

# *Research on Tmt Diversity for Enterprise Innovation in Entertainment Industry*

**Jiahe Wu**

*The Australian National University, Canberra, 2615, Australia*

*u7236464@anu.edu.au*

**Keywords:** Tmt, Diversity, Enterprise innovation

**Abstract:** With the acceleration of global economic integration and the ever-changing information revolution, the diversified trend of organizational business and the work of departments that need to cooperate with each other all pose new challenges to the top management team of enterprises. In contemporary enterprise management, the composition of management team is becoming increasingly complex. Therefore, the diversity and influence of TMT (Top Management Team) have attracted the attention of many researchers. In an era when human capital has gradually become the core capital for enterprises to operate efficiently, the top management team has gradually become the most important human capital in the process of formulating and implementing enterprise strategies, and the effectiveness of its operation has become an important guarantee for the success of enterprises. Cultural leisure and entertainment industry has become an important pillar industry of the rise of the world economic power and a trend of social development. This paper reveals the diversity characteristics of TMT and the mechanism of enterprise innovation in entertainment industry. Combined with the actual situation of entertainment companies, it puts forward the overall planning and implementation measures of the company's innovation strategy.

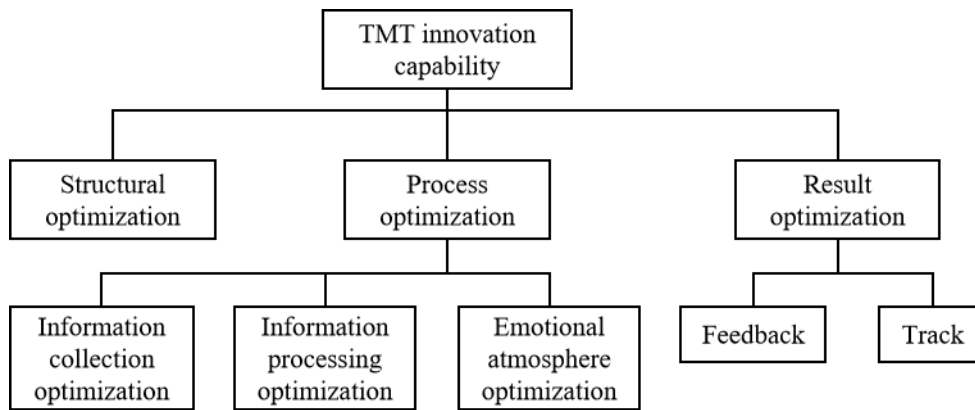
## **1. Introduction**

With the rapid development of modern science and technology, the high evolution of human culture and the continuous improvement of human quality of life, people can have sufficient time and energy for learning, development, social networking, entertainment, tourism and other activities [1]. With such a premise as a guarantee, people's all-round development becomes possible. Culture, leisure and entertainment may include the experience and creation of another culture that people can enjoy after professional work. It is a living state and behavior mode composed of multiple contents [2]. The ever-changing information revolution, diversified organizational business and closely coordinated departmental work also put forward new requirements and challenges to the senior leaders of enterprises. In order to break through the siege and occupy a place in the cultural industry, enterprises in the entertainment industry must transform and upgrade in order to keep pace with the times [3]. In enterprises, innovation involves organizational innovation, technological innovation, management innovation, strategic innovation and other aspects, which often affect the

development prospect of the whole enterprise, and these important innovation decisions are completed by the senior management team (TMT) [4]. As the enterprise strategy formulation and implementation layer, the senior management team is a team composed of senior managers who mainly bear the responsibility of strategic decision-making in the enterprise. It is the core group that determines the development of the enterprise and affects the business of the enterprise. In the era when human capital has become the core capital to support the operation of enterprises, the top management team, as the most important human capital in the process of enterprise strategy formulation and implementation, is the power source to improve the core competitiveness of enterprises and the driving force for sustainable competition [5]. In contemporary enterprise management, the composition of management team is becoming more and more complex. Therefore, the diversity and impact of TMT have attracted the attention of many researchers. Based on this, this paper reveals the action mechanism of TMT diversity characteristics and enterprise innovation in the entertainment industry. Combined with the actual situation of entertainment companies, this paper puts forward the overall planning and implementation measures of the company's innovation strategy.

