

## Chapter 5

# Conclusions, Discussion, and Recommendations

### Conclusion

The conclusions drawn from this research are as follows:

#### 1. The environment of human resource management at Xinwang Internet E-commerce Company

##### 1) External environment of human resource management at Xinwang Internet E-commerce Company

The summary of the results of the external environment analysis of human resource management at Xinwang Internet E-commerce Company using the PEST (Political, Economic, Social, and Technological) framework is presented in Table 5.1.

**Table 5.1** The external environment of human resource management at Xinwang Internet E-commerce Company using the PEST framework

PEST framework	Results
Political Environment (P)	Xinwang Internet Company operates in a favorable political environment in China. The government provides various preferential policies, including support for talent development, investment, and administrative efficiency. The government's focus on strengthening the country through talent development aligns with Xinwang's human resource management goals.
Economic Environment (E)	Xinwang operates in a rapidly growing Chinese economy, which has shown consistent and impressive growth. Even during global economic challenges, China has maintained positive economic growth, offering a strong foundation for the company's human resource management. The increased demand for talents in various industries and the evolving services in the human resources sector are beneficial for Xinwang.
Social Environment (S)	The social environment presents both opportunities and challenges. Urban employment is on the rise, reflecting the economic development and increasing population. However, it also signifies increased competition in the labor market and rising labor costs. Xinwang needs to optimize its human resource strategies to address these changes effectively. The transition from a manufacturing-heavy economy to a service-based one offers more opportunities for talent mobility.
Technical Environment (T)	Xinwang's operation in the internet and e-commerce sector is highly influenced by the technological environment. The rapid development of the internet, mobile apps, and big data support has transformed the way the company operates. The use of AI and technology has improved the efficiency and effectiveness of human resource management processes.

The EFA, conducted by the research team, provides a comprehensive assessment of Xinwang's external environment. It highlights opportunities, indicating that Xinwang has a solid foundation for growth and competitiveness in the market. The threats underscore the challenges Xinwang faces, including reduced financial support, competitive pressures, and the need for cost-effective digital transformation.

The EFA matrix assigns weights to key factors and rates them to calculate the weighted average score. The total weighted score is an indicator of the company's adaptability to external changes in the internet market.

With a total weighted score of 3, Xinwang Internet E-commerce Company appears well-prepared to respond to changes in the external environment, especially concerning the presented opportunities. The company seems to be in a strong position to leverage its strengths in the human resource management sector in the evolving digital landscape. Nevertheless, it should remain vigilant in addressing the identified threats. Xinwang Internet E-commerce Company faces numerous opportunities and challenges, particularly in the digital transformation of human resource management. The company's adaptability and response to these external factors are crucial for its continued success.

## 2) Internal environment of human resource management at Xinwang Internet E-commerce Company

The results of the analysis of the internal environment of human resource management at Xinwang Internet E-commerce Company can be summarized to show various issues, as presented in Table 5.2.

Xinwang Internet E-commerce Company has several advantages in human resource management, including efficient human resource management, core technological advantages, strong talent recruitment, and unique corporate culture. However, it also faces challenges related to organizational complexity, employee quality, visibility, and external economic factors. To enhance its competitiveness, the company should consider simplifying its internal organization, improving employee qualifications, enhancing brand visibility, and developing strategies to mitigate the impact of economic conditions.

**Table 5.2** The internal environment of human resource management at Xinwang Internet E-commerce Company

Issues	Results
Core technological advantages and efficient human resource management	Xinwang Company has a relatively efficient human resource management system, which is evidenced by the organization's ability to attract and retain top talents in the industry. They have established a strong research and development team with advanced technological capabilities, and the management is led by experienced industry professionals. The efficient human resource management contributes to the organization's ability to innovate and compete effectively.
Human Resource Planning	The company has a well-established human resource planning system, which is crucial for the efficient operation of an organization. The presence of HRBP (Human Resource Business Partner) and other related roles suggests that Xinwang Company focuses on strategic human resource planning, which is essential for long-term success.
Employee Training	The company has invested in employee training, which is essential for enhancing the skills and capabilities of the workforce. A workforce that is continuously learning and improving is a valuable asset for any organization.
Cultural Alignment	The company's leadership has played a key role in shaping a unique corporate culture. The culture emphasizes characteristics such as a spirit of struggle and fighting, which can contribute to a high level of commitment and cohesion among employees. This culture can serve as a competitive advantage for the organization.
Excessive Internal Organization	The presence of an excessive internal organization within departments is identified as a weakness. This suggests that the company might have a complex and bureaucratic structure, which can lead to inefficiencies and increased management costs. Simplifying the organizational structure and human resource management methods may be necessary.
Employee Quality	The overall quality of the employees is not satisfactory. Work attitude is lax, absenteeism, tardiness, and early departure is common, and work enthusiasm is insufficient. These behaviors greatly affect work efficiency. Addressing this weakness is crucial for long-term success.
Low Visibility	The company is reported to have relatively low visibility compared to established companies in the industry. Building a prominent brand and increasing visibility is crucial in the competitive e-commerce and internet industry.
Impact of Economic Conditions	The impact of external economic conditions, such as the COVID-19 pandemic, has led to decreased profits and increased marketing risks. The company should address its vulnerability to external economic factors and market fluctuations to enhance its competitiveness.

