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# What Type of Corporate Culture Should the Contemporary Enterprises Build?

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### Abstract

The corporate culture, the key factor affecting business core competitiveness, is the most strategic management thinking and management method for modern enterprises. The paper discusses that corporate culture plays an important role in the growth of enterprises, analyzes that enterprises should build what type of corporate culture under new economic form?

# **Keywords:** Corporate culture, Core competitiveness

The corporate culture, as a management theory and management method, seen in the late 1970s and early 1980s, was raised by some American management experts summing up the Japanese Enterprise's managerial experience points. In the early 1980's, the Japanese sustained economic growth for many years attracted worldwide attention, in order to meet the challenges of Japanese Enterprises, the U.S. business community and academia began to study Japan's corporate management style. In 1981, American scholar William Ouchi published his research results about Japanese companies - "the Z Theory - How the United States to meet the challenge of Japan." The book proposed: their unique corporate culture is the key factor in the success of Japanese enterprises.

The domestic and foreign massive enterprises practice indicated that the outstanding enterprise culture may enhance enterprise's core competitiveness. The famous US management expert Edgar H. Schein pointed out in his book "The Corporate Culture Survival Guide: Sense and Nonsense About Culture Change": The massive cases proved that in different enterprise development's period, the corporate culture restoration is the driving force promoting the enterprise advance, the corporate culture is the core competitiveness. The outstanding corporate culture, the enterprise's bond, has the function of condensation and guidance, may cause the company staff to approve of company's goal, and unify their own life pursuits with company's goal. The corporate culture is the foundation on which the enterprise's core competitiveness bases. In the future, competition among enterprises will be the corporate culture competition, the corporate culture is enterprise's core competitiveness.

Outstanding corporate culture promotes enterprise sustainable development. The outstanding corporate culture will cause enterprise's leading members to have the corporate identity and the sense of mission, this will be the intrinsic power of the enterprise development. It is well known, the physical resources will be exhausted some day, but the corporate culture will actually grows continually, becomes the power supporting enterprise's sustainable development. The excellent corporate culture has a powerful incentive feature, the worker's enthusiasm, initiativeness and creativity will be fully mobilized and inspired so that the staff's ability can be brought into full display, thus causes the enterprise to innovate unceasingly, realizes the sustainable enterprise growth.

Then what type of corporate culture should the contemporary enterprise construct under new economic form? We believe that the new trend of corporate culture in the following areas should be focused on especially by the contemporary enterprises:

# 1. The company should build the "people-oriented" corporate culture

The corporate culture can conform enterprise's behavior through the common values, thus integrate the enterprise whole joint efforts, and form the corporate competitive advantage in the marketplace. An enterprise to thrive for a long time must have a high-grade corporate culture based, achieve the change of style of scientific approach mainly based on rule to both rule and the corporate culture of "people-oriented" equally. The company should take effective measures to encourage people to display their initiativeness, enthusiasm and the creativity fully, maximize employees potentials, promote individuals and business to achieve common development and growth, realize the common interests between

employees and business. Just as USA HP's culture has often been called by the "HP Way" (road of the HP), believed that respects for the individual, respects for employees to be put to the chief place by the company.

## 2. The company should build the distinctive and characteristic corporate culture

The corporate culture must have his own characteristics. In the real life, it is very difficult to find out two companies with the same corporate culture. The characteristics, the corporate personality, reflects the history of the corporate development, only applies to the own enterprise, may not suitable other enterprises. As a result, corporate culture must be focused on the most valueable corporate spirit, the corporate core value, that refined carefully from the historical development of enterprises, and not simply imitate others. Many domestic and foreign outstanding enterprises have the distinct cultural personality, like Haier Group idea "To be true forever", IBM Corporation spirit "Blue express", Nokia company philosophy "Connecting People" and so on. Their corporate culture all suit the enterprise present situation and the future development need.

## 3. The company should build the continuous and innovative corporate culture

The innovation is the essence of corporate culture building, and the fundamental way for corporate vitality. The corporate culture construction must keep pace with the times, complies with social and the time request, as Hisense Corporation "the innovation is the life", the General Electric Company "the progress is our most important product", the BMW company BMW "to make driving a pleasure" and so on, demonstrate to the society that enterprises are innovative. Therefore, we should inherit and carry forward the fine traditional Chinese culture, mining and reorganizing the precious cultural resources which the enterprise forms for a long time. With the development of perspective and innovative thinking to the original spirit of enterprise, the company should carry out management integration with new time connotation, ensure that the corporate culture has always been full of vigor and vitality.

# 4. The company should build the social responsibility fulfilling corporate culture

With the development of society, the people pay attention to corporate social responsibility which influencing the corporate image greatly more and more. Corporate social responsibility reflects the overall consistency of interests of business and social interests. The enterprise is society "the economical cell", should also bear the responsibilities and obligations to the society and the public in the pursuit of profit maximization. In enterprise's developing process, only unifies well enterprise's economic target and the community responsibility, can establish a good corporate image and brand image impressively in the social public mind, realize the harmonious development of enterprises.

In short, the corporate culture is the enterprise vitality fountainhead. In order to achieve competitive advantage and realize the sustainable development, the businesses should continue to develop their own rich personality and unique corporate culture.

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