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## **TALENT MANAGEMENT CONCEPT – RECOMMENDATIONS FOR CHINESE COMPANIES**

### **Abstract:**

In China, traditional enterprises usually refer to those established in the last century or earlier and dominated by traditional industries. These sectors may include manufacturing, construction, traditional finance. China's traditional enterprises often have profound cultural deposits and historical accumulation, and may be family enterprises or enterprises that grew up under the state-owned system and have a more traditional management style including human resource management (HRM), organizational structure, business culture. The characteristics of traditional firms include the pursuit of stability, a more conservative business model, a more traditional product or service, and a relatively long corporate history. These firms have low acceptance of new technologies, new business and management styles. Due to the unprecedented economic and social transformation as manifested consequences of the Chinese opening toward the global market combining other trends such as digitization, attracting and maintaining outstanding talents and intercultural dimensions of global scale business operations, more and more traditional enterprises address challenges of transformation and strive to adopt new business thinking, management models to adapt to the rapidly changing market environment. These actions include efforts in digital transformation, the launch of innovative products, and the taking into practice new management models. This paper aiming to highlight these challenges from multiple perspectives, including talent recruitment, training and retention, as well as the capabilities and strategies to adapt to the requirements of the new era. Through in-depth analysis, it will reveal the difficulties and opportunities faced by traditional Chinese companies in their human resource management practices

### **Keywords:**

Chinese traditional firms, conservative business culture, low acceptance of new management style, global trends, talent management

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## 1. INTRODUCTION

Human resource management (HRM) provides tangible contribution to the stability, profitability, and competitiveness of any business organization in our globalizing world. Companies that do not fit their new employees into their jobs or organizations will not be able to inculcate a sense of loyalty and commitment. Organizations that do not pay equitably compared to others may lose their employees because of the non-competitive compensation package. It is crucial for enterprises to design effective and competitive HRM practices that promote the level of commitment of high performing employees in the organization. The main tasks and responsibilities of the HRM including many operational fields. For example: map out of the vacant jobs at the company, make a recruitment and selection process, onboarding, regular performance assessments with feedbacks, set up and operating complex and widely accepted motivation and compensation system composing of financial and non-financial incentives, managing talents, providing on-the job and out of the jobs trainings, managing lay off and hiring affairs, managing labour turnover, retirement issues as it is illustrated by the below Table 1.

**Table 1. Hr professional's effectiveness model**

AREA	DUTIES
Recruitment	Strategic HR Planning
	Strategic External Recruitment
	Strategic Internal Recruitment
	Staffing Performance Targets
Open communication	Transparency, Consistency
	Honest Information, Feedbacks
	Effective Communication Tools
HR Policies	Appropriate Feedback Channels
	Employees Relations
	Employees Engagements
	Employees Empowerment
HR Practices	Annual Strategic Planning
	Competent Team Building
	High Employees Commitment
	Alignment via Practices
HR Responsibilities	Proactive HR Approach
	Empowerment Team Leaders
	Employees Needs Fulfilment
	Performance Management

AREA	DUTIES
HR Roles	Strategic Partnerships
	Key Performance Indicators
	Effective Employee Management
	Formal and Informal Procedures
Providing Career Plans	Organisational Support
	Personal Development Plans
	Performance Management System
	Talent Management Program
	Annual Training Program
	Career Development Plans
Proving Support	Cultural Values and Benefits
	Reliance on Team Members Support
	Effective Feedback Channels

Source: Own edition based on De Menezes, L. M., & Kelliher, C. (2011). Flexible working and performance: A systematic review of the business case evidence. *International Journal of Management Reviews*, 13(4), 452–474. <https://doi.org/10.1111/j.1468-2370.2011.00301.x>; Xu, S. (2020): A Literature Review of International Human Resource Management in Multinational Enterprises. *Modern Business*, 20, 63-65; Rakesh D., Muhamed M., Kumara M., Abhilash P. (2022): *Human Resource Management*; Publisher: Archers and Elevators Publishing House; ISBN: 978-93-90996-92-6;

HRM management needs to consider how to manage and develop human resources in Chinese enterprises under the umbrella of globalization. Globalization has triggered a series of issues on human resource management. In order to study human resource management, more attention will be paid to the construction of organizational capacity, the development of employees' career, and the transformation of employee management concepts and values. After China's entry into the World Trade Organization (WTO) in 2010, joining the Regional Comprehensive Economic Partnership (RCEP) and announcing and starting the Belt and Road Initiative (BRI) is a major infrastructure and economic development project by the Chinese government in 2013, the country has started gradually integrated into globalization processes. In order to overcome the uncertainties in the environment and maintain the competitive advantage of enterprises, enterprises need to reconstruct from the perspective of human resource management functions and apply global strategies and policies to solve the new problems they encounter.

Digital HRM is attracting more and more interest within modern companies. Digital HRM or "e-HRM" refers to the integration of new technologies in human resources management. This development allows for a complete overhaul of recruitment and talent management methods, taking into account current trends and new ways of working. In the current situation, there are a series of remarkable digital trends in talent management as well in the development environment of globalization, which have a positive impact on traditional Chinese enterprise management. Firstly, as time goes by, the world begins to pay attention to digital technologies, such as Manufacturing Execution System (MES) which is a computerized system for real time monitoring and managing manufacturing processes improving the production efficiency and its quality level or Enterprise Resource Planning (ERP), which is an integrated management system used to manage the core business processes of an enterprise,

including financial, supply chain, and HRM. In addition Customer Relationship Management (CRM) aiming for managing customer relationships and sales processes to improve customer satisfaction and sales efficiency or Platform as a Service (PAAS) Management focuses on cloud computing service model that provides developers with a platform for developing, testing, and deploying applications. Traditional enterprises need to quickly get used to this trend, and the rapid introduction and training of talents with digital skills can effectively solve the competitiveness of enterprises<sup>2</sup>.

There is also a firm team building choice has become the inevitable development of international enterprises. It is believed that the best people in the world can not only be strong in the field of technology, but also achieve cultural and linguistic diversity. For traditional Chinese enterprises, more open employment strategies and more flexible team management are needed to have a better chance to attract and retain outstanding talents in the era of globalization.

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## 2. METHODOLOGY

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In this review paper, the authors focused on studying the available relevant theoretical literature as a reference base, gathering and analysing data, and drawing conclusions. The main research methodology was mainly a quality method based on secondary research analysing scientific publications, studies, statistical data and online literature sources. The conclusions and recommendations based on these research findings reflect the authors' own professional views.

Structure of this paper: After the Introduction part in which the authors analysing the elements of the effective and professional HRM model and the Methodological Sections, the remaining part of the paper is structured as follows. Section 3 reveals Challenges in talent management at the Chinese enterprises. The next sections provides deeper insight into the current trends of the Talent Management and its challenges. Finally, outlook will be provided about the future Talent Management developments for the Chinese firms and different proposals for the professional decision makers will be summarized.

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<sup>2</sup> Vasyl Goi1, Iryna Ahieieva, Kostiantyn Mamonov, Svitlana Pavliuk and Andrii Dligach (2023): The Impact of Digital Technologies on the Companies' Strategic Management; Economic Affairs 68(2); DOI: 10.46852/0424-2513.2.2023.33; Li, L., Su, F., Zhang, W., and Mao, J. (2017). Digital transformation of SME entrepreneurs: A capabilities perspective.; Journal of Information Systems, 28(6), 1129–1157. DOI: <https://doi.org/10.1111/isj.12153>

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### **3. CHALLENGES IN TALENT MANAGEMENT AT THE CHINESE ENTERPRISES**

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The global talent management trend has put forward new management requirements for traditional Chinese enterprises, requiring them to make serious adjustments in digitalization, diversification and flexibility to adapt to the global competitive labor environment. In the new era, talent development should establish the concept of long-term innovation for good, shift from the pursuit of talent scale development to the pursuit of high-quality and high-efficiency talent development, and shift from the pursuit of short-term usefulness of talents to the pursuit of long-term cultivation and development. To improve the efficiency of human resources, you have to move from the past extensive HRM to lean HRM, improve quality and efficiency, improve per capita efficiency, and improve the labor productivity of talents. If so that everyone in the organization can become a value creator and work valuable, cultivate talents with the mindset of managing talents, and fully activate organizational talents to stimulate value creation. Through mechanism innovation, stimulate people's value creation potential and creativity, create a good internal environment for innovative talents, create an open and inclusive organizational culture that respects individuality. Besides this one is full of humanistic care, tolerate talent shortcomings and innovative failures, create a dynamic organization, shift from control-oriented to self-stimulation-oriented, and let employees give full play to their own driving force and creativity. In the context of big data, how does human resource management account for the value creation composition and value creation results of people? How to measure, express and present digitally? Value accounting will become a new skill for human resources, and human capital value accounting and talent value management will become the core of human resource management. The digitalization of talent operation is a major trend of the times.