Sharing the company's human resource management environment through survey questionnaires and expert interviews. This article takes the digital transformation of human resource management at Xinwang Company as the research topic, exploring how to use digitalization, such as cloud platforms, artificial intelligence, big data, and other technological means, to combine digitalization with the traditional human resource operation and management, while improving the efficiency and quality of human resource management while reducing enterprise operations, Improve employee and management satisfaction, and through the collection of large amounts of data through cloud platforms, break through existing data analysis capabilities, create more dimensional data information, and promote the development of human resources and the enterprise.

Xinwang is currently using a digital platform for human resources. It is provided by a local company. These human resources, digital platform has been launched for the first time at Xinwang Company. Since now, it has exceeded 10. In the past 10 years, the system has undergone multiple iterations, optimizations, and upgrades based on business changes and developments. At present, the use of the company's human resources, digital platform mainly includes four aspects: personnel information management, attendance management, salary calculation, and personnel reports.

Due to the current informatization and digitization status of human resource management, the overall digital reform and transformation of human resource management are still in the initial stage. At present, most human resource related affairs related to Xinwang still rely on human resource colleagues to manually input a piece of information into the system to save and update employee information. At the same time, a large number of paper documents are still passing through the text cabinet. The method is saved and organized. These large amounts of manual work not only require significant labor costs and time, but also make it difficult to ensure the accuracy of data due to human uncertainty. The above issues urgently need to be addressed.

## **2. Design the human resource management to support the digital**

This research proposes countermeasures and suggestions for the formulation and implementation of Xinwang Company's digital development strategy through environmental analysis and the construction of SWOT strategic matrix, based on the current situation of Xinwang Company's digital operation. It is hoped that Xinwang Company can improve its business development level with the help of a scientific digital development strategy. The specific design of this article is as follows:

At present, experts and scholars at home and abroad have paid high attention to the research on digital transformation, but there is relatively little research on specific safeguard measures for digital transformation, and most of them are focused on the transformation of traditional enterprises, with few cases of digital native enterprises. Meanwhile, Xinwang Company needs to establish a mentor model based on contingency theory, while utilizing existing resources to adjust and optimize its development strategy.

Through the application of core competitiveness, PEST, SWOT analysis and other tools, Xinwang Company is currently in a critical period of strategic transformation. On the one hand, the rapidly growing digital demand enables the formulation and execution of Xinwang Company's digital strategy to better improve service levels and capabilities. On the other hand, the fierce external competitive environment and the

increasing quality needs of users have put forward new demands for Xinwang Company's digital transformation.

Based on the shortcomings and environmental analysis results of the current digital operation of Xinwang Company, this article proposes the necessity of adopting a digital strategy for Xinwang Company. At the same time, it proposes the selection and principles of Xinwang Company's digital strategy in the new economy. This article obtains data from literature research, questionnaire surveys, and interviews, as well as the conclusions drawn from the TOWS matrix, and proposes a specific plan for Xinwang Company's digital strategy in the new economy, according to the requirements of the plan, measures have been proposed to ensure the digital transformation of Xinwang Company, hoping to achieve a smooth transition.

