

# *The Importance of Technological Innovation in Enterprise Business Management*

Jun Zhou

*Jiangsu Chao Wei Semiconductor Technology Co., Ltd., Shanghai, 200333, China*

**Keywords:** Business Administration of Enterprises; Scientific and Technological Innovation; Core Competitiveness; Sustainable Development; Management Strategy

**Abstract:** This article focuses on the key issue of scientific and technological innovation in business administration. At present, enterprises are facing a complex and changeable market environment, and scientific and technological innovation is very important for their development. This article aims to explore the importance of scientific and technological innovation in business management and related strategies. Through literature review, case analysis and inductive deduction, this article studies the integration of business administration and scientific and technological innovation. It is found that scientific and technological innovation plays a significant role in enhancing the core competitiveness of enterprises, promoting sustainable development, promoting organizational innovation and helping market expansion. Based on this, enterprises should formulate business management strategies from the aspects of innovation strategic planning, optimizing organizational structure, strengthening talent management and perfecting innovation input mechanism, so as to give full play to the efficiency of scientific and technological innovation, enhance the market competitiveness of enterprises and realize sustainable development. It is expected that through the organic combination of various research methods in this article, innovative and practical research results will be contributed to this field, and enterprises will be promoted to achieve high-quality development driven by scientific and technological innovation.

## 1. Introduction

With the deep adjustment of the global economic structure and the surging wave of scientific and technological revolution, the business environment in which enterprises are located is undergoing unprecedented profound changes [1]. Scientific and technological innovation, as the core driving force of this era, is reshaping the development path and competitive situation of enterprises with an irresistible trend, and occupies an increasingly decisive position in the business management activities of enterprises [2]. From a macro perspective, with the acceleration of economic globalization, enterprises are facing fierce competition from all over the world. The traditional development model relying on resources and labor input is gradually declining, and scientific and technological innovation has become the key for enterprises to break through the bottleneck of development and realize transformation and upgrading [3-4]. Furthermore, consumer demand is increasingly diversified and personalized, and the market changes rapidly. Only with the help of

scientific and technological innovation, enterprises can keenly capture market trends, quickly respond to consumer demand, and stand out in the fierce market competition.

The purpose of this article is to deeply analyze the important role of scientific and technological innovation in the key links of enterprise business management, and on this basis, provide theoretical guidance and practical suggestions for enterprises to formulate effective business management strategies based on scientific and technological innovation. Through this study, we hope to achieve two goals: on the one hand, enrich the academic research in the field of integration of business administration and scientific and technological innovation from the theoretical dimension, fill the gaps in some specific aspects of existing research, and further improve the relevant theoretical system. On the other hand, it will provide effective guidance for enterprise practice, help enterprises to accurately grasp the convergence point between scientific and technological innovation and business administration, and fully release the potential of scientific and technological innovation by optimizing management strategies, so as to enhance the market competitiveness and sustainable development ability of enterprises in all directions.

## **2. Network economy era and enterprise business management**

With the tide of digitalization sweeping the world, the era of network economy has arrived. With information network technology as the core driving force, it reshapes the economic operation mode and the survival and development environment of enterprises.

The era of network economy presents many distinctive features [5]. First of all, information dissemination is efficient and real-time. With the help of the Internet, information can cross geographical restrictions in an instant and realize rapid circulation on a global scale. This greatly shortens the time for enterprises to obtain market information and technical information, and enables enterprises to perceive market dynamics more keenly. Secondly, the virtuality is remarkable, the network economy has built a virtual trading space, and the business activities of enterprises are no longer limited to physical places. Online platforms have become an important operating position, expanding the market coverage of enterprises [6]. Furthermore, innovation is dominant. In the network economy environment, innovation has become a key element of enterprise competition, and technological innovation and business model innovation have emerged in an endless stream, pushing enterprises to constantly change.

Business administration of enterprises bears unique connotations and categories in the era of network economy. From the connotation point of view, it focuses on the rational allocation and effective coordination of various resources of enterprises by using scientific management concepts and methods to achieve the established goals of enterprises. In terms of category, covering strategic management, enterprises need to formulate forward-looking and adaptive strategic planning according to the development trend of network economy, such as the layout of digital transformation strategy [7]. Human resource management is equally important, and the network economy era puts forward new requirements for the quality of talents. Enterprises need to attract and cultivate compound talents who know both information technology and management ability. In terms of operation management, enterprises should use network technology to optimize business processes and improve operational efficiency, such as adopting digital supply chain management to achieve accurate procurement, production and distribution.

The era of network economy is closely linked with the business administration of enterprises and influences each other. The era of network economy brings new opportunities for business administration of enterprises, provides massive market data and advanced technical tools, and helps enterprises to make accurate decisions and manage efficiently [8]. It also makes the business management of enterprises face challenges, such as network security issues bring risks to enterprise

information management, and the rapidly changing market demand requires enterprises to have stronger adaptability. Therefore, it is of great significance for enterprises to realize sustainable development in the era of network economy to deeply explore the relationship between them.