The future is an era of rational and scientific human resource management, and an era of system management that combines human management science and art. Enterprise talent management and training has also be socialized and transformed into an ecological layout. With the help of the talent socialization platform service system, we can achieve global integration of talents and establish a new talent supply chain. You are committed to building a talent ecological system, establishing talent ecological advantages, and meeting the needs of enterprise strategic ecology and innovative business development. Enterprises should establish a management system based on the characteristics of strategy and business model, plan the position system and establish a standard responsibility library, and plan the enterprise's career development channel. Formulate qualification standards, establish a two-way evaluation, communication, feedback mechanism and management system, and implement effective allocation between people and positions through mechanism and system innovation. Establish an indicator system for dynamic monitoring of personnel allocation efficiency, strengthen process monitoring, regularly summarize and adjust, and improve, and continuously improve the human resource management system. Enterprise competition is not only external, but also internal. If enterprises want to develop stable, prosperous manner, they need to continuously reduce internal management costs. By adopting a diversified employment method for human resource management,

we can make rational use of external resources and allocate the internal resources of the enterprise in the most reasonable, effective way. You can invest the core modules of HRM in areas that contribute most to the core capabilities of the enterprise, thereby giving play to the synergy of the external and internal resources of the enterprise and improving the overall performance of the organization. Chinese traditional enterprises have made some progress in human resource talent management, but at the same time they are faced with a series of challenges.

Traditional enterprises usually adopt relatively stable organizational structure and management. This stability can guarantee the current situation, but at the same time may lead to unstable innovation and flexibility. In the current rapidly changing market environment, enterprises need more flexible organizational structure and management mode to better adapt to the changing talent needs. The problems existing in the training and efficiency assessment of talent recruitment should also be very concerned. Traditional enterprises pay more attention to experience in recruitment, while ignoring potential ability and innovation ability. In terms of training, there may be a lack of systematic and personalized training, which can not fully discover the potential of employees. Performance appraisal system may be rigid, not flexible enough, difficult to stimulate the enthusiasm of employees and work efficiency.

The influence of Chinese culture on the traditional enterprise management concept is also an important aspect. Traditional enterprises will pay more attention to stability and family-style management, which is not consistent with the trend of internationalization and market competition to a certain extent. In this case, enterprises need to review and adjust the management philosophy to better adapt to the current situation and future development of talent management challenges. Transforming Chinese traditional enterprises more competitive in the field of talent management, it is necessary to go beyond the tradition to embrace the management ideas of openness, innovation and internationalization <sup>3</sup>

#### CHALLENGES OF SPECIALIZATION

Specialization means that entrepreneurship education in colleges and universities should have special disciplines, expert teams and professional education methods. Specialization is the inevitable trend of entrepreneurship education in colleges and universities. The basic steps for entrepreneurship education to improve its level and gain recognition are the basic requirements for cultivating innovative talents. The realization of specialization faces three challenges: 1) Lack of discipline support. Entrepreneurship education has not yet gained the status of an independent discipline, and the entrepreneurship or entrepreneurship education set up in some universities is only included in the technical economics, business management and other secondary disciplines. This kind of subject status is difficult to make the entrepreneurship education in colleges and universities develop well. 2) The disadvantage of specialized teams. At present, the main body of entrepreneurship education is universities, that teachers from functional departments responsible for employment, entrepreneurship colleges or business schools are the backbone of entrepreneurship education, but the quantity and quality can not meet the current needs on the whole, and there is no smooth promotion and development mechanism and perfect training system. It is very difficult to establish

<sup>3</sup> Bai, C. (2022) Problem Analysis and Strategy Reform of Talent Management in Multinational Chinese Enterprises. *Open Journal of Social Sciences*, 10, 550-558. doi: 10.4236/jss.2022.1011035;

a professional teaching team with sufficient quantity, reasonable structure and high quality. 3) Lack of professional education methods. On the whole, the traditional methods based on knowledge transfer are still used, and the methods of practical education, case teaching, experience teaching and other methods reflecting the characteristics of entrepreneurship education are still being explored, which will significantly improve the pertinence and effectiveness of entrepreneurship education<sup>4</sup>.

#### CHALLENGES FACING

Scientific aspects of entrepreneurship education in colleges and universities should be supported by applied scientific theories, and it can be scientifically promoted on the basis of mastering the laws and trends of educational development. Professional and integrated entrepreneurship education is a complicated theoretical and practical issue, which requires very large empirical scientific research as the research basis. At present, the theoretical research results of entrepreneurship education in colleges and universities have provided a lot of guidance for the development of entrepreneurship education, but there are still four problems in different degrees. The first is multi-single discipline research, less interdisciplinary integration research. University entrepreneurship education is a comprehensive practice involving economic and social development, subject quality structure and education and teaching laws, which determines that university entrepreneurship education research has to take into account a series of disciplines such as management, pedagogy, psychology and sociology. However, most of the existing researches are confined to the perspective of a certain discipline, so it is necessary to further break the disciplinary boundary barrier, integrate the resources and advantages of multiple disciplines, and carry out comprehensive research on collaborative innovation among multiple disciplines. The second is to summarize more experience and improve less theory. Most of the existing studies are the summary of the practical experience of entrepreneurship education in local areas or universities, and the key issues such as the theoretical basis, educational methods and evaluation system of entrepreneurship education in universities are rarely discussed. Third, more judgment and less empirical analysis. The existing research is often based on the policy documents or the existing theoretical framework, the cognition should be judged, lack of scientific research, practice verification. Fourth, more foreign theory grafting, less local theory innovation. At present, although the theory and practice of entrepreneurship education in Western developed countries have been well studied and sorted out, the innovation of Chinese theory is insufficient, and no theoretical system of entrepreneurship education with unique characteristics of China has been formed<sup>5</sup>.

4 Zhang Zi. (2020). Research on personnel structure optimization strategies based on the transformation of traditional corporate beliefs. *Cai Jing and Management*, 4 (2), 39. DOI: <https://doi.org/10.26549/cjygl.v4i2.3376>

5 Yang Dewei. (2015). How state-owned commercial banks respond to the challenges brought by the Internet financial model. *Operations Manager* (12), 1 <https://xueshu.baidu.com/usercenter/paper/show?paperid=7ec9f721567495b4449c168590fb7417>

#### CHALLENGES TO INTEGRATION

Integration refers to the integration of education and teaching, employment and entrepreneurship education and the integration of on-campus and off-campus education. The more specialized the pursuit, the more the need for integration, especially for entrepreneurship education, the need for multiple understanding and reference to form an integrated education pattern. To achieve integration, we must solve three problems: the first is that the connection between education and teaching is not strong. At present, the curriculum system of entrepreneurship education is not perfect enough, classroom teaching and entrepreneurship education activities have not been integrated, theoretical learning and practical training have not promoted each other, and special education and professional education have not been well integrated. The second is the lack of synergy in employment and entrepreneurship education. Employment and entrepreneurship are inseparable in the process of students' career development, and entrepreneurship education should be promoted in conjunction with employment education. However, there are two extremes at present, one is to replace and dissolve entrepreneurship education with employment education, and the second extreme is to separate entrepreneurship education from employment education, which we must work hard to overcome. The third is that the linkage between internal and external education is not strong. To a certain extent, entrepreneurship education is still in the closed environment of college education and teaching. Furthermore, this means an effective mechanism for industry-university cooperation in entrepreneurship education has not been established, and the organic integration of college talent training, teaching and research with enterprise capital technology and production practice has not been realized, which limits the development space of entrepreneurship education.