## **2. The Impact of Tmt Diversity on Enterprise Innovation**

TMT diversity mainly refers to the relative homogeneity and heterogeneity of team members' characteristics, which provides a broad perspective for team decision-making process. The first step of TMT strategic decision-making is to put forward strategic decision-making objectives. However, many decision-making processes often do not start with the presentation of decision-making objectives, but directly reach the analysis of decision-making information, thus introducing decision-making risks from the very beginning. Therefore, TMT of enterprises cannot make correct strategic decisions. Besides the direct reasons such as insufficient or wrong information and inadequate strategic plan, the deeper reason is that an important target is often missed [6]. By perceiving the internal and external environment of the enterprise, TMT fully understands the opportunities and threats of the external environment of the enterprise and the advantages and disadvantages of the internal environment of the enterprise, and matches TMT's subjective perception with the objective situation, so as to formulate strategic decision-making objectives that are suitable for itself and different from it. Strategic information refers to the information that can support TMT to make strategic decisions, but the factors that influence TMT strategic decisions are various and complex. However, what TMT needs to make correct strategic decisions is strategic decision information, rather than a general understanding of various influencing factors of strategic decisions, which requires analyzing and identifying strategic decision information from a large number of general influencing factors [7]. In many cases, TMT does not know how to make strategic decisions, but lacks relevant information, or generally fails to use effective means to correlate and integrate the information needed for decision-making, and turn it into enterprise strategic decision information, which makes TMT fall into a lot of chaotic data. The framework for improving TMT's innovation ability from the perspective of knowledge integration is shown in the Figure 1.



*Fig.1 Tmt Innovation Capability Improvement Framework*

In the process of analyzing strategic decision information, the enterprise information system collects and synthesizes the internal and external environmental information of the enterprise, and TMT members of the enterprise obtain certain information through personal channels. Then TMT of the enterprise analyzes and integrates the information obtained by itself with the information system information through communication, exchange and discussion, and finally the chief information officer sorts out the strategic decision information report. The accuracy of strategic objectives will have a profound impact on the analysis of the following strategic decision information, the design and selection of strategic decision schemes, and the feedback and improvement of strategic decision schemes. Therefore, setting accurate strategic decision objectives is quite basic and important, and wrong objectives will lead to the loss and failure of strategic decisions. In order to better analyze the strategic decision information, the CEO or the chairman of the board of directors can appropriately enhance the position of the CIO in TMT from a strategic perspective, and by establishing a perfect TMT interactive mode, the CIO can fully play its role in the analysis process of strategic decision information and work out accurate strategic decision information reports.

### **3. Influencing Factors of Tmt Innovation Ability**

According to the cognitive perspective of strategic decision-making, TMT's interpretation of internal and external environment and information usually has self-interested attribution bias, and strategy is influenced by its cognitive basis and values. However, psychological characteristics such as cognition and values are formed from TMT's past education and work practice, which form TMT members' explicit and tacit knowledge, including common knowledge, cross-knowledge and unique knowledge, and constitute TMT's knowledge network. TMT's team leaders enjoy great control in the team and enterprises, and they are the most important people who influence the strategic direction of the organization. They shoulder the important missions of vision motivation, conflict coordination, viewpoint integration and innovation support in decision-making [8]. A good team atmosphere can release the energy of TMT members, promote them to play their work enthusiasm and enhance the passion of the whole team. When the team as a whole shows high EQ, it will promote the knowledge sharing and absorption of the team, and greatly enhance the decision-making quality and innovation. As the owner of knowledge, TMT's knowledge structure is rooted in the structure of TMT characteristics. Diversity of team characteristics brings diversification of knowledge. The internal and external environment of an enterprise may change greatly at any time, and various new information and knowledge will emerge constantly during the implementation of decision-making. TMT is required to evaluate and improve the risks and benefits of strategic

decision-making.

#### **4. Enterprise Innovation in Entertainment Industry**

Entertainment is closely linked with culture, and entertainment cannot be separated from culture. Only when entertainment is combined with culture, and only when it is integrated with something more fundamental and profound in culture, people will not only relax and enjoy themselves, but also cause spiritual shock and spiritual sublimation. Compared with TMT external network, TMT internal network is more convenient to use and easier to control. Internal network can promote close social interaction among TMT members, which is particularly important for information acquisition, screening, selection and use. It determines the flow speed of knowledge and information within an organization, and then affects the speed and quality of decision-making. Therefore, enterprises should pay full attention to the construction of high-density trust network among TMT members. The purpose of information processing optimization is to improve information utilization rate and knowledge integration effect, and to improve TMT resource allocation and value creation ability. Information processing involves a series of related processes such as the reception, transformation, dissemination and release of information among members. In order to maintain the success of this process, TMT team leaders should maintain a free, loose and democratic management mode, improve members' sense of participation and identity, and encourage members to share knowledge. For start-ups, the high-density trust network among TMT members is more important [9]. Because there are many uncertainties in the survival and development of new ventures, only TMT members can make concerted efforts, make concerted efforts, seek common ground while reserving differences, and give full play to the advantages of each member, so as to obtain survival opportunities and development opportunities in the competition.

