



## Study on the Establishment of “People Oriented” Values System in IT Enterprise

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### Abstract

If IT enterprise wants to acquire long-term development, it must solve the problem of people first. The establishment of “people oriented” value system is the important content in the cultural construction of IT enterprise. This article will primarily discuss main contents and factors which should be considered in the establishment of “people oriented” value system in IT enterprise.

**Keywords:** IT enterprise, Enterprise values, Innovation

The essential of enterprise is human career, and if enterprise wants to acquire long-term development, the problem of people must be solved first. The IT enterprise is the collectivity consisted by a group of high quality person with common ideas, so the problem of human dignity in IT enterprise is especially important. If an excellent manager of IT enterprise wants to exert the leading efficiency, he must know humanity well, or else, he cannot lead things to the right direction.

The enterprise culture theory coming into being in 1980s makes the emphasis of management transform from “hard” to “soft”, and very emphasize the function of people. The “three P theory” of enterprise means the concept of the people, by the people and for the people. The enterprise culture is the important approach to implement the “people oriented strategy”, and the “people oriented” concept is the important content of IT enterprise culture construction.

### 1. What is the value concept of enterprise?

The value concept is the core and base of enterprise culture, which decides other various aspects of the enterprise culture. The enterprise value view is employees’ opinions and judgments to various things and activities in the enterprise, and it is a sort of psychological cogitation on the deep layer. The enterprise value view offers basic direction and action rule for the survival and development of the enterprise. Only one enterprise confirms right value concept, it can uniform the idea of the enterprise, and accordingly effectively agglomerate all employees and make them actively devote themselves to the development of the enterprise.

In various value views influencing the development of enterprise, the function of the enterprise management value view is the most important. The management value view of western enterprise approximately experiences three evolvement stages. The first stage is the maximum profit value view, i.e. all management functions and actions of the enterprise must start from the maximum profit, and that is the only standard to evaluate the enterprise. The second stage is the satisfaction value view. Though enterprise still takes profits as its aim, but in the process of management, it must give attention to employees’ and customers’ benefits at the same time. Only investors, employees, and customers all fell satisfactory, enterprise can survive and develop. The third stage is the comprehensive benefit value view. Since 1970s, when western enterprise management confirms profit level, it not only considers enterprise owner’s and interior employees’ benefits, but also considers the uniform of enterprise benefit and social benefit, and it even thought that stockholders’ benefits are not more important than benefits of other aspects. So the management value view changes tenderly. However, as viewed from the practice, because the economic benefit is closely linked with the benefits of the whole big system, so modern successful enterprises are those enterprises which possess the comprehensive benefit value view. For example, the management theory (the value view) of Hitachi Company is “honest, exploitation spirit, harmonious”, and the value view of Fountain Company is “excellent products, excellent ideas, world Fountain”.

### 2. Main contents included in the “people oriented” value system of IT enterprise

The main contents of “people oriented” value system of IT enterprise should include following several aspects.

### *2.1 Reform and innovation*

With the advent of knowledge economy and the economic globalization, enterprises will face more complex and changeable international competition environment. Especially, those enterprises with high new technology will face more inclement environment, for example, the cycle of technology refresh is shortened increasingly, and the market demand changes quickly and so on. Under this background, enterprises must establish the idea of reform, and answer changes of exterior environment by the flexible means, and they may acquire success.

Innovation can transform enterprises from adapting the change of environment passively to actively facing challenges. Through innovation, enterprises can lead reform before the time, and acquire the predominance of competition, and finally remain invincible in the drastic competition. The management master, Peter F. Drucker had said that “no innovation, enterprise will die”. So we can think that if enterprises want to survive and develop, they must implement innovation. An obvious character that knowledge economy knows from agriculture economy and industry economy is innovation. Innovation is the spring of the enterprise energy and the drive force to make enterprises sustainable develop. All successful enterprises in the world depend on innovation to acquire developments. The Microsoft Company continually gets rid of the stale and brings forth the fresh in the “Windows”, which makes it become the outstanding manufacture in the industry. Intel Company can lead the computer CMOS chip market because of its continual innovations in the CMOS chip.