The specific human resources, digital transformation strategy is as follows:

- 1) Building a Digital Transformation Platform for Human Resource Management
- 2) The digital transformation of human resource organizational planning
- 3) Digital Transformation of Recruitment and Staffing
- 4) Digital Transformation of Employee Training and Development
- 5) The Digital Transformation of Performance Management
- 6) Strengthening the transformation of daily human resource behavior management in the company
- 7) Strengthening the transformation of digital decision-making in company human resource management

## Discussions

### 1. Discussion of the environment of human resource management at Xinwang Internet E-commerce Company.

The research findings provide a comprehensive overview of the external and internal environment of human resource management at Xinwang Internet E-commerce Company. In the case of the external environment of human resource management, it can be discussed as follows.

The research indicates that Xinwang Internet Company operates in a favorable political environment in China. The government provides support for talent development and investment, aligning with Xinwang's human resource management goals. This positive political environment is in line with previous research on China's policies supporting technology development and talent acquisition (Weyerhaeuser. et al., 2006, pp. 375-385). This supports the theoretical understanding that government policies can

significantly influence HR strategies (Agusman, et al., 2019, pp. 1121-1151; Mohiuddin, et al., 2022, p. 928).

Xinwang operates in a rapidly growing Chinese economy that has shown consistent and impressive growth. Even during global economic challenges, China has maintained positive economic growth. This aligns with existing literature highlighting China's robust economic growth (Wang, et al., 2022, pp. 1-15) and the impact of the Chinese economy on various industries (Morrison, 2019, pp. 189-242). This observation contributes to the existing theory on how economic conditions and growth impact HR management and workforce planning (Harris, et al., 2019, pp. 162-180). The research aligns with the literature emphasizing the role of economic factors in HR decision-making (Boxall & Purcell, 2022, p. 119).

The research points out that Xinwang faces opportunities and challenges in the social environment. Urban employment is on the rise, reflecting economic development and population growth. However, it also signifies increased competition in the labor market and rising labor costs. The challenges presented by increased competition in the labor market align with the findings of studies on labor market dynamics in China (Caliendo, et al., 2019, pp. 741-838). This finding contributes to the broader understanding of the relationship between labor market dynamics and HR strategies. (Cooke, et al., 2020, p. 100778) work on labor market dynamics in China supports the research's alignment with existing theories about HR adaptation to social changes. Technical Environment: Xinwang's operation in the internet and e-commerce sector is highly influenced by the technological environment. The rapid development of the internet, mobile apps, and big data support has transformed the way the company operates. This reflects the general trend in the e-commerce sector, where technology plays a crucial role in shaping business strategies (Purnomo, 2023, pp. 54-62). The research supports existing theories on the critical role of technology in shaping HR strategies (Marler & Boudreau, 2017, pp. 3-26).

The case of the internal environment of human resource management can be discussed as follows.

The research highlights that Xinwang Company has an efficient human resource management system, evidenced by the ability to attract and retain top talents in the industry. The presence of a strong research and development team and experienced industry professionals contributes to the company's ability to innovate and compete effectively. Efficient human resource management is crucial for innovation and competitiveness (Elrehail, et al., 2019, pp. 125-149).

Xinwang's well-established human resource planning system is identified as a strength. The presence of HRBP and other related roles emphasizes the focus on strategic human resource planning. Effective human resource planning is recognized as essential for organizational success (Anwar & Abdullah, 2021, Abstract). The company's investment in employee training is recognized as essential for enhancing the skills and capabilities of the workforce. Employee training is widely acknowledged as a means to improve employee performance and organizational competitiveness (Kareem & Hussein, 2019, pp. 307-322). Xinwang's unique corporate culture, emphasizing characteristics like a spirit of struggle and fighting, is seen as a competitive advantage. Organizational culture plays a significant role in shaping employee behavior and engagement (Al-Swidi, et al., 2021, p. 128112).

The research identifies an excessive internal organization within departments as a weakness, suggesting the need to simplify the organizational structure and human resource management methods. Complex organizational structures can lead to inefficiencies (Eze, et al., 2017, pp. 46-62). The research points out that the overall quality of employees is not satisfactory, highlighting room for improvement. The quality of employees is a critical factor for organizational performance (Naqvi & Khan, 2013, pp. 490-503).

Xinwang's relatively low visibility in the industry compared to established companies is recognized as a challenge, emphasizing the importance of building a prominent brand and increasing visibility. Brand visibility is crucial in highly competitive industries like e-commerce (Ilyas, et al., 2020, pp. 427-438). The research highlights the impact of external economic conditions, such as the COVID-19 pandemic, on Xinwang, leading to decreased profits and increased marketing risks. External economic factors can significantly affect organizational performance (Rehman, et al., 2022, pp. 605-622).