Culture and entertainment industry can strengthen cooperation with high-tech enterprises, jointly develop new products and expand service scope. These new products must conform to the development of the times and the needs of customers, pay attention to the introduction of advanced service concepts at home and abroad, and enhance the vitality of the cultural and entertainment industry. Decision-making is time-sensitive, therefore, TMT tends to make timely decisions and take timely actions to avoid missing opportunities. However, any decision will not be perfect at the beginning of formulation. Perhaps at first, the enterprise is committed to independent research and development, and because of the high cost or the change of economic environment, it may only choose to acquire certain technologies. In the optimization of results, TMT needs dynamic tracking and feedback, flexibly mining information from customers, employees, partners, competitors and other related groups, constantly experimenting and evaluating in decision implementation, comparing the actual situation with the decision plan, balancing risks and benefits, and giving up, adjusting and transferring in time. Entertainment operators can guide the trend of entertainment consumption only if they have different styles of corporate culture and business philosophy, use modern marketing methods, create different commercial leisure atmosphere and launch their own corporate brands. Especially in the legal age, operators should learn more, know what they can do and what they should be responsible for, clarify their rights and obligations, improve their comprehensive quality, establish the awareness of abiding by the law and fair competition, and correct their business behavior.

#### **5. Conclusions**

With the improvement of people's quality of life and the increase of leisure time, culture and entertainment are playing an increasingly important role in modern economic society. The innovation of entertainment enterprises is not an overnight process, so we must be prepared for a

protracted war. Selection, evaluation and control are important stages in the process of strategic management, and the result of strategic selection will directly affect the future survival and development of enterprises. In the growth process of enterprises, innovation is important, but enterprises should not only pay attention to one kind of innovation. Enterprises can reduce costs, improve staff morale, improve TMT quality, and gain sustainable competitive advantages. Therefore, the research in this paper has very important practical significance for enterprise management. Diversity of team characteristics brings diversification of knowledge. The internal and external environment of an enterprise may change greatly at any time, and various new information and knowledge will emerge constantly during the implementation of decision-making. TMT is required to evaluate and improve the risks and benefits of strategic decision-making. Only when TMT members work together, work together, seek common ground while reserving differences, and give full play to the advantages of each member, can they gain survival opportunities and development opportunities in the competition.

## References

- [1] Tao Qingxian. *Research on the Transformation and Upgrading of Traditional Leisure and Entertainment Industry in Inheritance and Innovation*. *Chinese Market*, vol. 995, no. 4, pp. 47-48, 2019.
- [2] Zhang Yuling, Ge Yuhui, Yao Yingying. *Research on the impact of TMT cross-border behavior on enterprise innovation performance*. *Technology and Innovation Management*, vol. 40, no. 4, pp. 425-432, 2019.
- [3] Yao Zhu, Zhang Xianchun, Xiong Zhengde. *TMT work mission, dual innovation and corporate innovation performance*. *Technological progress and countermeasures*, vol. 489, no. 5, pp. 99-106, 2020.
- [4] Wang Zi. *Development status, difficulties and strategies of my country's live entertainment industry*. *China Radio, Film and Television*, vol. 663, no. 21, pp. 89-91, 2018.
- [5] Liu Yue, Ge Yuhui. *The influence of TMT team process based on teamwork on strategic decision performance*. *Technology and Innovation Management*, vol. 180, no. 4, pp. 77-83+95, 2018.
- [6] Zhao Bingyan, Ge Yuhui, Liu Kai. *The impact of technological enterprise TMT vertical on the difference and behavior integration on innovation performance*. *Contemporary Economic Management*, vol. 38, no. 5, pp. 62-67, 2016.
- [7] Xie Xuemei. *Research on the impact mechanism of TMT heterogeneity on enterprise collaborative innovation performance*. *Scientific Research Management*, vol. 40, no. 9, pp. 37-47, 2019.
- [8] Luo Pei, Ge Yuhui. *The Heterogeneity of Executive Teams and Enterprise Innovation Performance from the Perspective of Power Distribution*. *China Human Resources Development*, vol. 380, no. 2, pp. 41-49, 2018.
- [9] Tang Guiyao, Li Pengcheng, Chen Yang. *Research on the Impact of Authorized Leadership on Enterprise Innovation and Its Mechanism*. *Journal of Management Engineering*, vol. 30, no. 1, pp. 52-60, 2016.