

# The Research and Analysis of Huawei's Integrated Management Model

Yu Bai<sup>1</sup>, Qiao Ming Li<sup>2</sup>

MBA<sup>1</sup>, Supervisor<sup>2</sup>, Siam University, Bangkok, Thailand

**Abstract:** Huawei is a leading company of providing information and correspondence technology (ICT) in the world, its sales strategy a focus on ICT field. By regarding table sales strategy, persisting innovation and open corporation, the company achieve strong competitive advantages in Correspondence Carriers, enterprises and cloud computing; moreover, Huawei also provide advanced ICT solutions, products and service to the carriers and customers, and it is also aim at building future information society and connecting the world by information technology.

Nowadays, Huawei has one hundred and seventy hundred thousand employees in 170 countries and areas, which serves for one third of people in the world. The management system which Huawei adopts is advanced and efficient. This research paper is focus on analyze and search Huawei's management model, business management and human resource management.

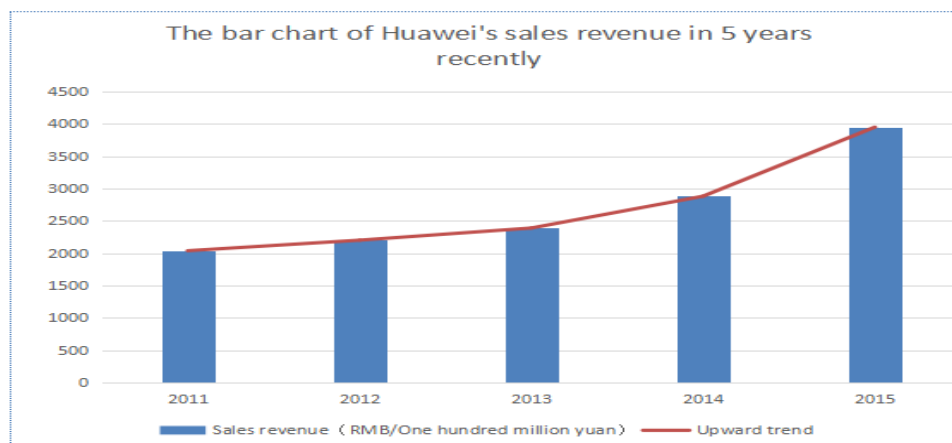
**Keywords:** Huawei, Management Model, Human Resource Management, Business Management.

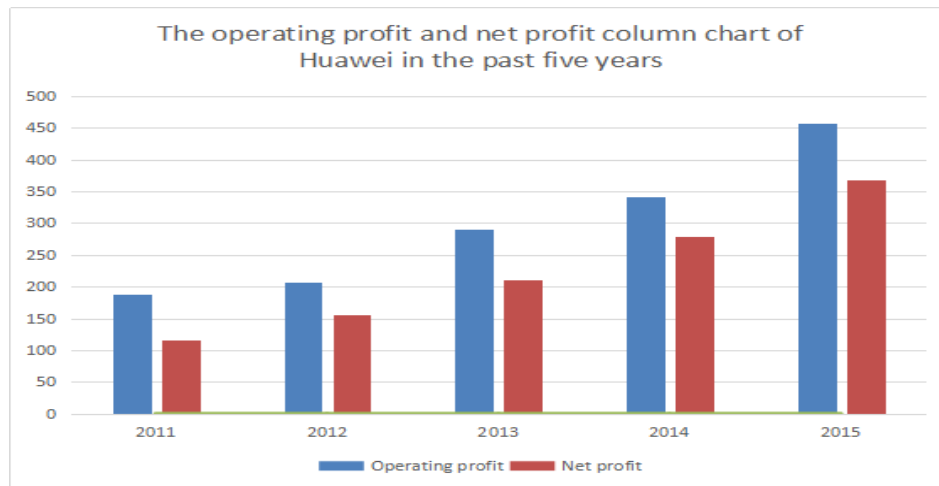
## 1. BACKGROUND

### 1.1 Company Introduction

Huawei Technologies Co Ltd is a private communications technology company which produces and sells communications equipment, based in Longgang district of Shenzhen city, Guangdong province, China. The product of Huawei mainly involves the switched network, transit network, fixed wireless and wired access network, data communication network and wireless terminal products of the communication network. Huawei provides hardware equipment, software, service and solution for the communication operators and professional network owners all over the world. Huawei was formally registered in 1987 on Shenzhen, China.

The product and solution of Huawei has been used in more than 170 countries worldwide. They serve 45 in the world's top 50 operators and a third of the global population. Huawei ranks the 285th in the 2014 "fortune" the world top 500 ranking, which rose 30 compared with the previous year. In 2015, Huawei was named sina science and technology of the year 2014 annual list of outstanding enterprises. (2) In 2016, Huawei Huawei, up from 2015, ranked 70th in the 50th in the Millward Brown's BrandZ ranking of 100 most valuable global brands. For the company's achievements in the past few years, we can use a few intuitive chart clearly understand.





(The data in the table was mainly from Huawei annual report)

It is easy to see from the two simple charts shown above that Huawei company has made great progress in sales revenue, operating profit and net profit in recent five years. The size of this company and the cash flow of the business were continually expanding, which was very difficult for a company with such a large scale. At the same time, the effort of the company's management and the use of advanced management system cannot be ignored.

