

Research on How to Improve Management Effectiveness of SMEs under the New Situation

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Abstract: Under the economic globalization situation, some SMEs face the problem of management effectiveness and cohesion. In view of the fact that the core enterprises of small and medium-sized enterprises have certain differences, they cannot copy the management mode of large enterprises. To this end, they will discuss the management issues of small and medium-sized enterprises and promote the faster and better development of small and medium-sized enterprises under the new situation, which has the theoretical significance and practical significance. The paper conducts an in-depth study on the effectiveness impact factors of small and medium-sized enterprise management, builds a test model of enterprise management effectiveness, and explores the evaluation indicators of enterprise effectiveness management, from leadership, culture, execution and collaboration. This paper establishes the secondary evaluation index of enterprise management effectiveness, uses the analytic hierarchy process to determine the weight, and then designs the evaluation table reflecting the effectiveness of enterprise management, calculates the effective management index of the enterprise, and analyzes and discusses the strategies to improve the effectiveness of SMEs management.

1. Introduction

In the process of development, SMEs face more difficulties, relatively lack of talents, difficulties in financing, backward technology, unreasonable information, unreasonable operating mechanisms, and low management levels. These problems directly affect the survival of enterprises and seriously restrict the development of enterprises. However, compared with large enterprises, the impact of these problems is small due to the many advantages of large enterprises. On the whole, these problems are likely to be fatal for SMEs. For the solution of this problem, foreign research on the management of small and medium-sized enterprises has been formed into a theory, and a considerable empirical test on the management model has been achieved, and gratifying results have been achieved. However, China's research on small enterprises is in its infancy, especially the research on the effectiveness of SME management can be said to be a blank. Based on the relevant foreign theoretical and practical experience, this paper establishes a management evaluation model suitable for the development of China's SMEs, aiming to help SMEs get out of the predicament of their own development [1].

2. SME group management efficiency evaluation model

This thesis adopts the combination of expert scoring and analytic hierarchy analysis, which is applicable to both the indicators and the support of expert systems. Firstly, the expert scoring method is used to establish the indicators reflecting the effectiveness of SMEs management. After setting the evaluation indicators, the experts are consulted, the indicators are compared, the scales are quantified, the comparison matrix is constructed, and the indicators are calculated by the analytic hierarchy process. The weights are used to derive the enterprise management effectiveness index. The combination of qualitative and quantitative methods ensures the rationality of the set indicators and reduces the calculated weights subjectively [2].

2.1 SME management effectiveness level indicators

2.1.1 Management execution

Enterprise execution is the transformation of strategic decision-making into satisfaction, accuracy, and speed. It is a systematic project, which is the continuous optimization of management, the construction and evolution of culture. With regard to corporate execution, many successful entrepreneurs have made their own definitions. In short, the effectiveness of execution is the ability to quickly respond and implement or implement it when the superior issues an order or request.

2.1.2 Corporate Leadership

Corporate leadership is the ability to guide a company's people to achieve their goals. Leadership is mainly reflected in the manager setting performance targets for his company, maintaining the interests of the company at a broader organizational level, and striving for the resources needed by the company. Dell Carnegie said that leadership is the ability to turn an ideal into reality, which is to elicit the desire of employees. The quality of enterprise leaders is high, their ability is strong, and their style of work is democratic, so they are more attractive to employees, and the effectiveness of corporate management is strong.

2.1.3 Corporate Culture

Corporate culture refers to an ideology of values, ethics, and codes of conduct that are recognized by employees. If a company has a distinct collective ideology, employees are willing to work hard for the company's goals; corporate personnel recognize and accept the company's shared values; the company has the ability to deal with internal conflicts and conflicts and respond to external environmental changes and competition.

2.1.4 Enterprise Enterprise Collaboration Ability

The results of enterprise collaboration are far greater than the simple sum of individual results. Enterprise collaboration is a collaborative effort and voluntary cooperation to achieve a certain goal. It can make full use of the resources and ingenuity of the employees of the company, effectively integrate it and give play to the power of enterprise collaboration.

2.2 Calculating the effectiveness of enterprise management

The AHP method is used to establish the structural model of project cohesion evaluation. The enterprise cohesion evaluation system is divided into three levels, namely, target layer (A), first-level indicator layer (B) and second-level indicator layer (C).

