opportunities and flexibility. It also allows the company to absorb good resources from outside, both in terms of information and talent, which are better suited to the company's management model and will translate into its competitiveness and promote its innovative development.

4. Problems of Corporate Culture Innovation in the Perspective of Enterprise Management Innovation

4.1. Weak corporate culture management

At present, many enterprises have obvious deficiencies in cultural management, they fail to make full use of innovative thinking and standardized way to promote the development of corporate culture, especially some enterprises only stay on the surface when building corporate culture, but not really integrate it into the hearts of employees. Many companies fail to make full use of "people-oriented" corporate culture management, resulting in low employee participation, and some companies fail to include team building, and the problem of weak team performance is prominent, which is a clear reflection of weak corporate management. Therefore, companies should take measures to strengthen corporate culture management in order to enhance employee engagement and promote team development.

4.2. The overall function of corporate culture is not strong

Although some companies have developed Corporate Culture Manuals, the lack of systematic design has rendered the Manuals ineffective, and the effects of corporate culture have not been fully realized. These manuals do not set action guidelines based on objective reality, but require employees to strictly comply with them, a practice that does not allow employees to identify with corporate culture and values. Some companies do not understand the importance of innovation in corporate culture, nor do they pay attention to the positive role innovation plays in promoting corporate management innovation, resulting in a weak overall function of corporate culture.

4.3. Innovation and personalization of corporate culture are not distinct

Many companies have similar corporate cultures, lacking distinctive features and unique styles. However, each company has a different history, composition and core ethos, so the management environment and strategies for dealing with internal conflicts should have their own characteristics and cannot be identical. Companies such as Sony, Nissan, Hewlett-Packard and IBM are all built on a unique culture: Sony is known for its drive for innovation and high customer focus to adapt to the market and environment, while Hewlett-Packard is known for its respect and trust in its employees and its effective incentives. Therefore, the form of corporate culture can be standardized, but the focus should be different and needs to have the individual characteristics of corporate culture.

4.4. Equating corporate culture with entrepreneurship

Currently, the management of most business managers is focused on the operation of the company, which is one of the reasons for the problem of backward corporate culture. Although some business leaders recognize the importance of corporate culture, they only focus on its surface and ignore its substance, treating it as an entertainment activity. This neglect leads to a significant reduction in the effectiveness of corporate culture innovation, which cannot meet the requirements of today's business development and hinders the sustainable development of enterprises. This leads to unsatisfactory results of corporate culture innovation, which hinders the in-depth development of modern enterprises and the improvement of innovation level.

5. The Way of Influence of Corporate Culture Innovation on Corporate Management Innovation

5.1. Strengthen the corporate culture and improve the level of innovation management

In order to promote the development of modern enterprises, enterprises need to actively carry out various forms of ideological and political education and improve the cohesion of the enterprise team, so that the core values of modern enterprises can be fully reflected and can be effectively implemented in all areas of the enterprise.

The most important feature of innovative management is innovation in management itself. Through a comprehensive reform of management, we can create a new, creative management model that can meet the ever-changing market environment. This model integrates traditional management models with advanced technology and enhances the competitiveness of the company by creating an effective management system that responds to market changes. It is a dynamic and logical process centered on "innovation". The innovation management model is shown in Figure 3, which constitutes the basic model of innovation management.