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### 3.1. HRM PRACTICES AT THE CHINESE FIRMS

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Traditional Chinese companies usually pay more attention to the stability and loyalty of their employees. They tend to regard employees as part of the extended family and hope that employees will work in the company for a long time. In addition, the Chinese companies usually have strict hierarchical relationships and respect the authority of elders and superiors. This is reflected in management practices, where decisions are usually made by senior managers and employees are more likely to execute orders rather than make suggestions, focusing on collective interests rather than individual interests. This means that employees usually work in teams rather than pursue personal achievements. In addition, traditional companies will provide a variety of employee benefits, such as medical insurance, housing subsidies, holiday benefits, etc., to ensure that employees' basic living needs are met. Furthermore, in the traditional Chinese corporate culture, interpersonal networks are very important. Employees usually gain support and resources by building good relationships with colleagues, leaders and other partners. Traditional Chinese companies also attach importance to employee learning and development. Although the previous training methods may have been more formal and traditional, modern companies are also increasingly aware of the importance of continuous learning and development to employees and companies. In China, face culture is an important social value and is also reflected in corporate culture. Companies often focus on maintaining their face and

reputation, which may affect some decisions and behaviors.

HRM organizational structure refers to the organizational structure and division of responsibilities of the human resources department. A reasonable HR organizational structure can provide enterprises with efficient human resource management and promote organizational development and employee growth. This article will start from the definition, Importance Improve work efficiency. Reasonable HRM organizational structure can avoid duplication of work and poor information exchange, and improve work efficiency and response speed achieving strategic goals An effective HRM organizational structure can connect human resources strategy with corporate strategy and promote the realization of organizational strategic goals. A good HR organizational structure can provide employees with better career development opportunities and benefits, and improve employee satisfaction and loyalty.

The rapid development of the digital economy has promoted the digital transformation of enterprises. New generation information technologies such as the Internet, big data, cloud computing, and artificial intelligence have become new driving forces for the high-quality development of the Chinese economy. More and more traditional enterprises are adapting to the development trend of the digital economy and constantly promoting the organizational transformation. Digital, automated and intelligent transformation. According to the „2020 China Digital Economy Development Report”, the scale of China’s digital economy in 2020 was 41.36 trillion yuan, accounting for 40% of GDP. The new generation of information technology has changed the market trends, competitive advantages, and organizational structures and boundaries faced by organizations. Changes, such as the breaking of the boundaries of human resources employment organizations, intelligent robots and algorithms promoting the reconstruction of the value of traditional labor in organizations. The emergence of digital human resource management (digital-HRM) brings unprecedented challenges to HRM practice<sup>6</sup>.

#### **PRACTICES IN RECRUITMENT, TRAINING AND PERFORMANCE ASSESSMENT**

As the business of enterprises continues to expand and management becomes increasingly busy, efficient management of human resources has become an issue that every entrepreneur pays attention to. Traditional human resource management methods are difficult to meet the current complex business needs. Enterprises face many challenges in efficiently utilizing human resources and improving employee performance. Introduction of an excellent human resource management system can greatly improve the efficiency of enterprise HR (Human resource), reduce labor costs, and then manage and cultivate talents more effectively. In terms of recruitment, there is a tendency to focus more on experience and ignore potential and innovation. Traditional enterprises tend to prefer to recruit candidates with rich experience, but pay less attention to their potential and innovation, resulting in insufficient talent reserves to meet the needs of future development of the enterprise. In terms of training, traditional enterprises may lack systematic and personalized training. Due to limited training resources or imperfect management mechanisms, enterprises often cannot fully tap the potential of employees, resulting in poor training results and difficulty in meeting the company’s needs for talent quality. In addition, performance evaluation practices also face the problems of rigidity and lack of flexibility. The traditional performance evaluation system may be too rigid and

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<sup>6</sup> Li, L., Su, F., Zhang, W., and Mao, J. (2017). Digital transformation of SME entrepreneurs: A capabilities perspective. *ISJ. Journal of Information Systems/Journal of Information Systems*, 28(6), 1129–1157. DOI: <https://doi.org/10.1111/isj.12153>

difficult to fully evaluate employees' work performance and contributions, resulting in insufficient employee enthusiasm and low work efficiency. Traditional enterprises need to face these challenges in recruitment, training and performance evaluation practices, and actively take measures to improve and innovate to adapt to the increasingly competitive market environment.

In the practice of HRM, recruitment and personnel selection is an indispensable task. Talent selection includes social recruitment, school recruitment and internal recruitment. In the practice of human resources management under process control, personnel selection has to be carried out in strict accordance with rules and regulations, and employees who best match the position and the company must be selected. In the early stages of recruitment, the company has to analyze the personnel requirements of different positions, including work requirements, personality requirements, and formulate a detailed recruitment plan. Social recruitment mainly publishes recruitment information through company websites, job search websites, social media and other related channels to wait for job seekers. Socially recruited personnel are generally more experienced and have a fast ability to adapt to the job. Campus recruitment requires companies to spend some manpower and material resources to organize and arrange itinerant recruitment. This type of recruitment is basically for fresh students, who have high work enthusiasm and strong plasticity, and become the company's living water. Internal recruitment is mainly for changes in superior positions or assessment and promotion, etc., to increase internal mobility and employee vitality <sup>7</sup>.

Before conducting employee training, the HR department should taking into practice a training needs assessment to map out the relevant, burning employee needs and expectations. This includes assessing the current skill level of employees and future skill needs based on company goals and strategies. Only when training needs are accurately determined can targeted training plans be implemented. Develop training plans Based on the assessment results of training needs, the human resources department should develop specific training plans. The training plan should include specific arrangements such as training content, training time and location, and training methods. There should be different training plans for employees of different positions and levels. When choosing a training method, the HR department needs to consider the pros and cons of different training techniques. Traditional face-to-face training is still the first choice for many companies, but with the advancement of technology, online training and virtual training are becoming more and more popular. The right training method can improve employee learning effectiveness and participation. Training should not be a one-time event, but an ongoing process. The HR department should establish a continuous training<sup>8</sup>.

Specific manifestations of internal control-oriented HRM practices and performance management. Internalization includes standardized human resource management systems such as company performance standards, bonus distribution, salary structure, and promotion mechanisms. A sound promotion system can provide employees with broad development prospects, allow employees to have clear career development plans, and allow employees to work actively. In addition, the company's welfare benefits are also an important factor in motivating employees. At present, most companies in my country purchase five insurances and one housing fund for their employees.

7 Xu, S. (2020): A Literature Review of International Human Resource Management in Multinational Enterprises. *Modern Business*, 20, 63-65

8 Zhao, Zhang , Zhao (2019): A review on the past 100 years of human resource management: evolution and development, *Foreign Economics & Management*, 41(12): 50-73. DOI: 10.16538/j.cnki.fem.2019.12.003

Some companies also provide employees with free travel opportunities, including shuttle buses, meal subsidies and other benefits to attract new employees and maintain the loyalty of old employees. In the process of attracting and recruiting talents, the salary and welfare system can most intuitively reflect the company's competitive strength. In order to retain employees, some companies will implement performance-based employee stock ownership systems in addition to actual performance wages, which greatly improves employee enthusiasm.

For enterprises, adapting to changes in the external environment requires updating the knowledge of employees. After employees enter the company, in order to adapt to their jobs, they must first receive relevant training to improve work efficiency. Proper HRM can save manpower and material resources, and mobilize all parties to develop the company's hard and soft power. In addition, HRM practices must also change with the development of the enterprise. In addition to introducing new people and keeping the company fresh, companies also need to update the knowledge of old employees and improve their business capabilities.

Career development plans are clear goals for employees. With room for career advancement, employees will have the passion to strive. If career planning is unclear, employees will lack direction, which is not conducive to the development of corporate performance. For example, Foxconn, a Fortune 500 company, has 20 levels from ordinary employees to front-line leaders, team leaders, supervisors, managers, and senior managers. As employees, they have goals to strive for and motivation to work. Career planning is an important aspect of corporate human resources management practice and a reflection of the company's comprehensive strength<sup>9</sup>.

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### **3.2. CULTURAL INFLUENCE ON MANAGEMENT PHILOSOPHY**

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There is strong relationship between corporate culture and management philosophy. Corporate culture refers to the concepts, beliefs, values and behavioral norms shared by all employees of an enterprise, as well as the resulting behavioral patterns. This common cognitive system and habitual behavior enable employees to reach a consensus and form a psychological contract. Corporate culture emphasizes soft elements of management such as strategy, structure, system, skills, style, communication, and personnel care. It describes how a company chooses the right strategy, adopts the right methods, and obtains behavioral methods supported by organizational members.