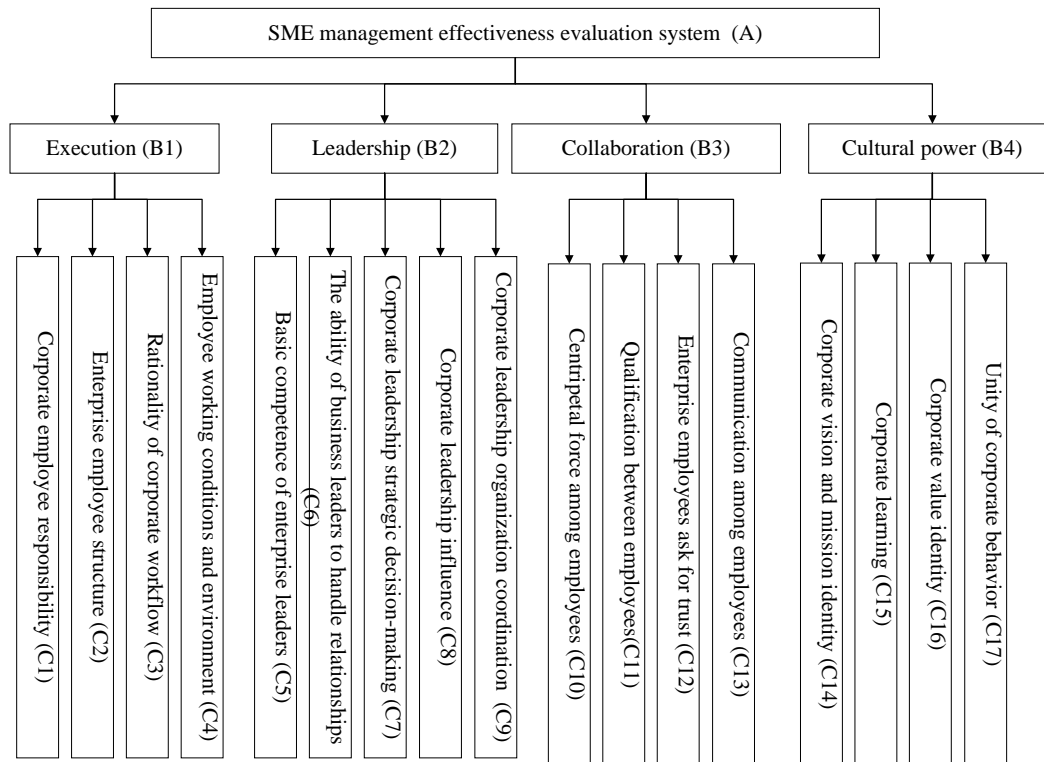


Fig. 1 Establishing a corporate cohesion evaluation structure mode

Tab. 1 Management effectiveness level two level weight table

	Primary indicator		Secondary indicators		Combination weight
	factor	Weights	factor	Weights	
SME management effectiveness evaluation system	Execution	0.3597	Corporate employee responsibility	0.6643	0.2095
			Enterprise employee structure	0.2083	0.4064
			Rationality of corporate work flow	0.1011	0.0890
			Employee working conditions and environment	0.0480	0.2509
	leadership	0.1618	Basic competence of enterprise leaders	0.2309	0.5859
			The ability of business leaders to handle relationships	0.3458	0.2599
			Corporate leadership strategic decision-making	0.2389	0.5882
			Corporate leadership influence	0.3442	0.5852
			Corporate leadership organization coordination	0.5432	0.5695
	Collaboration	0.0400	Centripetal force among employees	0.5683	0.2595
			Qualification between employees	0.2385	0.5995
			Enterprise employees ask for trust	0.3987	0.9565
			Communication among employees	0.8765	0.5896
	Cultural power	0.0788	Corporate vision and mission identity	0.3496	0.5596
			Corporate learning	0.3786	0.5865
			Corporate value identity	0.3467	0.5865
Unity of corporate behavior			0.5463	0.2095	

2.3 Creating an Enterprise Management Effectiveness Index

Five levels are set for each indicator reflecting the effectiveness of corporate management, namely “very strong”, “strong”, “medium”, “weak” and “very weak”. The scoring method for each indicator is 5, 4, 3, 2, and 1 point. After the evaluation form is collected, the actual number of copies should be counted, and the score rate of each indicator should be calculated and calculated [3].

$$R_j = \frac{\sum_{i=1}^n r_i}{5n} \times 100\% \quad (1)$$

R_i : The score of the J th indicator by the i -th evaluator

N : Number of evaluate participating in the evaluation

R_j : The score of the J th indicator

Multiplying the scores of the effectiveness indicators by the sum of their respective weights is the effectiveness index of the firm. The total index is above 90%, 75%-90%, 60%-75%, 60%-45%, and 45% or less, which are defined as strong, strong, general, weak, and weak. The algorithm is shown in Equation 2.

W_j : The weight of the j th indicator

M : Number of business effectiveness evaluation indicators

R_j : The score of the first indicator

TCI : Corporate Effectiveness Index

$$TCI = \sum_{j=1}^n R_j W_j \quad (2)$$

3. Current problems in SME management

By substituting weights into calculations, SMEs have certain problems in talent management, efficiency, and growth. The specific performance is as follows.

3.1 Serious brain drain

Brain drain is particularly acute in many SMEs. In the process of enterprise development, many companies often encounter problems of talent gap or insufficient follow-up force. Brain drain will not only have a negative impact on the company, but also cause some indirect cost losses. The loss of some employees is likely to cause a greater loss of members, because this part of the employee turnover will adversely affect the mood and work enthusiasm of other employees, and those who have not considered looking for a new job feel that there is There are opportunities for better development and other opportunities. The enthusiasm of these on-the-job employees will be affected, especially when they see more rewards for employees looking for new developments [4].

