

Influence of E-business on Business Administration of Small and Medium-Sized Enterprises and Its Countermeasures

Qingshang Chen

Pingyang Feelteck Co.,Ltd, Wenzhou, Zhejiang, 325401, China

Keywords: E-business; Small and medium-sized enterprises; Business administration; Impact analysis; Countermeasure

Abstract: This article expounds the rapid development of e-business and the important position of Small and medium-sized enterprises (SMEs) in the national economy, and points out the necessity of studying the influence of e-business on the business management of SMEs. In this article, the influence of e-business on the market strategy, organizational structure, operation management and human resource management of SMEs is deeply analyzed by combining various research methods. Through careful research, the article reveals how e-business can promote SMEs to adjust their marketing strategies and strengthen their online marketing capabilities. How to promote the flattening of organizational structure and improve decision-making efficiency; How to upgrade the operation management and realize the automation and intelligence of the process; And how to strengthen human resource management and attract and retain key talents. Research shows that e-business has a far-reaching impact on the business management of SMEs, which requires enterprises to carry out reform and innovation in many aspects. Based on these findings, this article puts forward a series of targeted measures and suggestions to help SMEs better meet the challenges of e-business.

1. Introduction

In recent years, e-business has risen rapidly around the world with its unique charm and unlimited potential and has become a new engine to promote economic development [1]. Whether in developed countries or developing countries, e-business has profoundly changed people's consumption patterns and business operation modes with its convenience, efficiency and trans-regionality [2]. In China, with the popularity of the Internet and the rise of mobile payment, the e-business market is showing a booming trend. It not only gave birth to a batch of e-business giants, but also provided a broad development space for many SMEs [3]. E-business has become an indispensable part of the national economy, which has played a positive role in promoting economic growth, job creation and industrial upgrading.

As an important part of the national economy, SMEs are the source of market vitality and the main body of innovation [4]. However, under the impact of e-business, SMEs are facing unprecedented challenges and rare development opportunities. The rise of e-business has broken the

boundaries of traditional business models, enabling SMEs to cross geographical restrictions and expand a broader market [5]. Furthermore, the rapid development of e-business also puts forward higher requirements for the business management of SMEs. How to stand in the fierce market competition and develop continuously has become a problem that SMEs must face [6].

Based on the above, it is of great practical significance and theoretical value to study the influence of e-business on the business administration of SMEs. Through in-depth analysis of the impact of e-business on the market strategy, organizational structure and operation management of SMEs, we can provide targeted coping strategies and suggestions for SMEs to help them better adapt to the e-business environment and achieve sustainable development. This article aims to explore how e-business affects the business management of SMEs, and reveal the new characteristics, new laws and new trends of business management of SMEs under the environment of e-business.

2. E-business and business management of SMEs

E-business is a commercial activity conducted by using electronic communication technology. It covers the whole process from online display of goods or services, transaction negotiation and contract signing to payment for goods and after-sales service [7]. With the rapid development of internet technology and the acceleration of global digitalization, e-business has gradually grown from a new business model to an important force to promote the global economy. Nowadays, e-business has penetrated into all aspects of our lives and become an indispensable part of modern society.

SMEs are an important part of the national economy. It has the characteristics of strong flexibility, full innovation vitality and strong market adaptability. They are numerous and widely distributed, and have made great contributions to economic growth, employment creation and social stability [8]. However, SMEs are also facing many challenges in business management. Because of their small scale and limited resources, they often lack professional guidance and support in market strategy formulation, organizational structure design and operation management. Furthermore, SMEs are also facing problems such as intensified market competition, financing difficulties and talent shortage. These problems make it difficult for SMEs to walk in the development process, and it is necessary to constantly explore and innovate the business management model to adapt to the changes and development of the market. The impact of e-business on the business administration of SMEs is shown in Figure 1:

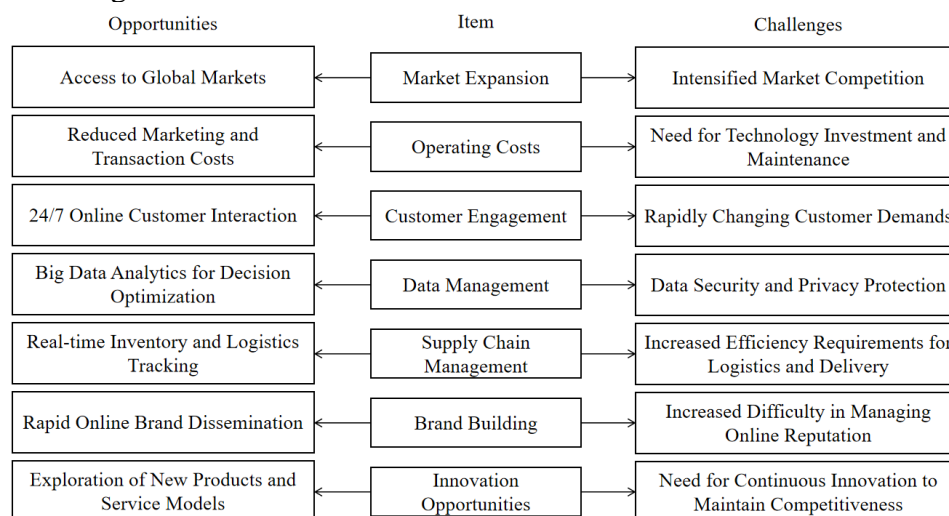


Figure 1 The influence of e-business on the business administration of SMEs

As shown in Figure 1, the rise of e-business has brought a double impact on the business management of SMEs. E-business and business management of SMEs are closely linked, promoting each other and growing together.

3. Analysis of the influence of e-business on business administration of SMEs

(1) The impact on the market strategy

The rise of e-business has completely changed the market strategy pattern of SMEs. Under the traditional mode, SMEs are limited by geography and resources, and it is difficult to reach potential customers widely. The emergence of e-business platform provides them with a window to display products and services 24 hours a day across geographical restrictions. Enterprises can accurately locate the target customer groups through search engine optimization, social media marketing, online advertising and other means to improve market coverage. Furthermore, e-business also promotes the development of personalized marketing. Enterprises can provide customized products and services according to customers' browsing records, purchase behaviors and other data, and enhance customer stickiness. These changes require SMEs to adjust their marketing strategies and strengthen their online marketing capabilities to adapt to the market competition in the e-business environment.

(2) The impact on the organizational structure

E-business has also had a profound impact on the organizational structure of SMEs. In the traditional organizational structure, enterprises are generally divided into departments according to their functions, with distinct levels and relatively lengthy decision-making processes. E-business requires enterprises to have the ability to respond quickly to market changes, which requires a more flat and flexible organizational structure. By reducing management levels, breaking departmental barriers and promoting information flow and resource sharing, enterprises can make decisions faster and seize market opportunities. E-business also promotes the importance of cross-departmental collaboration, such as the close cooperation between marketing department and IT department to jointly promote the development of digital marketing. Based on the above, SMEs need to adjust their organizational structure to meet the requirements of e-business for speed and flexibility.

(3) Impact on operation and management

E-business has brought a brand-new test to the operation and management of SMEs. In e-business mode, customer order processing, product distribution and after-sales service must become more efficient and accurate. Therefore, enterprises need to adopt cutting-edge information management tools, such as ERP (Enterprise Resource Planning) and WMS (Warehouse Management System), to realize the automation and intelligence of operation processes. E-business has also promoted the improvement of supply chain management. Through close cooperation with supply chain partners such as suppliers and logistics providers, enterprises can reduce inventory costs and improve logistics efficiency. And e-business also requires enterprises to strengthen their data analysis capabilities, and provide support for operational decisions by analyzing customer data and market information. SMEs need to constantly improve the efficiency of their operation and management in order to cope with the competitive pressure in the e-business market.

(4) The impact on human resource management

E-business has also had a profound impact on the human resource management of SMEs. Under the background of e-business, enterprises urgently need professionals in the field of e-business to promote the progress of digital marketing and data analysis. Such as network marketing experts and data analysts. This requires enterprises to make corresponding adjustments in recruitment, training and performance assessment to attract and retain these key talents. E-business also requires employees to have stronger learning and innovation ability to adapt to the rapid changes in the

market. Therefore, enterprises need to strengthen employee training and career development planning, and improve the overall quality and competitiveness of employees. In addition, the rise of e-business has also led to the development of new working modes such as telecommuting and flexible work, and enterprises need to adjust their human resource management strategies accordingly to adapt to these new trends.