The essence of corporate culture is a humanistic management theory that focuses on corporate management philosophy and corporate spirit, condenses employees' sense of belonging, and improves enthusiasm and creativity. Excellent corporate culture should be a cultural management that is people-oriented and centered on value shaping, which is an organic combination of management of people and management of things. Since management philosophy contains the basic connotation of corporate culture, with the help of the huge energy of corporate culture, enterprises can effectively achieve the predetermined management goals. Corporate culture is the soul of corporate management, and it provides strong support and guarantee for enterprises to build a competitive management and operation system. Corporate culture contains the essence of management philosophy, and it

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<sup>9</sup> Xu, S. (2020): A Literature Review of International Human Resource Management in Multinational Enterprises. *Modern Business*, 20, 63-65

plays an irreplaceable and prominent role in the process of market competition. Most successful enterprises have good corporate culture. Corporate culture cannot be imitated by competitors. It is a valuable intangible asset of an enterprise and an important part of its core competitiveness. The current competition among enterprises is no longer simply a competition of products, channels, prices, technology, or services. It is a higher level of cultural competition.

#### DIFFERENCES IN CORPORATE CULTURE BETWEEN CHINA AND THE WEST AND THE EMBODIMENT OF MANAGEMENT PHILOSOPHY

The corporate culture of China and Western countries has typical regional thinking differences, which has formed differences in value systems and evaluation standards. In other words, what may be right in Chinese companies may be wrong in Japanese, American and other companies. The value system, as the core content of corporate culture, mainly includes four aspects: value foundation, value goals, implementation methods and constraint mechanisms. The value foundations of China and the West are generally divided into individualism or collectivism. The value goals of China and the West can be divided into: materialism or spiritualism; the implementation methods of China and the West can be divided into: scientism or morality; the constraint mechanisms of China and the West can be divided into: rule of law and rule of man. From the perspective of value foundation, in companies in Western countries such as the United States, the values of corporate culture emphasize personal heroism, the pursuit of personal ability, struggle, and progress. Employees in these companies pay more attention to their own standards and rarely pay attention to how others evaluate them. Chinese companies emphasize more on how others evaluate them, advocate collectivism, and believe that individuals are part of the collective. Chinese people have a common complex of „pigs crawling out of celebrities are afraid of being strong”<sup>10</sup>.

From the perspective of value goals, in companies in Western countries such as the United States and the United Kingdom, the value of pursuing excellence is the standard of social recognition, and the rich are respected in society. In China's cultural tradition, there is a mentality of „valuing profit over righteousness” among businessmen, which emphasizes less material interests and generally advocates self-cultivation, inaction, and abstinence. „Being contented is always happy” and „being content with a small fortune” have become the general mentality of Chinese corporate employees. From the perspective of implementation paths, employees in European and American companies behave rationally, and management is based on scientific, logical, and systematic analysis. The judgment criteria for right and wrong are very clear, and they use results as the criteria for judgment. Chinese corporate management is full of sensibility, and “being self-sufficient”, “cultivating oneself, managing the family, governing the country, and pacifying the world” are the values that are generally pursued. In Chinese companies, the standards of right and wrong are very vague. Not only the results, but also ethics, time, place, and background must be considered. There is a lack of scientific „scales” for management, and the practical operability is poor. From the perspective of constraint mechanisms, the main assumption of corporate management in Western countries such as Europe and the United States is that human nature is evil, and it emphasizes that laws and systems regulate human behavior. It is believed that there is a contractual relationship between people, and the market principle is

10 Fan Chao. (2010). A brief analysis of the impact of cross-cultural human resource management on Chinese enterprises in the global context. *Business Manager* (15), 1. [https://xueshu.baidu.com/usercenter/paper/show?paperid=9bda92f0eb66a3e8081c7fef93bf4ff3&site=xueshu\\_se](https://xueshu.baidu.com/usercenter/paper/show?paperid=9bda92f0eb66a3e8081c7fef93bf4ff3&site=xueshu_se)

the main value orientation. Chinese culture believes that „human nature is good at the beginning”, emphasizing harmony between people. In Chinese enterprises, relationships and face are sometimes more important than laws, markets and systems. In the market operation of Chinese enterprises, relationships and connections are very important. Hierarchical concepts and the will of superiors are prevalent. Due to the differences in corporate culture between China and Western countries, there are huge differences in the application of management philosophy<sup>11</sup>.

The Table 2. briefly summarizes the main cultural aspects of the Western HRM practices.

**Table 2. Main cultural values of the western-style and chinese HRM practices**

<b>WESTREN HRM</b>		<b>CHINESE HRM</b>	
<b>NORMS</b>	<b>DESCRIPTION</b>	<b>NORMS</b>	<b>DESCRIPTION</b>
<b>Individual performance and achievement</b>	Significance attached to individual performance, results and achievements, with a focus on individual performance-based rewards	<b>Importance of harmony</b>	Focus on the overall order and stability of society. Individual differences are recognized, but collective interests come before those of individuals
<b>Focus on job competency and abilities</b>	An emphasis on individual responsibility for assigned work and clear articulation of competency and abilities of the person as well as standards of performance.	<b>Group orientation, Seniority and social status important</b>	Emphasis on integration into strong, cohesive groups Emphasis on integration into strong, cohesive groups with rewards based on seniority and social status and not achievement or performance. Prefer equal distribution with minimal differences in rewards and treatment
<b>Rationality</b>	Focus on a rational, systematic and scientific approach in HRM to improve efficiency and effectiveness with emphasis on specifics, standards and systems.	<b>Long-term view</b>	Emphasis on benevolence, indulgence, loyalty and do not focus on short term or immediate results
<b>Coherence and integration</b>	HRM has to be closely linked with the strategic objectives of the organization, with responsibility devolved to line managers instead of the HR managers. There should also be coherence among the HR policies and practices.	<b>HRM – hard approach Central control of people management Reliance on top-down instructions</b>	Control was centralized with focus on employees conforming to group norms and discipline. Employees are expected to follow instructions, with a weak position of unions
<b>Employee empowerment and participation</b>	Employees are trusted and allowed to work autonomously and have control over their work	<b>Importance of personal relationship (high context cultural background)</b>	Workplace is family, and it is important to maintain trust, teamwork and harmonious relationship

<sup>11</sup> Wang Yong. (2004). The impact of Eastern and Western cultural differences on corporate human resource management; Talent Development (10), 2. [https://xueshu.baidu.com/usercenter/paper/show?paperid=952d8a3d9695cd3eb64cb2d630584d41&site=xueshu\\_se](https://xueshu.baidu.com/usercenter/paper/show?paperid=952d8a3d9695cd3eb64cb2d630584d41&site=xueshu_se)

WESTREN HRM		CHINESE HRM	
<b>Flexibility and adaptability</b>	Promote flexibility and adaptability of organizations through flexible organizational structures, flexible job content and work arrangement, and broadening the skills of employee.		
<b>Fairness</b>	Fair treatment of employees can increase commitment.		
<b>Importance of communication</b>	Focus on the importance of two-way, interactive communication to generate commitment. Employees have the right to speak up.		

Source: Own edition based on Li S., Nesbit L.P. (2014): An exploration of the HRM values of Chinese managers working in Western multinational enterprises in China: implications for HR practice; The International Journal of Human Resource Management, Vol 25, No. 11, 1529–1546; DOI: 10.1080/09585192.2013.826710; Mitsuhashi, H., Park, HJ, Wright, PM, & Chua, RS (2000). Line and HR supervisors' perceptions of human resource effectiveness in companies in the People's Republic of China. International Journal of Human Resource Management, 11(2), 197-216. DOI: <https://doi.org/10.1080/095851900339828>.

The corporate culture of Western countries such as the United States and the United Kingdom is relatively simple, mainly core values, as well as corresponding management systems and standardized processes. They focus on content rather than form, invest less in corporate culture construction, and culture is potential. Their corporate management is relatively complete, focusing more on strategy, brand, human resources and other management, and management has not yet risen to the realm of management philosophy. Most Chinese corporate culture is in the exploratory stage, relatively scattered, mainly focusing on corporate image design and facade packaging, etc. Corporate management is mainly based on experience management, with a low level of scientific management, and poor integration of corporate culture and management. However, the culture and management of Chinese enterprises contain the management philosophy inherited from thousands of years of historical civilization.

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### 3.3. CULTURAL DIFFERENCES IN THE CHINESE TALENT MANAGEMENT AND NORMS

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Cultural differences are important part of talent management in multinational enterprises, which has a great impact on the recruitment, training and encouragement of Chinese enterprises<sup>12</sup>.