### 3. The important role of scientific and technological innovation in enterprise business management

#### (1) Enhance the core competitiveness of enterprises

Scientific and technological innovation can help enterprises gain technological leadership. By developing new technologies and new processes, enterprises can produce products with more performance advantages [9]. In the smart phone industry, with its continuous technological innovation, Apple keeps ahead in chip research and development and operating system optimization, making its products unique in the market. Furthermore, technological innovation promotes product differentiation and meets the diversified needs of consumers. Taking the field of electric vehicles as an example, Tesla has made breakthroughs in battery life and autonomous driving through technological innovation. It is different from traditional fuel vehicles and other electric vehicle brands, attracting a large number of consumers who pursue high-tech experience and greatly enhancing the core competitiveness of enterprises.

#### (2) Promote the sustainable development of enterprises.

In adapting to market changes, technological innovation is like the "radar" of enterprises. With the rapid change of consumer demand and the dynamic adjustment of market trends, enterprises can launch new products or services that meet market demand in time by relying on scientific and technological innovation. During the epidemic period, some traditional manufacturing enterprises quickly adjusted their research and development direction, and changed their production of epidemic prevention materials such as masks and disinfectant with the help of scientific and technological innovation, which successfully adapted to the market changes in a special period. In the optimal utilization of resources, scientific and technological innovation has achieved remarkable results. Through technological innovation, enterprises can adopt more efficient production technology, reduce energy consumption and realize the recycling of resources. Taking the iron and steel industry as an example, some enterprises introduced advanced energy-saving and emission-reduction technologies, which not only reduced the negative impact on the environment, but also reduced the production cost and achieved sustainable development. See Table 1 for details:

Table 1: Achievements of Technological Innovation in Facilitating Optimized Resource Utilization in Selected Industries

Industry	Technological Innovation Initiatives	Resource Optimization Achievements
Steel Industry	Introduction of new electric arc furnace steelmaking technology	Energy consumption reduced by 20%, waste emissions decreased by 15%
Chemical Industry	Development of green chemical synthesis processes	Raw material utilization rate increased by 18%, generation of harmful by-products reduced by 22%
Paper Industry	Adoption of fiber recycling and reuse technology	Wood resource consumption reduced by 25%, water resource recycling rate increased to 70%

#### (3) Promoting enterprise organizational innovation

Scientific and technological innovation promotes profound changes in enterprise management mode. The traditional hierarchical management mode has gradually changed to a flat and networked management mode. Based on scientific and technological innovation, ByteDance Company has built an efficient digital management system, which has broken the traditional hierarchical restrictions, and information can be quickly transmitted between departments and levels, greatly improving management efficiency and decision-making speed. Scientific and technological innovation has created a corporate culture atmosphere that encourages innovation and stimulated

the spirit of teamwork and innovation among employees. By establishing an innovation incentive mechanism, enterprises encourage employees to put forward innovative ideas and promote knowledge sharing and innovation transformation. In Google, employees are encouraged to use part of their working hours to carry out independent innovation projects, which has spawned many influential innovative products.

#### (4) Help enterprises to expand the market

Scientific and technological innovation has created an opportunity for enterprises to explore new market areas. With the development of artificial intelligence technology, some enterprises have developed intelligent medical diagnostic equipment based on this technology, which has successfully entered the medical and health market and opened up a brand-new market space. In terms of increasing market share, technological innovation makes enterprise products or services more competitive. Through technical upgrading, product quality and performance are improved, attracting more customers to buy, thus expanding market share. For example, Huawei has improved the performance and stability of its communication equipment through continuous technological innovation, occupying an important position in the global communication market.

### 4. Business management strategies based on scientific and technological innovation

#### (1) Innovative strategic planning

Enterprises should promote scientific and technological innovation to the strategic core position. When formulating the strategy of scientific and technological innovation, it is necessary to closely combine the market trend with its own advantages and define the long-term and short-term innovation goals. An electronic equipment manufacturer can focus on the research and development of folding screen display technology and related applications in the next five years by studying the development trend of industry technology, so as to occupy a leading position in the high-end electronic equipment market. Furthermore, we should pay attention to strategic coordination and integration to ensure that the strategy of scientific and technological innovation matches with the strategies of marketing, finance and human resources. Figure 1 clearly shows the direction of strategic coordination:

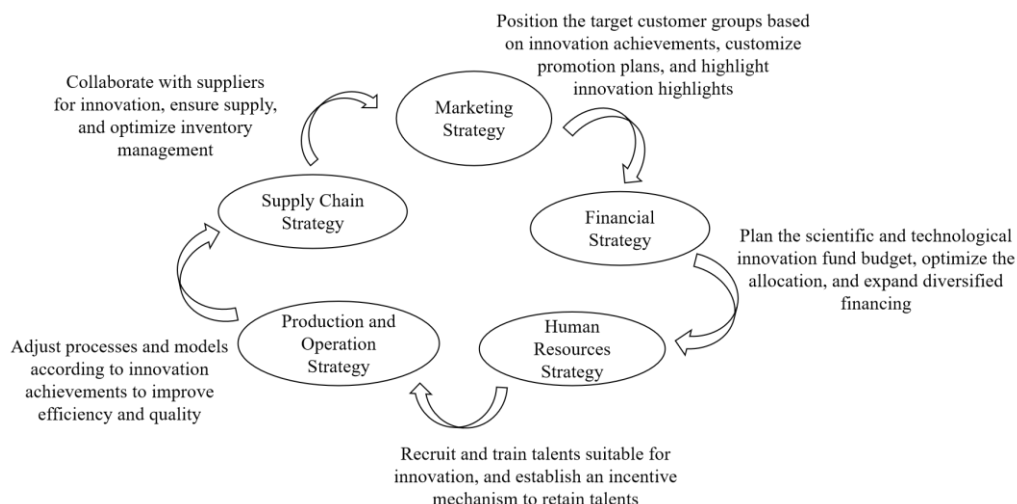


Figure 1 Table of Key Points of Synergy between Enterprise's Science and Technology Innovation Strategy and Other Strategies

#### (2) Optimize the organizational structure

Building an innovative organization is the key. Enterprises should break the traditional hierarchical barriers and establish a flexible and efficient organizational structure. Some Internet

companies adopt the project organization form, and set up cross-departmental teams around specific scientific and technological innovation projects, giving the teams full autonomy and accelerating the innovation process. Promoting organizational synergy is also crucial. Enterprises can build a digital communication platform and strengthen information sharing and cooperation among departments. In the process of new product research and development, the R&D department, the production department and the marketing department communicate in real time through the platform, so as to ensure that the products are closely linked from design to market and improve the innovation efficiency.

### (3) Strengthen talent management

Attracting innovative talents is the basis of scientific and technological innovation in enterprises. Enterprises need to formulate attractive salary, welfare and career development plans to attract outstanding talents in the industry. Enterprises can provide competitive salary, comfortable working environment and broad promotion space. Taking a technology start-up enterprise as an example, a group of senior engineers were attracted to join by giving core technical talents stock option incentives. Training and motivating talents are equally indispensable. Enterprises should regularly organize internal training and external learning and exchange activities to enhance employees' innovation ability. Furthermore, establish an incentive mechanism oriented to innovation achievements, such as setting up innovation project awards and patent awards to stimulate employees' enthusiasm for innovation.

### (4) Improve the innovation investment mechanism

Increasing capital investment is a necessary condition to ensure scientific and technological innovation. Enterprises should rationally plan R&D funds and ensure sufficient resources for innovative projects. Enterprises can stipulate that a certain proportion of operating income will be invested in R&D every year. Furthermore, actively expand financing channels, in addition to traditional bank loans, we can introduce venture capital and apply for government innovation funds. In terms of optimal allocation of resources, enterprises need to rationally allocate human and material resources according to the strategic importance and market prospects of innovative projects. For key innovation projects, we will concentrate superior resources to support them, improve the efficiency of resource utilization, and promote the smooth implementation of scientific and technological innovation projects.

## 5. Conclusions

This article deeply discusses the importance of scientific and technological innovation in enterprise business management and the corresponding strategies. Research shows that scientific and technological innovation has become the core element for enterprises to stand out in today's fierce market competition. In terms of enhancing the core competitiveness of enterprises, technological innovation helps enterprises gain technological leadership, realize product differentiation and attract more customers. By promoting the optimal utilization of resources and adapting to market changes, it has effectively promoted the sustainable development of enterprises. Furthermore, scientific and technological innovation promotes the change of enterprise management mode, creates an innovative culture, stimulates employees' innovative vitality and promotes organizational innovation. In terms of market expansion, it not only opens up new fields for enterprises, but also significantly enhances market share.

Based on these important functions, enterprises must formulate business management strategies based on scientific and technological innovation. Innovation strategic planning needs to put scientific and technological innovation at the core and coordinate various functional strategies; Optimize organizational structure, build innovative organizations and promote departmental

coordination; Strengthen talent management, attract, train and motivate innovative talents; Improve the innovation investment mechanism, ensure sufficient funds and rationally allocate resources. Follow-up research can further explore how enterprises of different industries and scales accurately implement business management strategies based on scientific and technological innovation, and provide more targeted guidance for enterprises.

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