4. Measures and suggestions for SMEs to deal with the influence of e-business

(1) Adjustment and optimization of market strategy

Faced with the impact of e-business, SMEs need to actively adjust and optimize their market strategies. Figure 2 mainly reflects the adjustment and optimization of market strategy for SMEs when they face the impact of e-business. Specific measures include: strengthening the study of market trends and consumer behavior; Make full use of e-business platform to expand online sales channels; Pay attention to customer experience and enhance customer loyalty; Establish cooperative alliances and share resources with other enterprises. These strategies are designed to help SMEs better adapt to the e-business environment and enhance their market competitiveness.

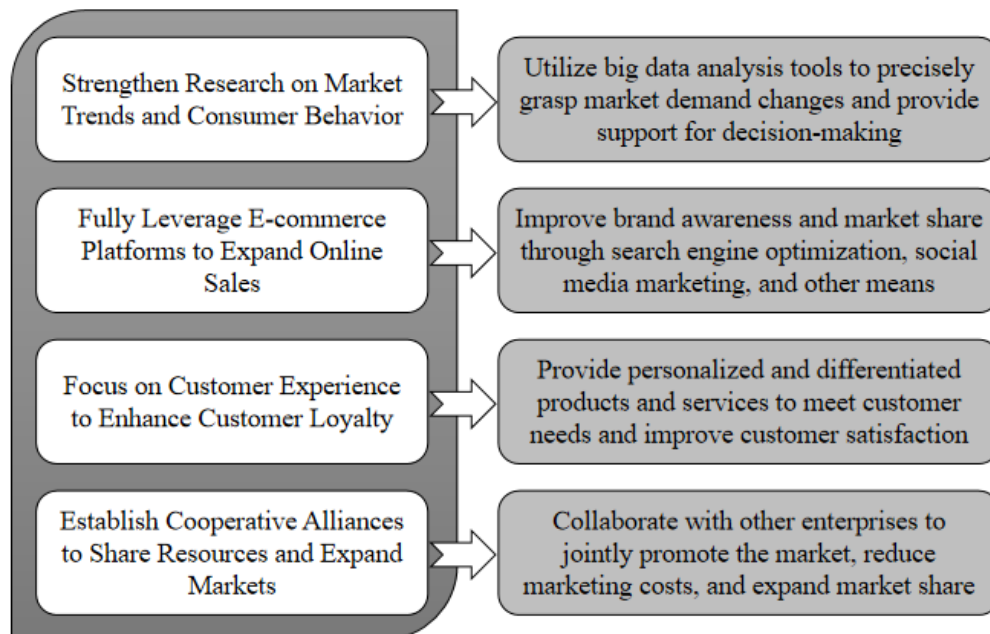


Figure 2 Adjustment and optimization of market strategy for SMEs facing the impact of e-business

(2) Reform and innovation of organizational structure

In order to adapt to the rapid development of e-business, SMEs need to reform and innovate their organizational structure. Enterprises should break the traditional hierarchical management mode, promote the flattening of organizational structure, reduce decision-making levels and improve decision-making efficiency. While promoting the flattening of organizational structure, SMEs need to strengthen cross-departmental cooperation. Barriers between departments often lead to poor information circulation and waste of resources, which affects the overall operational efficiency of enterprises. Enterprises should break down these barriers, promote information flow and resource sharing among departments, and form a good atmosphere for collaborative work. In addition, enterprises should also encourage employees to participate in the decision-making process and stimulate their innovative spirit and work enthusiasm. When employees feel that their opinions are taken seriously, they will work harder and contribute to the long-term development of the enterprise. Through the reform and innovation of organizational structure, SMEs can respond to market

changes more flexibly and improve their competitiveness.