Cultural differences in the recruitment of companies will allow companies to more deeply study and comment on the cultural fit of candidates. Employees from different cultural backgrounds have different attitudes, positive teamwork and leadership styles, so recruiters need to screen candidates more carefully for cultural fit. The answer is to establish a more comprehensive recruitment process,

<sup>12</sup> Tariq, I., Schuler, R. S. (2010): Global talent management: Literature review, integrative framework and recommendations for further research. Journal of World Business, 45(2), 122–133. DOI: <https://doi.org/10.1016/j.jwb.2009.09.019>; Vaiman, V., Scullion, H., & Collings, D. G. (2012). Talent management decisions. Management Decision, 50(5), 925–941. <https://doi.org/10.1108/00251741211227663>

including cultural background assessment, to ensure that new employees can smoothly integrate and adapt to the company culture.

In terms of training, it is also necessary to pay attention to cultural differences, which may lead to different levels of acceptance of contents and methods in the training process. For example, a training method may be effective in some cultures, while it may produce different negative effects in other cultures. The countermeasures are to adopt flexible training strategies and adjust training methods according to the cultural background of employees to ensure that the training can better meet the needs of employees and improve the quality of corporate training

Incentives are also influenced by cultural differences. Different cultures have different ways of receiving incentives and their effects. There will be cultures that value collective honor more, and there will be cultures that value individual achievement more. The countermeasures are to formulate differentiated incentive policies to make them more in line with the expectations of employees under different cultural backgrounds, so as to better stimulate the enthusiasm and creativity of employees.

Understanding and respecting the influence of different cultures on talent management and adopting differentiated countermeasures are the keys for Chinese enterprises to successfully cope with the challenges of cultural differences. This requires building an open and inclusive corporate culture and cultivating cultural sensitivity to better adapt to a multicultural context.

#### **IMPACTS OF CULTURAL DIFFERENCES ON MANAGEMENT CONCEPTS**

Due to the influence of various factors such as history, culture and regional differences, the management concepts of different enterprises are also different. Needless to say, cultural differences will increase the management difficulty of multinational enterprises. Employees of multinational enterprises come from different countries, and their cultural traditions, behaviors, thoughts, values and concepts are all different. These differences will also lead to great differences in the work needs and expectations of employees of multinational enterprises. Therefore, their behavior patterns are also very important. For example, for employees from countries with rich cultures, their language expression is more reserved, and what they say is not only superficial. For example, for Chinese employees, who have been educated in traditional Confucianism and old traditional ideas since childhood, they usually express their views in implicit language, or they first describe some things unrelated to work before expressing their views. For employees with low background, their way of speaking is more direct, and they will directly express their views. For example, when American employees express their wishes, they will not use euphemistic language, but use the most direct way. This way can improve work efficiency to a certain extent, but it will also give people a sense of rudeness. Therefore, in the process of management of multinational enterprises, managers must deeply study and understand the cultural differences between the East and the West, and master the behavioral characteristics of employees under different cultural backgrounds, so as to formulate a more scientific management concept<sup>13</sup>.

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<sup>13</sup> Tang Lei. (2011): The impact of traditional culture on corporate human resources management. Business Herald (17), 1.[https://xueshu.baidu.com/usercenter/paper/show?paperid=2dc80eac61bae8143ea7be91ffdd9d17&site=xueshu\\_se](https://xueshu.baidu.com/usercenter/paper/show?paperid=2dc80eac61bae8143ea7be91ffdd9d17&site=xueshu_se)

#### **IMPACTS OF CULTURAL DIFFERENCES ON COORDINATION AND COMMUNICATION**

For enterprises with different cultural backgrounds, their coordination and communication methods are also different. For example, for American enterprises, which pay special attention to efficiency and results, a more scientific and strict communication mechanism is often developed. At the same time, enterprises require all employees to strictly abide by and implement this coordination system. In Asia, Chinese enterprises tend to pay more attention to the cooperation and interpersonal relationship between the two sides, and most of them conduct coordination and communication in the form of meetings, so that the two sides can complete the communication in a relaxed atmosphere. Compared with the coordination and communication in the United States, the coordination and communication in the Chinese side is more flexible, and there is no strict procedure to follow. However, it also produces bad problems such as low work efficiency and staff inaction.

#### **IMPLEMENT LOCALIZATION STRATEGY IN MULTINATIONAL COMPANIES**

The implementation of localization management strategy in transnational enterprises can control the management and selection costs of transnational talents, effectively avoid the cultural resistance of host countries to transnational enterprises, and help accelerate the development of transnational enterprises. Transnational enterprises need to deepen the cooperation with local governments, provide certain economic and material support for local public welfare projects, and help local personnel find employment. Finally, establish a long-term development mechanism for sharing and cooperation with local society. While continuously improving their operating efficiency, multinational enterprises also need to guide employees to study and integrate into local culture to prevent conflicts in enterprise management caused by cultural integration, so as to ensure the sustainable and stable development of enterprises. When multinational enterprises operate in other countries, they also need to pay attention to the recruitment of local employees, because local employees are certainly more familiar with the local economic environment, historical background, legal culture and customs, and market demand than Chinese employees. It is more convenient for multinational enterprises to hire employees from the host country. Saving the high cost of overseas dispatch of employees is of great help to the sustainable development of multinational enterprises. In addition to the „localization” of employees, multinational enterprises also need to implement the „localization” business strategy in the enterprise business strategy and marketing model, so that the products developed and produced by enterprises can better meet the local market demand<sup>14</sup>.

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### **4. TALENT MANAGEMENT IN DEPTH**

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Within approach to talent, this complex definition includes many aspects. These taking into consideration talent either as natural ability or operationalizing talent as the mastery of systematically developed skills. Besides that another approaches focusing on associate talent with strong commitment and motivation; and approaches that stress the importance of fit between an individual's talent and the context within which he or she works (i.e. in terms of organization and/or position). An inclusive

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<sup>14</sup> Tang Lei. (2011): The impact of traditional culture on corporate human resources management. Business Herald (17), 1. [https://xueshu.baidu.com/usercenter/paper/show?paperid=2dc80eac61bae8143ea7be91ffdd9d17&site=xueshu\\_se](https://xueshu.baidu.com/usercenter/paper/show?paperid=2dc80eac61bae8143ea7be91ffdd9d17&site=xueshu_se)

definition of talent is typically found in strength-based approaches to talent management. „The art of recognizing where each employee's areas of natural talent lie, and figuring out how to help each employee develop the job-specific skills and knowledge to turn those talents into performance rather than in gap-based approaches focused on the remediation of development needs”<sup>15</sup>.

Talent management concerns with the management of high-worth individuals or delineates talent assuming every employee having competence should be distinguished. This socializes proficiency-focusing Human Resource Management (HRM) practices. A proactive, highly professional talent management system supports employees with tacit intelligence and decisively retains them in organization making significant contribution to the business stability and the cohesive, outstandingly performing teams or units inside the organization. Companies need to estimate its employees past, present and future conduct to achieve much more. This system makes actions to find right people for right jobs. Talent management can be corner keystone to organization's personnel engagement<sup>16</sup>.

With the development of economy and the intensification of market competition, Chinese enterprises are facing fierce competition for talent, especially high-quality and high-skilled talents are more scarce and sought-after. Enterprises generally face the challenges of difficulty in talent introduction and high training costs. Although many enterprises have increased their investment in talent introduction and training, there is still a problem of insufficient talent supply. Some enterprises have serious talent loss, mainly due to unreasonable salary, limited career development space, and incompatible corporate culture. Talent loss has a certain impact on the stability and development of enterprises. Enterprises have differences in talent incentive mechanism. Some enterprises focus on salary incentives, while others pay more attention to employees' career development and working environment. With the development of the times and changes in corporate needs, talent management concepts are also constantly updated. More and more enterprises are beginning to pay attention to the comprehensive development of talents and emphasize the matching of employees' personalized needs and values<sup>17</sup>.