## 2. THEORY OF CONCEPT

### 2.1 What is the management model?

The real modern management must be processed through management model. The management model is built under the guidance of management philosophy, and it is a management behavior architecture consisting of management method, management model, management system, management tools, and management procedures. The entrepreneurial management model is symmetric with the human's second start-up period, which is dominated by knowledge management and focuses on opportunity management. An important symbol of good management mode is its adaptability to the environment. In this report, Huawei will involve in eight kinds of management model analysis that include organization management mode analysis, system management mode analysis, cultural management mode analysis, technology management mode analysis, the innovation management model analysis, change management mode analysis, financial risk management mode analysis, and the marketing management mode analysis.

### 2.2 Huawei management mode in brief

Huawei, founded in 1988, is engaged in the communications industry. It caught up in the good days that communication industry began to replace the PC industry. Becoming a new leading industry, Huawei is facing a global economic market environment that Chinese communications market is in a rapid development period. The advantageous condition is the most favorable objective condition for Huawei to grow to this size now .

## 3. RESEARCH METHODS

### 3.1 Research

Firstly, the data were collected via a variety of methods in both field survey and internet survey. 200 questionnaires were sent out. Among them, 28 questionnaires in internet survey and 7 questionnaires in internet survey were collected, including 23 valid questionnaires.

Secondly, some executives were consulted and discussed with for more information.

### 3.2 SWOT analysis

The core competitiveness is the key for an enterprise to develop and exist among its powerful competitors. Huawei built its core competitiveness in research, system, service, etc. The advantages are:

1. Business ranking

The new data from Dell'Oro showed that Huawei in the first half of 2009 ranks third in the global mobile network equipment market. Two telecom equipment established giants, Ericsson and nokia Siemens (Ericsson shared 33% market in the first quarter, second quarter to 32%; nokia Siemens shared 21% market in the first quarter, second quarter 20%; Huawei shared 15% market in the first quarter and 17% market in the second quarter), were still in the top.

#### **4. ANALYSIS AND DISCUSSION**

##### ***4.1. The analysis of Huawei's organization management mode***

The structure of the organization The general meeting of stockholders is the company's highest authority, make decisions for the major issues such as capital increase, profit distribution, and the election of directors/supervisors, etc.

Directors board is the decision-making body of company's strategy and management, offering guidance and supervision to the company's overall business operation, making decisions for the major issues in the process of strategy and operation of the company.

The main duties of the board of supervisors include the internal and external compliance supervision, checking the company's financial and performance, supervising the behavior of carrying out the job of the directors and senior management and in performing duties and regulatory oversight board operation.

Company executes the rotating CEO system which is under the leadership of the board of directors, and the rotating CEO is the highest responsibility of company management and crisis management during rotation, and is responsible for the company's survival and development.

Since 2000, Huawei hired KPMG as independent auditors. The auditor is responsible for the annual financial statements audit, and to evaluate the true and fair of financial statements according to the accounting standards and auditing procedures and express an opinion on financial statements.[1]

Company set up the organizational structure in three latitudes which is based on the customer, product and area, the corresponding organization create the value for customers jointly, and is responsible for the effective growth of the company's financial performance and market competitiveness improvement and customer satisfaction.

Operator BG and business BG is the company's management and support organization respectively facing to subscribers and enterprise/industry customers' solutions marketing, sales and service, and to provide solutions which are rich in innovation, differentiation and leading according to the business characteristics and operation laws, and to constantly improve the industry competitiveness of the company and customer satisfaction. Consumer BG is the company's end-to-end business organization which is face to terminal users, and is responsible for the result of the operation, risk, market competitiveness and customer satisfaction.

Products and solutions is an organization of the company offering ICT integration solution which is face to operators and enterprise/industry clients, and is responsible for product planning, development, delivery and product competitiveness, and to create a better user experience and support for business success.

Regional organization is the company's regional business center, and is responsible for the establishment and effective use of various resources and ability in the area. Company continuously optimizes regional organizations, and to speed up authorize the front line organization, commanding right, the decision-making power gradually transfer to the representative office. Building closer relationship and partnership with our customers and helping customers achieve business success, at the same time further realizing Huawei's own health and sustainable growth.

Group function platform is focus on business support, services, and regulatory, and to provide timely and accurate effective service ahead, in the full forward authorized at the same time, strengthen the supervision

#### **5. CONCLUSION AND DISCUSSION**

##### ***1. The International Standard Management System***

Huawei adhere to the "rigid, optimized, and then cured" system. it advocates continue to progressing or improving, from these standardized processes and financial systems and even the hardware. We should gradually westernize, subtle promote the internationalization of software in the management, "cut Huawei's foot", fit Americans' requirement. We need vigorously absorb the essence of Western management system to change from the system that human responsibility

for specific person to responsibility to specific work. Use decentralized system to alter centralized system. replace the linear organization structure by matrix organization structure , etc. ultimately to the establishment of corporate law in the form to create a unique style of Huawei application management model, it is these very initiatives to achieve Huawei "has become the world's leading enterprises," and dreams of glory.

## **2. Traction Talent Management Relations**

Huawei people think that the opportunities, talent, technology and products are the main driving forces of the company's growth. On this basis, Huawei worked evaluation system introduced from the United Kingdom, the United States also requested the company to make compensation consultants HAY, through digestion and absorption, Huawei has gradually formed its own talent management relations. For example, on remuneration and benefits to the excellent staff firmly tilted firmly implement posts, capacity, will be responsible for, the treatment system fixed remuneration, performance as the basis for promotion. Performance Evaluation of cruelty lies in the past. This means that employees must Huawei innovation every year, has improved, there is no progress, performance is zero.

## **6. ACKNOWLEDGEMENTS**

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