To advance the innovation of enterprise, the key is to advocate the innovation consciousness in the enterprise, and accordingly form a sort of cultural atmosphere advocating innovation. To advocate innovation consciousness is to encourage innovation and continually encourage employees to put forward new opinions, create new methods, boldly attempt new things and can not limit their eyes on the existed things. To advocate innovation consciousness also should foster employees’ psychological quality without fearing risks and failures, give employees the courage of risk, tolerate and understand employees’ failures, and relieve employees’ worries of innovation. Only all employees of the enterprise possess the innovation consciousness, the innovation of the enterprise can be really actualized, and the innovation can be huge impetus to drive the development of the enterprise.

### *2.2 Cooperation and sharing*

No matter how a person’s ability is strong, but it is limited after all, and it can not grasp all knowledge and skills needed in modern production and management. Especially in high technology enterprises, because of the complexity of the technology, their products and services always need many employees with different knowledge and skill to cooperate. So to advocate cooperative value view in the enterprise is a sort of necessary need. Good atmosphere of cooperation formed between leaders with common employees, between employees with employees is propitious to learn from others’ strong points to offset their weakness among employees, form harmonious human relation and strengthen the agglomeration of the enterprise.

Sharing is the base of cooperation. When we advocate the cooperation, we should advocate the concept of sharing. Sharing is the sharing of benefit firstly. Employees in modern enterprises have not been “talking machines” or “exploited tools”, and they are human capitals of the enterprise. Especially in high technology enterprises like IT enterprise, “people” has been the most important capital investment, the key resource that can bring profits for the enterprise. So employees should share benefits with enterprises together. Only in virtue of the sharing of benefit, enterprises can effectively encourage employees and acquire the effect of “double-win”. In the next place, sharing is the sharing of information. The sharing of information in enterprises can offer good conditions for the cooperation among employees, and create advantaged environment that employees can participate in the decision of enterprise.

### *2.3 Trust and respect*

Most works of IT enterprise are creationary works, and most employees in IT enterprise are knowledge employees with high quality. Based on that characteristic, enterprise should give employees full trust and respect, and create loose cultural environment for employees to fully exert their own talents. In the atmosphere of trust and respect, employees’ efforts are respected, employees’ productions are recognized, employees’ innovations are permitted, and employees’ values are actualized. Only that, employees can fully exert their own enthusiasms, and realize self-management and self-restriction, and combine individual object with enterprise object consciously.

In famous Hewlett-Packard Company, we can fully see this sort of trust and respect. One creator of HP, William Hewlett in his book of “The HP Way” had summarized the successful way of HP, “The HP way is to respect individual honesty and faithfulness in the final analysis”. In HP, the experiment storeroom which stores electric components and mechanism accessory is completely opened, which not only allow engineers use these accessories at will in work, but encourage them to take these accessories home to use for individual, because the opinion of HP is that “No matter whether they use these accessories is relative with work, only they can learn something from these things”. HP is the enterprise which implements the flexible work, the company has no the work and rest time, and doesn’t check on work attendance, and employees can begin on duty from six, seven or eight in the morning if only they complete eight hours’

works, thus every employee can adjust his work time according to his own living need.

#### *2.4 Loyalty and responsibility*

The employees' high fluidity has been one of the worst things for IT managers. So IT managers try themselves to hold talents and keep the stability of the enterprise. Some encouragement systems such as year salary system, stock right system and so on have certain active functions. But when other enterprises give more favorable work conditions, even more year salaries and more stock rights are hard to avoid failure in the competition of talents. But if we can effectively establish employees' loyalty to the enterprise, this situation may be changed. To advocate employees' loyalties to the enterprise is to encourage employees to take the business of the enterprise as their own businesses, to take the development of the enterprise as their own development, to try themselves for the development of the enterprise, and contribute their lifetime energies. Just with the idea of loyalty, employees can be most willing to try themselves for the development of the enterprise, and the enterprise and employees can be the real community of the fate.

With the premise of loyalty, the responsible concept of line of duty seems be the easy thing. Because knowledge employees' work process is hard to supervise, and their work results are hard to measured, so their responsibilities are hard to confirmed. To advocate the concept of line of duty is to foster employees' good occupational morality and professional dedication, and make employees assume responsibilities consciously in works, and establish good bases for the accomplishment of various works of the enterprise.

### **3. Factors should be considered in the establishment of "people oriented" value system of IT enterprise**

To construct the enterprise culture, IT enterprise should fully consider the characteristics of IT enterprise and the need of exterior environment, and establish the value system which adapts to its own development. So the establishment of "people oriented" value system must comprehensively consider various factors and seriously choose.