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## 4.1. SYSTEMS AND PROCESSES

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Human Resource Management Systems (HRMS) help businesses manage and automate core HR processes such as employee data storage, benefits administration, time and attendance, and payroll processes. Additionally, HRMS provides talent management functions such as recruiting, onboarding, performance management, goal planning, learning and training, compensation management, and succession planning. Meaning of HRMS, HRIS, HCM, and HXM Human resource management system

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<sup>15</sup> Buckingham, M., & Vosburgh, R. M. (2001). The 21st century human resources function: It's the talent, stupid! *Human Resource Planning*, 24(4), 17–23; Beechler, S., & Woodward, I. C. (2009). The global “war for talent”. *Journal of International Management*, 15(3), 273–285. DOI: <https://doi.org/10.1016/j.intman.2009.01.002>; Shuai Zhang, David Bright (2012): Talent definition and talent management recognition in Chinese private-owned enterprises; *Journal of Chinese Entrepreneurship*, 4(2):143–163, DOI: 10.1108/17561391211242753; Eva Gallardo-Gallardo, Nicky Dries, Tomás F. González-Cruz (2013): What is the meaning of ‘talent’ in the world of work?, *Human Resource Management Review*, (23): 290–300, DOI: 10.1016/j.hrmr.2013.05.002

<sup>16</sup> Bloom, N., & Van Reinen, J. (2010). Why do management practices differ across companies and countries? ~*Journal of Economic Perspectives*, 24(1), 203–224. <https://doi.org/10.1257/jep.24.1.203>

<sup>17</sup> Z.Shuai and D. Bright (2012): Talent definition and talent management recognition in Chinese private-owned enterprises; *Journal of Chinese Entrepreneurship*, Vol. 4. No. 2., pp. 143–163, DOI: 10.1108/17561391211242753; Scullion, H., & Collings, D. G. (2016). Global talent management. In *Routledge e-book* (pp. 169–207). DOI: <https://doi.org/10.4324/9781315668611-17>; Jia Wang, Jian-Min Sun (2018): Talent Development in China: Current Practices and Challenges Ahead; *Advances in Developing Human Resources*, Vol. 20(4) 389–409, DOI: 10.1177/1523422318802591

(HRMS), human resource information system (HRIS), and human capital management (HCM) are all human resource terms that are often used interchangeably, but there are some important differences. HCM is an umbrella term that encompasses the various practices and software businesses use to manage their employees from recruitment to retirement.

HRIS is usually built based on employee information database and is used to support core. The HRIS is a „top-level project”, which requires high-level managers to show firm confidence, sufficient courage, and to pay considerable attention and even participation. Nevertheless, for the majority of managers in the enterprise among the many business elements of the company, human resources are the one of the most vague concept. HR processes that are more linear and quantitative in structure, such as payroll processing, attendance management and other processes. In contrast, HRMS software is a more comprehensive solution that encompasses all the data management structures of an HRIS as well as more sophisticated qualitative and talent management capabilities. In addition, excellent HR management system solutions leverage intelligent technologies such as artificial intelligence, machine learning, and cloud connectivity to help create personalized intelligent automation capabilities.

Employee experience management (HXM) is an umbrella term that represents a shift in corporate culture, indicating that companies are beginning to focus on optimizing the overall employee experience, while also recognizing the business value of improving employee engagement as the core of human resource management. Thanks to advances in technology and connectivity, companies now have a clear, comprehensive view of their workforce from every angle. This helps organizations prioritize employee experience and take a people-centric approach to supporting HR functions around employee experience, delivering significant business value. This more holistic approach to management signals a change in the priorities and management of HR processes. Modern enterprise management has recognized the importance of human resource management to enterprise development. The Table 3. briefly summarizes these definitions.

**Table 3. Definition of hrms, HRIS, HCM and HXM**

NAME	FUNCTION
HRMS	HRM System: Software for managing HR tasks like payroll and recruitment.
HRIS	Human Resource Information System: Centralized database for HR data and analytics
HCM	Human Capital Management: Strategic approach to managing workforce from recruitment to development.
HMX	Human Experience Management: Focuses on enhancing employee experience for better engagement and productivity.

Source: Own edition based on Elif Baykal (2020): Digitalization of Human Resources: e-HR; In book: Tools and Techniques for Implementing International E-Trading Tactics for Competitive Advantage; DOI: 10.4018/978-1-7998-0035-4.ch013; Junxi Chen (2022): Human Resources Department Optimization in Chinese Internet Enterprises: A Case Study of ByteDance; BCP Business & Management; 34:720-725; DOI: 10.54691/bcpbm.v34i.3087; License: CC BY 4.0; Junxi Chen (2022): Human Resources Department Optimization in Chinese Internet Enterprises: A Case Study of ByteDance; BCP Business & Management; 34:720-725; DOI: 10.54691/bcpbm.v34i.3087; License: CC BY 4.0;

Many companies encountered many difficulties in the transformation process, but HR leaders gradually improved their creativity and adaptability through practical exploration. An article from the Society for Human Resource Management (SHRM) pointed out that the epidemic has forced companies to transform, which is an additional benefit in a desperate situation. Almost overnight, entire workforces shifted to remote work, and HR teams were the first to react to this business model, with leaders from many other departments and teams also spearheading the change. After the epidemic, many companies suddenly realized that their human resources departments had a data gold mine, which contained rich employee analysis information that could help them provide a basis for corporate strategies and decision-making.

Today, HRMS software plays a vital role in helping businesses adapt, understand and streamline the ever-changing work environment. HRMS solutions integrate complex HR processes into a unified platform, helping businesses centrally store employee data and provide them with automated capabilities as well as embedded artificial intelligence and advanced analytics. In addition, with advanced human-centered talent management capabilities, companies can recruit, develop and retain the best talent in the industry to achieve strategic growth. Traditional human resources business information systems can only standardize and improve the efficiency of human resources administrative affairs processing, but it is difficult to elevate human resources management to the corporate strategic level. It is necessary to plan and build a human resources system based on corporate strategic planning, and implement the strategic functions of human resources on the basis of standardizing business processes and strengthening execution capabilities to provide support for corporate strategic development<sup>18</sup>.

Digital tools play a crucial role in the reshaping of HRM including the talent management processes: they enable effective automation of tasks, simplify the collection and analysis of data, and provide valuable insights for decision-making. To save time and increase productivity, here are some digital HR tools: The below Table 4. highlights some concrete HRM software.

**Table 4. Examples on HRM and TM softwares**

<b>SOFTWARE</b>	<b>FUNCTION</b>
<b>HR OPEARATION MANAGEMENT</b>	With tools like MyPeopleDoc , the HR team can quickly design, edit and access the necessary files
<b>TALENT MANAGEMENT SYSTEMS (TMS)</b>	TMSs, like Beetween, enable effective management of the employee lifecycle, from application to retirement. They cover aspects such as training, performance assessment and skills management.
<b>RECRUITMENT SOFTWARE</b>	This software simplifies and accelerates the recruitment process by automating key steps such as posting job offers, pre-screening candidates and scheduling interviews
<b>ONLINE LEARNING PLATFORM</b>	Platforms like Coursera and Moodle offer flexible and personalized learning opportunities. Employees can develop their skills at their own pace.