This research contributes to theories on HR management and organizational performance. They underscore the importance of efficient HR practices (Cherif, 2020, pp. 529-541), strategic HR planning (Storey, et al., 2019, p. 998), employee training (Noe, et al., 2020, p. 713), and the role of organizational culture in employee engagement (Wahyuningsih, et al., 2019, pp. 142-151). The research also aligns with existing theories of organizational structure and its impact on efficiency (Cummins, et al., 2004, pp. 3113-3150) and the critical role of employee quality in achieving organizational goals (Storey, et al., 2019, p. 998). Xinwang Internet E-commerce Company operates in a favorable external environment with several strengths in its internal human resource management. However, it also faces challenges that require attention to ensure continued success and competitiveness in the evolving digital landscape.

The previous chapter introduces the business background of Xinnet, the organizational structure of the human resources department, the current degree of informatization, and the expectations and goals of the human resources management for digital transformation. Although the digitalization of human resources of the company is still in the initial stage of digitalization of human resources management, the introduction of a large number of external talents in the past year has brought a new understanding of the concept of human resources management, and the digital transformation of human resources management has also emerged, and has been given high hopes by the human resources team. At the same time, through internal interviews and external surveys, the management of human resources also identified three general directions for digital transformation:

First of all, the coverage of informatization is extended to the whole process and scene of human resource operation, so as to realize the automatic flow of information, and improve and complete the indicators and data in the process of human resource operation.

Second, it is necessary to actively use various digital tools to improve the quality and efficiency of human resources operation, and at the same time to separate the human resources team from the tedious, repetitive and basic human resources work, so that the human resources team can devote more working time and energy to the formulation, analysis and implementation of human resources strategy in combination with business development and needs. Use the human resources to align with company strategy;

Third, it is based on the first two points, the use of intelligent analysis, intelligent forecasting and other tools, actively explore more possibilities related to human resources strategy, from supporting the development and needs of the business, to forecast business development, leading the business forward.

Through the discussion of the research results, we can conclude that the current corporate environment has many deficiencies in human resource management, and the digitalization of the company is still in the initial stage of the digitalization of human resource management, and there is still a lot of room for improvement and development. When we study the human resource management environment of the company, we put forward the research hypothesis that the current digital transformation function of the company's human resource management is limited and cannot meet the current requirements of the human resource department. So the results of our study of the corporate environment are generally consistent with our hypothesis.



This paper also has a series of shortcomings in the study of corporate human resource management environment, which are mainly concentrated in the following two aspects:

1) The application of environmental results has certain limitations. The company's internal system is complex, the amount of assets is large, the risk appetite is conservative and other reasons, human resource management innovation resistance. Due to the large amount of transformation, the complex interest relationship involved, and the high cost of reform, only enterprises with certain conditions can bear the digital transformation. Therefore, the environmental analysis of Xinnet is not applicable to some small and micro enterprises, and the innovation experience has a certain scope of use in the promotion.

2) The research content has certain limitations. This study involves a number of interdisciplinary disciplines and has a broad research scope. Due to the limited scope of knowledge and materials currently mastered, some experiences and conclusions have certain subjective colors, and the depth of theoretical research needs to be further explored. At the same time, due to the change of economic environment, some innovative practices of human resource management have different effects in different periods.

## **2. Discussion of design the human resource management to support the digital transformation of Xinwang Internet E-commerce Company.**

This chapter is divided into several chapters based on the operational modules in the human resource management process of Xinwang Company. It describes the platforms and technologies used in the digital transformation process of Xinwang Company's human resources, and explains how to combine digitization with human resource operations.

Digitalization covers various aspects of employees in different stages of an enterprise, including human resource organizational planning, recruitment and staffing, employee lifecycle management, training and development, and performance management. Research has shown that digitization facilitates the management of human resource departments, employees, and frontline supervisors, improves data quality and completion efficiency, while reducing the consumption of time and energy. Aligning with Xinwang's human resource management goals. This positive impact is consistent with previous research on the impact of change management theory of change (Spreitzer, 1997, pp. 679-704). This supports the theoretical understanding that change is about maintaining competitiveness in enterprises (Rajagopalan, 1997, pp. 775-803).