(3) Upgrade and improvement of operation management

E-business puts forward higher requirements for the operation and management of SMEs. In this fast-paced and efficient era, enterprises must introduce advanced information management systems if they want to stand out in the fierce market competition. The application of ERP and CRM (Customer Relationship Management) systems makes the operation process of enterprises automatic and intelligent, which greatly improves the operation efficiency and management level.

In the e-business environment, the importance of supply chain management is increasingly prominent. SMEs need to establish closer cooperative relations with suppliers, logistics providers and other partners to jointly cope with the rapid changes in the market. By optimizing inventory management, enterprises can reduce inventory backlog and reduce operating costs; Improve the efficiency of logistics distribution and ensure that products can be delivered to consumers quickly and accurately. In addition, enterprises should also pay attention to data analysis, find potential problems by mining operational data, and provide support for decision-making. Through the upgrading and improvement of operation management, SMEs can better adapt to the market competition in e-business environment.

(4) Strengthening and developing human resource management

The development of e-business poses a new challenge to the human resource management of SMEs. In order to meet these challenges, enterprises must enhance the efforts of talent introduction and training, so as to attract and retain those professionals with knowledge and skills related to e-business. Enterprises need to build a comprehensive performance assessment system to stimulate employees' work enthusiasm, so as to improve work efficiency and the quality of results. In addition, enterprises should also pay attention to employees' career development planning, provide employees with opportunities for promotion and development, and enhance their sense of belonging and loyalty. Through the strengthening and development of human resource management, SMEs can build a high-quality, professional team and provide a strong guarantee for the long-term development of enterprises.

5. Conclusions

This article mainly discusses the influence of e-business on the business management of SMEs. Through in-depth analysis of market strategy, organizational structure, operation management and human resource management, this article reveals how e-business reshapes the business management model of SMEs. It is found that the rise of e-business has prompted SMEs to adjust their market strategies and strengthen online marketing; Promote the flattening of organizational structure and improve decision-making efficiency; Require the operation management to upgrade and realize the process automation; And strengthen human resource management to attract and retain key talents. These views and findings provide a useful reference for SMEs to meet the challenges of e-business.

In the future, e-business may further promote the innovation of business models of SMEs and promote the integration of online and offline development; Furthermore, it will also put forward higher requirements for the data management ability and risk prevention and control ability of SMEs. Therefore, future research can pay more attention to the deep integration of e-business and business management of SMEs, and explore more new business management models and strategies to adapt to the e-business environment. In order to provide theoretical support and practical guidance for the sustainable development of SMEs.

References

[1] Feng L, Ma J, Wang Y, et al. Comparison study on development path for small and medium-sized enterprises

- e-commerce using complex fuzzy sets[J]. International Journal of Computational Intelligence Systems, 2018, 11(1): 716-724.*
- [2] Li Nan. *Study on the competitiveness of small and medium-sized tea enterprises in cross-border electronic commerce [J]. Fujian Tea, 2021, 043(007):39-40.*
- [3] Chen Taoran, Peng Yue. *E-commerce development and innovation of rural small and medium-sized enterprises [J]. Journal of Northwest A&F University: Social Science Edition, 2022, 22(1):98-105.*
- [4] Ma Shuzhong, Pan Gangjian. *Cross-border electronic commerce Platform and the Core Competitiveness of SMEs-A Case Study Based on Alibaba International Station [J]. Journal of Hubei University (Philosophy and Social Sciences Edition), 2021, 48(06):136-148+179.*
- [5] Cheng Weijie, Jiang Lili. *Analysis on the path of cross-border e-commerce ecosystem construction for SMEs [J]. practice in foreign economic relations and trade, 2020, (08):33-36.*
- [6] Su J. *Coastline climate environment and e-commerce logistics system development: a GIS perspective[J]. Arabian Journal of Geosciences, 2021, 14(9):1-17.*
- [7] Durowoju O, Chan H K, Wang X. *Investigation of the effect of e-platform information security breaches: a small and medium enterprise supply chain perspective[J]. IEEE Transactions on Engineering Management, 2020, 69(6): 3694-3709.*
- [8] Shao Q, Wang H, Huang M. *Scheduling optimization on last-mile delivery of e-commerce based on accessibility analysis[J]. Syst. Eng, 2019, 37(1): 61-70.*