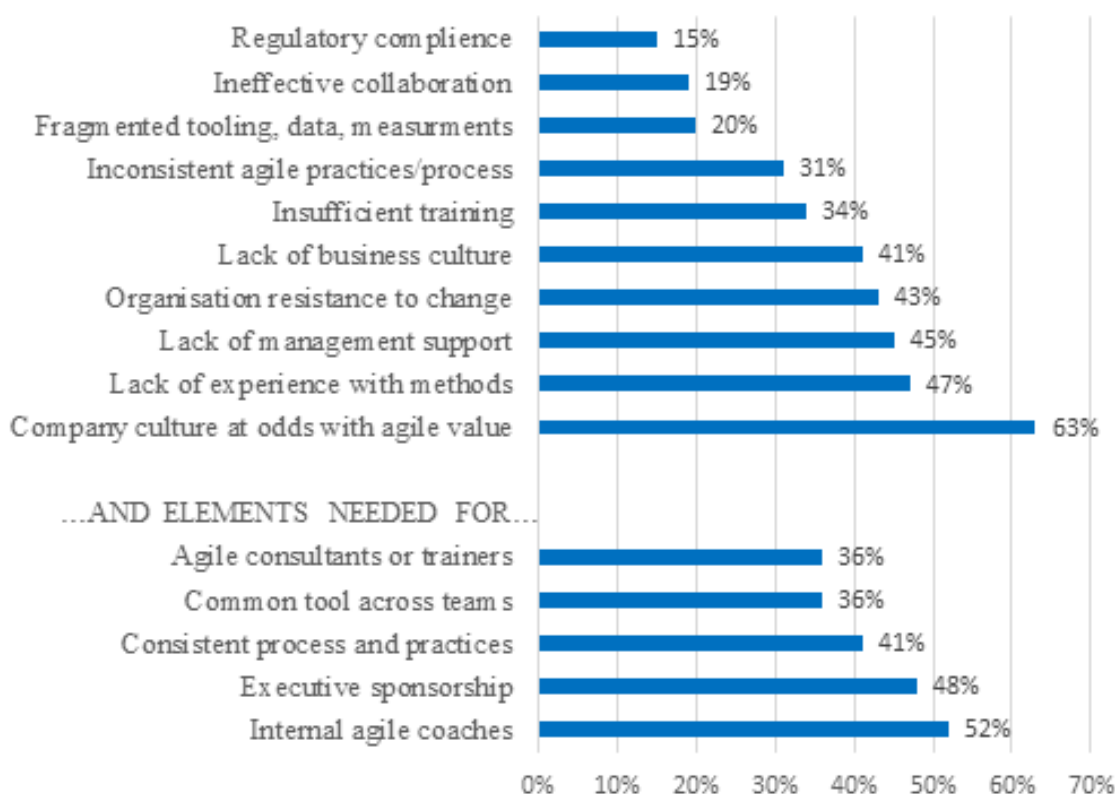
<sup>18</sup> Li, L., Su, F., Zhang, W., and Mao, J. (2017). Digital transformation of SME entrepreneurs: A capabilities perspective. ISJ. Journal of Information Systems/Journal of Information Systems, 28(6), 1129–1157. DOI: <https://doi.org/10.1111/isj.12153>

SOFTWARE	FUNCTION
<b>PAYROLL MANAGEMENT SYSTEM</b>	Solutions like Sage and PayFit enable efficient management of employee payroll
<b>ELECTRONIC SIGNATURE SOLUTIONS</b>	Tools such as DocuSign make it easy to electronically sign documents, streamlining administrative processes

Source: Own edition based on Elif Baykal (2020): Digitalization of Human Resources: e-HR; In book: Tools and Techniques for Implementing International E-Trading Tactics for Competitive Advantage; DOI: 10.4018/978-1-7998-0035-4.ch013

In addition, as consequences of the above mentioned facts, when companies adopt agile methods in their core operations, they no longer try to plan a year or more in advance of how the project will proceed and when it will end. In more and more cases, since individual talents are engaged in short-term projects of different lengths, usually managed by different leaders and organized around the team, the performance feedback comes.

The Figure 1. reveals that the contemporary HRM has tendency to operate in practice involving the agile project management combining with the online project management and HRM softwares approaches and helps to get ideas how to assimilate them in other for example Chinese corporate cultures.



**Figure 1. HRM shifted towards to be agile and online**

Source: Own edition based on Peredy Z., Shegjie Y. (2022): Fairness Challenges in the Corporate Human Resource Management – Some Lessons for Chinese Companies; Firma I Rynek, 1863), pp.23-39; Li, L., Su, F., Zhang, W., and Mao, J. (2017). Digital transformation of SME entrepreneurs: A capabilities perspective. ISJ. Journal of Information Systems, 28(6), 1129–1157. DOI: <https://doi.org/10.1111/isj.12153>

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## 4.2. CULTURAL IMPACT ON TALENT MANAGEMENT

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Chinese corporate culture has a profound historical and cultural heritage, emphasizing collectivism, team spirit, family values and people-oriented concepts. In Chinese enterprises culture, what is emphasized is harmony, stability and loyalty. This cultural characteristic makes Chinese companies pay more attention to the loyalty and sense of belonging of employees in HRM, emphasizing the long-term development of employees, rather than just focusing on short-term economic benefits.

The first impact of Chinese firm's culture on HRM practice is in the Recruitment and Selection area. When recruiting and selecting employees, Chinese companies usually consider whether the employees' values are consistent with the corporate culture. For example, if a company emphasizes team spirit, then when selecting employees, it will pay more attention to teamwork ability. At the same time, in China, there is a strong sense of humanity, and companies will also consider factors such as employees family background and personality characteristics when selecting. Training and development In terms of training and developing employees, Chinese companies usually provide employees with a series of training and development opportunities according to the needs of corporate culture. For example, some companies will provide traditional cultural courses to enhance employees' cultural identity. At the same time, Chinese companies also pay attention to employees' career planning and provide employees with long-term development opportunities. Performance management In terms of performance management, Chinese companies usually incorporate corporate culture into the assessment system. For example, if a company emphasizes team spirit, then when assessing, it will focus on the assessment of teamwork ability. At the same time, in Chinese companies, there is a strong sense of humanity, and when assessing, employees' interpersonal relationships and mass base will also be considered.

The next impact can be on Compensation and Benefits are in the Chinese HRM practice. In terms of compensation and benefits, Chinese companies usually formulate corresponding compensation and benefits policies according to the needs of corporate culture. For example, if a company emphasizes stability and loyalty, it will focus on long-term incentives and welfare guarantees when formulating its salary and benefits policy. At the same time, in Chinese companies, salary and benefits policies will also take into account factors such as employees' living needs and family conditions.

The positive impact of traditional culture on enterprise HRM can be that provide contribution to improve employee enthusiasm and balance the relationship between employees and leaders The traditional management thought attaches importance to people, loves the people, is close to the people, cultivates oneself, and corrects oneself, so as to realize the importance of people in the enterprise. In dealing with the relationship between management and the managed, people are the most important and most potential resource in the enterprise resources. Cultivate employees' common values and sense of responsibility, care for employees first, stimulate employees' enthusiasm for work, improve employees' enthusiasm and serve the enterprise wholeheartedly, and help the development of the enterprise. Chinese traditional culture is a socialist culture with Chinese characteristics, which is of great significance to the construction of human resource organization culture in modern enterprises.

The construction of excellent enterprise management culture is an effective way to optimize the strategic resources of enterprise economic development and effectively improve the efficiency of enterprise management level. It is an internal driving force to motivate employees to think proactively and give full play to creative work. It is an effective means to shape the corporate image, a very important magic weapon for enterprises to improve their market competitiveness, and the core force to ensure the long-term prosperity of enterprise production and operation results. Every successfully developed enterprise should first have its own corporate culture. If an enterprise wants to grow stronger, it must first rely on its own corporate culture to further enhance the confidence and cohesion of its employees. A culture with a good corporate image is conducive to the long-term development of every company. The culture of an enterprise under good and stable development is conducive to the common harmony and development of the entire enterprise and the company's cause, and is also conducive to the common health and harmonious development of employees personal body and mind. Excellent corporate culture can maximize the maximum development potential of employees, create an optimal comprehensive scale economy and the best long-term social benefits, make Chinese enterprises unique to traditional Chinese culture, and make the human resource management of enterprises move forward faster and better<sup>19</sup>.

Chinese group companies are undoubtedly the most important part of supporting China's economic development. The human resource management of these group companies is also facing huge challenges under the new situation.

The first is the group's control, especially the issue of employees and costs. How to effectively control and provide appropriate HR services for subsidiaries and divisions set up in different regions or with different products is particularly stressful for many companies. A complete HR team may be assigned to different companies. This means that all management models at the group level must be replicated in the same way and copied to different regions or different product divisions. Whether this HR team can complete its mission is a relatively big challenge. If a shared service model is not built, it is difficult to completely replicate the management model desired by the group through independent individuals and apply it to the regional companies or product divisions served. Such a form of replication leads to multiple uncertainties and uncontrollable possibilities due to objective differences in individual thinking forms and working methods of people as the transmission medium.

On the other hand, it is how to form a human resources team. Organizations are often split or merged according to the combination of regions or products. We are faced with the difficulty of making some flexible adjustments to the HR members of the branches at the same speed, and it is impossible for us to build a team that fully matches it in a short time. The cost of human resource management will also increase significantly. For example, when we expand our business into new regions, the size of newly formed teams is usually small. It is difficult for the group and the company to realize the configuration and construction of human resources in the short term. However, these newly formed teams have urgent needs for HR-related services and support in the early stages of their establishment<sup>20</sup>.