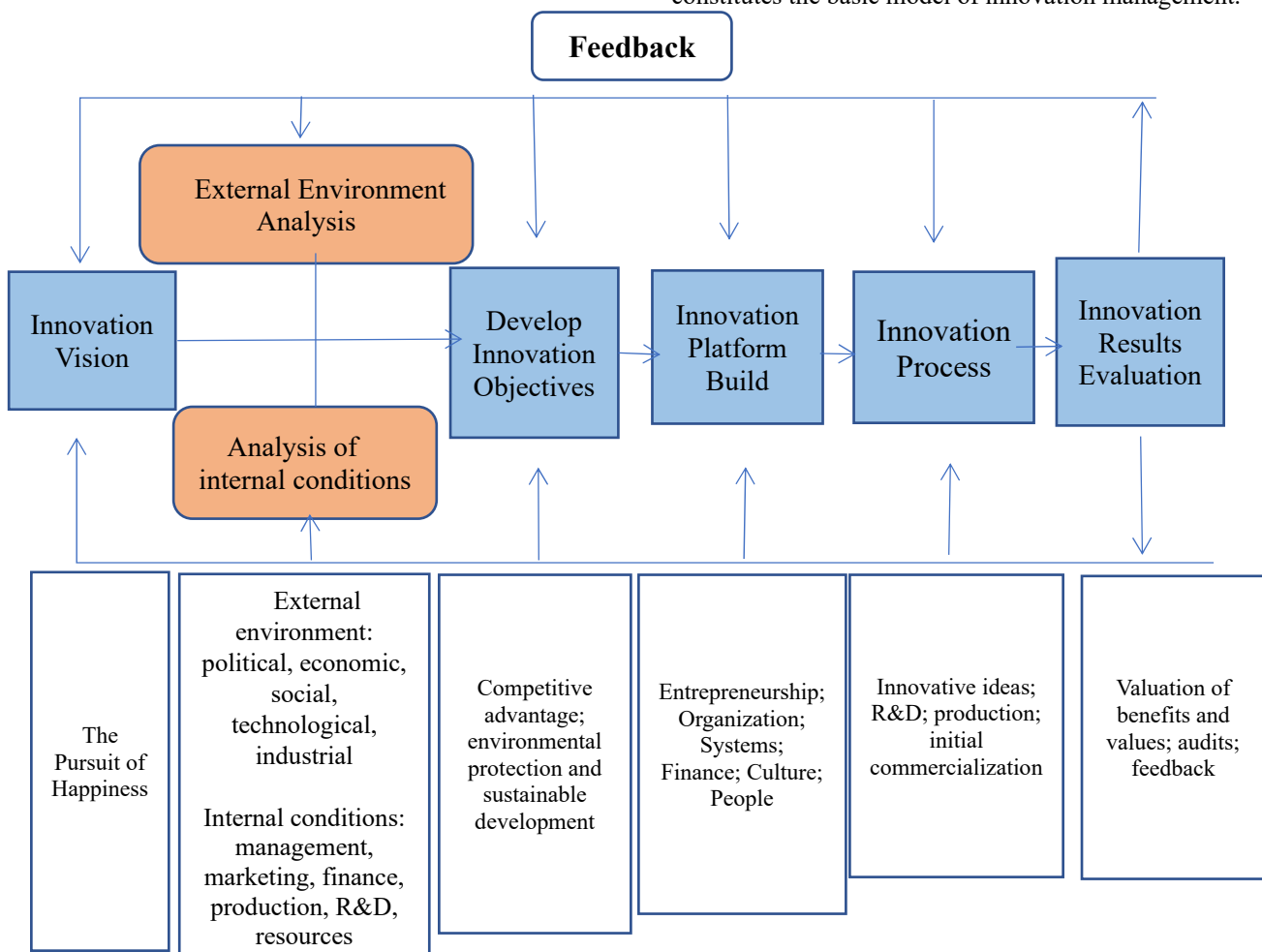


Figure 3. Innovative management model

Innovation is not manageable by nature, it is not affected by any external factors, therefore, innovation management must be the core of "innovation", through conscious management activities, take effective measures to establish an organizational structure and cultural atmosphere conducive to

innovation, so as to promote the development of enterprises and achieve innovative management.

5.2. Build the supervision and management system of the enterprise

In order to improve the management level of the company, we need to strengthen the supervision of employees and stimulate their motivation and initiative. In order to ensure the quality of each position, we need to develop appropriate supervision indicators and a set of perfect supervision mechanism to ensure its reliability and effectiveness. In addition, we need to start from the overall work of the enterprise, conduct in-depth investigation and research on all aspects, and timely find and correct the existing problems in order to improve the development of the enterprise. We should also pay attention to the supervision of corporate culture in order to play a positive role in corporate management innovation.

5.3. Creating a learning corporate culture

A learning organization is an information-based and knowledge-based organization with goal-based management, whose members have the ability of self-learning, self-improvement and self-discipline. Strengthening the knowledge management of enterprises and creating a new type of learning organization can promote the development of enterprises, improve their market competitiveness and fundamentally improve their comprehensive capability. First, we should streamline the enterprise, implement flat management, and establish an organizational structure that is conducive to the innovation of enterprise culture; second, we should shape a learning culture, and not only the leaders should directly advocate and participate in the learning organization, but also the cadres and workers should actively participate in the creation of enterprise culture activities to create a strong learning atmosphere; third, we should form a knowledge alliance, build a learning platform for cadres and workers, and improve the learning organization's ability to recreate knowledge, self development and systematic thinking, so as to improve the comprehensive quality of the enterprise.