Research has pointed out that in the process of standardizing human resource operation processes, Xinwang Company can reduce unnecessary paper and courier costs, establish its own electronic human resource database and database, release a large amount of administrative work and inefficient transaction work from human resource colleagues, and enable the human resource department to allocate more energy and time. Committed to the formulation, promotion, and implementation of human resource management strategies, and further promoting the implementation of the new network company's strategy with the implementation of human resource strategies. This study is consistent with the existing research theory (Kohli et al. 2019) that the driving force of digital technology enables enterprises to reduce operating costs, achieve better resource allocation, and demonstrate higher environmental efficiency in product production processes.

At the same time, with the help of the digital SaaS platform, the Human Resources Department of Xinwang Company has unconsciously recorded and obtained a large amount of management information and data through online workflows. Through a large amount of data, it is expected to combine the concept of big data to analyze more conclusions that can help enterprises formulate and implement strategies. This is consistent with the conclusion that digital technology improves work efficiency in the theory of human resource management in the digital era (Chen Dongmei, 2020, pp. 220-236).

Through the discussion of the research results, we can draw specific strategies and methods for designing human resource management in the digital transformation process of enterprises. When studying the human resource management design of a company, the research hypothesis proposed is based on our scientifically formulated human resource transformation strategy, which can improve the efficiency of the company's digital transformation and solve the difficulties of the company's current digital transformation. Therefore, our research results on the corporate environment are basically consistent with our assumptions.

Although this study has achieved certain research results, there are still certain limitations and shortcomings. At present, the theory and practical experience of digital transformation strategy have not been fully applied in various industries in China, and digital development is a continuous and complex process. Therefore, although the digital strategic planning proposed in this article is forward-looking, it will encounter many obstacles in the actual process. In the future, we will continue to pay attention to the problems in this field, while combining the convenience brought by the application of new digital technologies and tools to propose sustainable plans for

the company's digital development strategy. We will also actively learn from the achievements and successful experiences of digital strategies in developed Western countries, and actively construct a digital strategy suitable for our company.

## **Recommendations**

### **1. Practical Recommendation**

Suggestion 1: Build a comprehensive digital transformation platform for human resource management. Extend the coverage of informatization to automate information flow throughout the entire human resource operation process. Based on the cloud platform, namely the SaaS platform, not only reduces the cost of platform operation and maintenance, but also can be very flexible in adapting to the development and change of enterprises, facilitating the adjustment of management strategies by human resource teams, and effectively improving the efficiency and quality of human resource management.

Suggestion 2: Digital transformation has helped to bridge the collaboration, data flow, and process connection between various teams in the human resources department of Xinwang Company. The integrated platform management has also greatly helped the human resources department integrate all processes of employee management into one platform, truly achieving integrated tracking of the entire process of the employee life cycle, and promoting a new concept of employee management.

Suggestion 3: The introduction of various digital tools can effectively integrate with enterprise operations and human resource management operations. Even the digitization of a single link in the operational process can bring significant savings in operating costs for enterprises in the long run.

Suggestion 4: Digitize recruitment, staffing, employee training, and development processes. Utilize digital tools to enhance the quality and efficiency of these operations, freeing up HR teams for more strategic endeavors. Additionally, embrace intelligent analysis and forecasting tools. Actively explore possibilities related to human resource strategy through the use of AI and other intelligence tools. Employ data-driven insights to support business development.

### **2. Recommendation for Future Research**

Suggestion 1: Investigate how employees perceive and adapt to the changes brought about by the digital transformation within Xinwang Internet E-commerce Company. Assess the impact on employee engagement, satisfaction, and the overall

experience. This research could provide valuable insights into the human side of digital transformation.

Suggestion 2: Explore the implementation and utilization of specific digital tools, especially focusing on Xinwang's human resources, digital platform. Assess the strengths and weaknesses of the current tools, and propose recommendations for optimizing their use. This research could provide practical guidance for improving the efficiency of digital tools in HR processes.

Suggestion 3: Conduct an in-depth exploration of specific challenges identified in the internal environment analysis, such as organizational complexity, low employee quality, and low visibility. Develop targeted interventions and solutions to address these challenges and measure their effectiveness over time. This research could contribute to improving internal HR processes.

Suggestion 4: Delve deeper into the impact of external economic conditions, on Xinwang Internet E-commerce Company. Explore strategies to further mitigate the effects of economic fluctuations and enhance the company's resilience in the face of external challenges. Understanding the external factors influencing HR practices is crucial for adapting to changing circumstances.