19 Jason Ross (2020): Talent Management Strategies: China, Eastern Kentucky University, DOI: 10.13140/2.1.1339.1046; Pradip Kumar Das (2022): An Introduction to the Study of Talent Management; World Journal of Education and Humanities, 4(2):p66, DOI: 10.22158/wjeh.v4n2p66

20 Samolejová, A., Jun, L., & Wicher, P. (2016). Human resource management in Chinese manufacturing enterprises. *Scientific Perspectives*, 7, 6-9. DOI: <https://doi.org/10.1016/j.pisc.2015.11.003>; Li Rui. (2020). The challenges and responses of artificial intelligence to the rise of accounting industry. *Economics*, 3(2). <https://doi.org/10.32629/ej.v3i2.400>

The second biggest challenge for group companies is internal change management. Now human resources have begun to gradually get involved in major top-level change issues in corporate strategy and business development, and human resources executives must personally lead many change management tasks. Many companies even require human resources managers and even HR supervisors to have the ability and experience to communicate the necessity of change management, and to be able to optimize and adjust some organizational systems at any time, and hope that human resources functions, including the optimization and transformation of the workforce, will promote a new organizational model. Some companies will also pass the responsibility pressure of establishing organizational culture and changing corporate culture to the company's HR. Change management is not something that can be achieved overnight for many group companies. If the human resources management department is to play a role in guiding change management, it is necessary to know the business units to which they belong and accurately diagnose the pulse. However, the HR team of grassroots companies needs to revise systems and policies, make specific decisions, and deliver daily HR affairs, such as employee entry and exit, salary calculation, employee onboarding training, and even abnormal consultation on social security benefits. These repetitive and transactional tasks will make the HR work of grassroots companies extremely complicated, and it is difficult to gather more manpower and energy to focus on doing a certain thing well.

The third challenge is that HR is facing a fierce war for talent. In fact, the war for talent has never stopped. Although we may have only snatched some excellent core key talents ten years ago, it is getting more and more intense now. We need to compete with each other to get the simplest positions that require knowledge and skills. If we assume that the focus of our human resources, especially the work focus of HR employees in different business units and regions, is still on administrative work such as social security and welfare payment, employee entry and exit, etc., it is difficult to win and achieve ideal results in the face of such fierce competition for talent. At the same time, with the continuous construction of informatization and the rapid changes in the external market environment, including various companies will make flexible adjustments in their products and operations according to market conditions. As a very important asset and productivity such as people, talent management, cost status and structural status have received close attention from the CEOs of various companies. If the previous function of HR is just to count the number of people and pay the right salary, such a role can no longer meet the requirements of the company CEO for HR. They hope that human resources can master more information indicators and more standards.

"How to prove the value of our investment in people" is a very important challenge for human resources. Especially for group companies, investment in talent is relatively important and costly. In this case, if we still completely copy the human resources team according to the region or product model and fall into daily affairs, then HR will have almost no energy to do things that are very valuable to the company's business development.

For each company, it is an indisputable fact that human resources are positioned at the strategic level and a solid image of business partners is established and plays a role. The question is not whether it can become a strategic partner, but how to become a strategic partner and how the HR team can successfully do this.

The challenge for human resources is no longer to be proficient in all kinds of skills, but whether

HR can play an important role and value relative to the challenges brought to us by the company's business management development<sup>21</sup>.

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## CONCLUSIONS AND RECOMMENDATIONS

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Talent Management as a part of HRM is the systematic attraction, identification, development, engagement, retention, and deployment of those individuals who are valuable to an organisation, because of their potential or the critical role they have. This process including identifying talent gaps and vacant positions, sourcing for and onboarding the suitable candidates, growing them within the system and developing needed skills, training for expertise with a future-focus and effectively engaging, retaining and motivating them to achieve long-term strategic organisational goals to reach the strategic business successes. An important aspect to make talent management more effective involves creating a culture of coaching, mentoring (even reverse mentoring) and collaboration. Constructive feedback goes a long way when it comes to helping employees evolve and develop their skills and expertise. Managing talent is thus also about preparing them for the future of the organization – to be ready for changes down the path and to be able to rely on each other.

The application of informatization in enterprise human resources management has a positive effect on promoting the optimal allocation of enterprise human resources and improving management levels. Enterprises should innovate management concepts, combine their own management practices, organically combine informatization with human resources management models, pay attention to its management applications, give full play to its role in information transmission, information conversion, information collection and storage, and improve the level of the companies HRM practices.

The authors are aware about the limitation of their study, due to the lack of primary research, such as a diagnostic survey in selected Chinese companies, including surveys of both employees and managers. Besides the authors above presented postulates, for the future research direction, it would be worth extending and deepening the scope of their research work about on what the representatives of employers and employees in Chinese companies think about this complex topic.

In this context, the following actions should be taken into practice:

- Enterprise human resource development and management mechanisms attract, gather, stabilize and motivate. Attract talents through effective recruitment, scientific management, and reasonable remuneration. In business management, it is necessary to establish new types of interpersonal relationships to make management methods more diversified, humane and flexible. It is necessary to establish a scientific evaluation mechanism to reduce and avoid artificial, subjective and emotional evaluation.
- It is necessary to strengthen the important role of market laws and value laws in setting labor prices. Carry out reasonable work allocation, let employees clarify their work goals, and ensure employment security. It is necessary to follow the laws of market economy and determine a competitive, fair and objective salary system and performance evaluation system.

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<sup>21</sup> Pradip Kumar Das (2022): An Introduction to the Study of Talent Management; World Journal of Education and Humanities, 4(2):p66, DOI: 10.22158/wjeh.v4n2p66

- Pay attention to the important role of training in attracting and stabilizing employees. By helping employees design their personal career development and guiding employees to actively participate in corporate management, all employees can feel that the company values, cultivates and cares for them.
- Taking China's national conditions and the traditional ethics of the Chinese nation as the basis for corporate culture construction. It means that you have to take extensive mass participation as a guarantee for corporate culture construction; guiding employees to correctly balancing the interests of the country, company, and individuals as the core of current corporate culture construction; advocating team spirit. Gathering people's hearts and guiding employees to work together for the company's development goals is the fundamental goal of corporate culture construction, and corporate culture construction will continue to be strengthened.
- Increasing investment and strengthen corporate human resources training. It is necessary to change concepts, establish lifelong education ideas, and grasp human resource development from a strategic perspective. It is necessary to establish and improve systems for employee training operations, training incentives, and employee training guarantees. Continuously improve the training system and increase investment in training. Closely focusing on enterprise development goals, we should build an effective modern enterprise training system, carry out modern science and technology, management knowledge training with total quality management as the content on a hierarchical and large-scale basis, and promote modern management.

## KONCEPCJA ZARZĄDZANIA TALENTAMI – REKOMENDACJE DLA FIRM CHIŃSKICH

### **Streszczenie:**

Tradycyjne przedsiębiorstwa w Chinach to firmy założone głównie w ubiegłym stuleciu lub wcześniej, działające w sektorach takich jak produkcja, budownictwo czy finanse. Często mają one głębokie zakorzenienie kulturowe i historyczne, a ich struktury organizacyjne oraz praktyki zarządzania, w tym zarządzanie zasobami ludzkimi (HRM), odzwierciedlają bardziej konserwatywne podejście. Przedsiębiorstwa te dążą do stabilności, opierając się na tradycyjnych modelach biznesowych oraz produktach i usługach, a jednocześnie wykazują ograniczoną otwartość na nowe technologie i innowacyjne metody zarządzania. W obliczu dynamicznych zmian gospodarczych i społecznych wynikających z globalizacji oraz digitalizacji, coraz więcej tradycyjnych chińskich firm staje przed koniecznością transformacji. Adaptacja do nowych warunków rynkowych wymaga wdrażania nowoczesnych modeli biznesowych, cyfryzacji procesów oraz innowacyjnych strategii zarządzania talentami. Kluczowe wyzwania obejmują rekrutację, rozwój i zatrzymywanie pracowników w kontekście globalnych trendów oraz międzykulturowych aspektów działalności biznesowej. Niniejszy artykuł analizuje te wyzwania i możliwości z perspektywy zarządzania zasobami ludzkimi, przedstawiając strategię, które mogą wspierać transformację tradycyjnych chińskich przedsiębiorstw i umożliwiać im skuteczne dostosowanie się do wymagań współczesnego rynku.

### **Słowa kluczowe:**

tradycyjne chińskie przedsiębiorstwa, konserwatywna kultura biznesowa, transformacja cyfrowa, globalne trendy, zarządzanie talentami

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