3.2 The company's efficiency is not high

The low efficiency of enterprises is caused by many factors: First, many SMEs do not pay attention to corporate culture construction, and corporate members lack common values. Enterprises rarely educate and train employees on management concepts, systems and values [5]. Second, there is a lack of cooperation awareness among the members of the company. The contradictions, problems and conflicts in the enterprise cannot be solved, and it is difficult to produce synergy and

the company has low cohesion. Third, there is a lack of a reasonable performance evaluation mechanism. Many SMEs do not have a standardized performance appraisal and evaluation system. Some enterprises even have performance appraisal mechanisms, but most of the bonus distribution and employee promotion are determined by the boss. The members of the company lack enthusiasm. Fourth, the human resources mechanism is not perfect. The human resources management in the development process of many small and medium-sized enterprises is based on family and friendship, and lacks some basic work in human resource planning, job analysis, and performance indicator setting. This may lead to the inability of the on-the-job personnel to be qualified for their position, the lack of meticulous and reasonable work analysis, the lack of specific performance evaluation indicators, and the lack of curability.

3.3 Business growth is slow

Many SME leaders have low comprehensive quality, and their thoughts cannot keep up with the development of all aspects of enterprise enterprises. Management concepts, management mechanisms and the development of enterprise enterprises cannot be coordinated, and the human resources management mechanism is imperfect, resulting in slow growth of enterprise enterprises [6].

4. Ways to improve the effectiveness of management of SMEs

4.1 Fully equipped staff, choose the right leadership

Whether business leaders can set clear goals and effective decisions for enterprises and design reasonable strategic plans is related to the development of enterprises. Business leaders should have the courage to have a certain courage and style when dealing with and dealing with enterprise issues; business leaders should have organizational discipline and take the lead to ensure the effective implementation of rules and regulations; It should have ideological and moral cultivation, excellent professional knowledge and skills, and a strong comprehensive quality. Members of an enterprise should be strictly selected and specially equipped. Enterprise managers should treat each member differently according to their different personality traits, hobbies, background experiences, etc., and arrange suitable positions for them to make them Can complement each others strengths and give full play to their own personality and strengths [7].

4.2 Setting clear and accessible corporate goals

The setting of the team's goals should choose the way in which all members participate. The set goals should not only benefit the company but also meet the individual's needs. This can increase the member's recognition of the goal and enhance the effort; It should be challenging. The challenging goals can motivate members and stimulate their potential. At the same time, they can bring certain pressure to members. Moderate pressure is the driving force for achieving corporate goals. It is necessary to phase in, refine the goals of each stage, pay attention to the realization of each stage of the goal; the goal is to strengthen the concept of development, and constantly introduce new ways of thinking and behavior patterns.

4.3 Establish management processes for scientific systems

To establish a scientific management process, enterprises must conduct a reasonable division of labor and cooperation. The work and responsibilities of each member of the enterprise should be

reasonably and clearly divided. A reasonable division of labor makes the ability of the members of the company to match the work they are engaged in, so that every member of the company can exert its maximum value in the right position, that is, the so-called people do their best, do their jobs, and make the best use of their duties; The division of labor enables corporate members to clarify specific work content and responsibilities, avoid duplication of work, avoid evading responsibility, and improve the efficiency of mutual cooperation. Enterprise management needs a good coordination mechanism to organically integrate the work of members within the company and promote effective cooperation among members. Business leaders should be able to coordinate the specific tasks of their subordinates so that the work processes can proceed smoothly; corporate members should coordinate their relationships, reduce differences due to personality traits, experience background, etc., enhance the enthusiasm of cooperation, and enable enterprise management processes. Smooth.

4.4 Shaping corporate culture values

Team culture is the general term for the common ideas, behavioral habits and basic values formed in the team. It is the sum of all spiritual wealth. It connects the individual's thoughts and beliefs with the whole enterprise and puts people at all levels and positions in the enterprise. Uniting around the corporate culture creates a centripetal force. The cultural construction of enterprises is an important method to build cohesiveness of enterprises. Corporate culture is the bond that embodies the thoughts and feelings of employees, making them willing to contribute to the enterprise and promote the development of the enterprise. It has a strong sense of identity and belonging to the enterprise.

5. Conclusion

Through the research on the evaluation method of enterprise management effectiveness of small and medium-sized enterprises, this paper innovator constructs the measurement model of enterprise management effectiveness, puts forward the indicators that reflect the effectiveness of enterprise management, and scientifically calculates the weight of indicators. A evaluation form for the effectiveness of SME business management. Applying the assessment form to the enterprise practice can enable the enterprise to understand the level of the effectiveness of the enterprise's enterprise management, thus helping the leader to make decisions and the team management of the enterprise. This paper has certain theoretical and practical significance.

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