In order to build a dynamic organizational environment that respects learning and encourages innovation, we must strive to create a comprehensive and sustainable learning culture atmosphere, which is the key to building a corporate culture with a learning spirit. Only when companies integrate learning into the whole process of corporate governance, form an active learning team, establish a systematic learning system, build a learning-friendly network platform, improve the incentive system that rewards learning, and adapt the knowledge structure of talents, they can truly improve the learning ability and competitiveness of the organization. Designing a learning corporate culture should also reposition the role of corporate leaders and managers, who are no longer just decision makers in corporate management, but designers and engineers of the whole company, models who admire learning and are good at learning.

5.4. Reinforcing Cultural Innovation Training

Corporate culture innovation is ultimately a cultural innovation in people's minds, and the humanistic care reflected in management work is an excellent way to enhance corporate management innovation. Therefore, management work needs to be put in place to improve the overall quality of the company's employees with corporate culture innovation. Guided by corporate culture, the core practice

system should be increased in the management. For example, through cooperation with the human resources department, employees are guided to carry out career planning, develop professional courses for training, reform the salary incentive system, and implement performance assessment mechanisms to promote the continuous improvement of staff quality and competence level. At the same time, managers also need to strengthen the ideology of the workforce, do a good job in the organization and style management of the team, build a solid ideological battleground, remove all misconceptions from the corporate culture and management content, and better guide the correct value orientation. At the same time to play a demonstration and leading role in the innovation of corporate culture, the entire enterprise management to a new level, giving modern corporate culture self-improvement, the importance of common development, to achieve a win-win situation of personal improvement and corporate development.

6. Concluding Remarks

In the era of knowledge-based economy, economic globalization is developing deeply, technological revolution is advancing rapidly, and innovation has become the engine of social development. Promoting innovative changes in corporate culture, introducing new values and codes of conduct, getting rid of traditional behaviors that lag behind the times, and enhancing the innovation capability and core competitiveness of enterprises are essential for enterprises in the changing development of today's era. Establishing corporate culture is a long-term process of continuous reflection, breakthrough, adjustment and improvement in order to inject new momentum into the company and actively respond to the challenges of the market. By continuously improving and innovating corporate culture, we promote corporate management changes, improve operational efficiency, maximize corporate value, and lay a solid foundation for the long-term development of the company.

References

- [1] Initial results for urban metal distributions in house dusts of Syracuse[J].Science in China Ser, C Life Science Review, 2005.48(17).
- [2] Julia C Naranjo-Valencia, Daniel J & Raquel S. Innovation or imitation. The role of organizational culture[J]. Management Decision, 2011.49.
- [3] Liu Xiaohan. Corporate Culture - Research on the Relationship between Corporate Innovation Motivation and Innovation Capability[D]: Jilin University,2010.
- [4] Wang Weiping, Wang Binxia. The operation management model of two dimensions of contemporary corporate culture[J]. Management World, 2010, (8):184-185.
- [5] An Xinglong. Innovative thinking of enterprise management in the context of the new economic normal[J]. Business Culture,2021(30):23-24.
- [6] Zhao Slowly Li. Analysis of the influence of corporate culture innovation on corporate management innovation [J]. Modern Economic Information, 2020 (3):56-57.
- [7] Zhu Hongren. Accelerating the pace of enterprise management innovation to help build a new development pattern [J]. Enterprise Management, 2020 (12): 9-11.
- [8] Liu Guangming. Cultural Foundations of Sustainable Corporate Growth [A]. People's University of China Press: 2010.

- [9] Shi Xuehui. Research on the influencing factors of management innovation of cultural enterprises and its formation mechanism [D]. Jinan: Jinan University,2021.
- [10] An Xinglong. Innovative thinking of enterprise management in the context of the new economic normal[J]. Business Culture, 2021 (30):23-24.
- [11] Peter Sedgwick. The Enterprise Culture: a Challenging New Theology of Wealth Creation for the 1990's [M]. London: SPCK, 1992: 26.
- [12] Dorothy Leonard-Barton(1992), 'Core capability and core rigidities: A paradox in managing new product development', Strategic Management. Journal, Vol.13.