#### *3.1 Characteristics of age*

The advance of science and technology is leading the deep reform of modern society, which makes this age we are in present bright characteristics differing with ago ages. (1) Knowledge becomes the decisive factor to promote the development of society and economy. In the knowledge economic society, knowledge has replaced other factors and occupied the extrusive position. So the enterprise which possesses the knowledge carrier, talents, can lead the economic development. (2) The information-based degree is fully enhanced. With the development of information technology and network technology, the information-based degree of the whole society is enhanced largely. Through internet, enterprises can conveniently, quickly and broad acquire relative information. The improvement of information-based degree fully changes traditional management mode of the enterprise. Enterprises must implement deep reforms in market competitive strategy, organizing system and other aspects, which can adapt the development of informationization. (3) The course of economic globalization is expedited. The world economy is increasingly breaking the limitation of national boundaries and regions, and its connection in the world is becoming closer and closer. That means the development of the enterprise cannot only be established in the domestic, and it must scan widely to the whole world. The management concept and pattern of the enterprise must take the world culture as their backgrounds and fully exert their advantages in the world stage.

#### *3.2 Characteristics of enterprise*

IT enterprise is the classic enterprise with high and new technology, which presents following characteristics. (1) The knowledge content and technology content of products are high. In the composing of product cost, the cost of raw material occupies a little part, but the proportion of affixation composed by knowledge and technology occupies very high. For example, the cost of raw material of semiconductor chip only occupies about 13% of the total cost. (2) The lifecycle of the product is short. The product update of IT enterprise is very quick, only new technology and new products can acquire better profits. (3) The risk faced by the enterprise is large. The first one is the risk of product exploitation. The foreign and domestic practices show that the exploitation of one product needs pay large of manpower, material resources and financial, and the final successful probability is very low. Because IT enterprise must continually push new products, their investments in the product exploitation are certainly large, which makes enterprise firstly face the risk of product exploitation. The second one is the market risk. Even if the product exploitation is successful, enterprise still faces the test from the market. The new product of the enterprise maybe cannot be accepted by the market, or other competitors have arrived first. Under this situation, enterprise also faces large risks from the market. (4) Most employees of the enterprise are knowledge employees with high quality.

#### *3.3 Characteristics of employee*

The knowledge employees are the main body to compose employees of IT enterprise. The concept of knowledge employee was put forward by the management master Drucker, and he thought that the knowledge employee were "those employees who grasp and operate symbols and concepts, utilize knowledge or information to work". Today, the knowledge employees generally refer to those employees who utilize their own knowledge and wisdoms to work, and

they have following characteristics. (1) Their independences are very strong. The quality of knowledge employees is high, and they possess rich knowledge and work abilities, so they would like to accomplish their works independently without supervision and controls. (2) Their desires of self-realization are very strong. Knowledge employees pay more attention to the realization of their own values, and they want to succeed in their works and develop in their careers. Comparing with that, the demand of money has not been the first need in their lives. (3) The work process is hard to control and the work result is hard to measure. Knowledge employees utilize their brains to work, and enterprise cannot supervise them as traditional enterprises supervise the machining process effectively. Knowledge employees' work results can not be measured exactly. (4) The fluidity is strong. For knowledge employees, traditional "iron rice bowl" can not produce attractions. Because the knowledge resource can not be consumed like other one-off natural resources, so knowledge employees worry unemployment less. They always want to flow to the enterprise with higher salary or better work conditions in order to prove their own strengths or actualize their own values.

#### 3.4 Excellent factors in China traditional culture

Facing the new situation with increasing frequent economic and cultural international communications, enterprises need extracting useful experiences from foreign advanced enterprises, and use all helpful things in foreign culture. But the absorption of foreign cultures can not copy word for word in spite of the situation of China and the actuality of the enterprise. In the process to construct the enterprise value system, enterprises should fully emphasize those excellent factors in Chinese traditional culture. Five thousand years' civilization history brings up abundant and deep traditional culture of China, and there is no lack of many excellent factors such as the unity of universe and human beings, the recognition to human relations, the emphasis to morality and education and the worship to proprieties. If enterprises can utilize these excellent factors in the traditional culture to the construction of enterprise value system, they will more fit for Chinese employees cultural psychologies and strengthen the agglomeration of the enterprise.

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