

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

On Cloud Management of Micro-Enterprises HR

Du Chunyan

School of Economics and Management, Southwest University, Chongqing, China

Li Kunze

School of Economics and Management, Southwest University, Chongqing, China

Abstract:

With the rapid development of economy in our country, lots of enterprises emerge quickly, especially micro-enterprises. Micro-enterprises develop so fast due to their low cost and flexible operation system. Micro-enterprises play a very important role in the economic development in whole world. While the enterprise competition mainly reflects on talents competition. Micro-enterprises in China want to get sustainable development, they must put human resources first and develop human resources potentials. This paper intends to analyze cloud management model of micro-enterprises human resource and give suggestions combined with current problems in human resources management so as to be helpful for government to make proper policies and benefit the development of regional economy.

Key words: cloud management .micro-enterprises. HR

1. Introduction

Micro-enterprises play a pivotal role in the national economy. State Council also has made Provisions in Further Support the Healthy Development of Small and Micro-enterprise in 2012. The healthy development of micro-enterprises not only meets the requirements of China's 11th Five-Year Plan but also is a necessary requirement for maintaining the sustainable and rapid development of national economy and social stability. Standard Division Types of SME, which was made by four departments, including Industry and Information Technology Ministry, National Bureau of Statistics, National Development and Reform Commission and Finance Ministry in 2011, resets the classification criteria of SMEs. According to the number of employees, operating income and asset, enterprises are divided into large, medium, small and micro-enterprises. Micro-enterprises become a separate type for the first time. In a word, a micro-enterprise is a type of small business, often registered, having fewer employees than SMEs. Different industries have different standard in Table 1. In a sense, the research of micro-enterprises can refer to the theories and methods of SMEs considering its characteristics. In fact, the research about micro-enterprises traced back to in 1980s and in 1990s. Nowadays, researches of micro-enterprises at home and abroad focus on the theory and the supporting policies. Different countries propose different suggestions for promoting the development of micro-enterprises. Many achievements of SMEs' researches have gained but rarely mentioned micro-enterprises. Until 2000, some experts minded the separation of micro-enterprises in SMEs Asia-Pacific Conference, researches in this field began to bloom. Now that we have realized the significance of studying micro-enterprises, how to support them better and make them stronger are urgent to study. HR is the most important in the enterprises. Enterprises can form the core competence and competitive advantages through human resource management. The human resource management of China's micro-enterprises is still in the initial stage of exploration, and there are many serious problems, which have become obstacles for the healthy development of them, thus hindering the progress of the enterprises. Data shows that the average life expectancy of Chinese micro-enterprises is only 2.9 years. Many micro-enterprises are just a flash in the pan or most of them don't get further development. Some micro-enterprises don't have advanced technology, market prospects or lack of talents competence which are essential for them to get the long-term development. Therefore, the study of new management model of human resource is of practical significance. The situation of human resource management of micro-enterprises is hard due to the limitation of its own condition and environment. Analyzing the new management model of HR--cloud management in the micro-enterprises is necessary so as to HR get better use.

	Number of Employees (at most)	Operating Income (at most)
Agriculture, Forestry, Animal Husbandry, Fisheries		0.5million
Industry	20	3million
Wholesale	5	10million
Retail	10	1million
Quarter Industry	10	1million
Catering Industry	10	1million
Real Estate		1million
Property Management	100	5million
Information Transmission	10	1million

Table 1; The Standard Division Of Micro-enterprises

Source: Notice of Print and distribution approach of large, SMEs and micro-enterprises from National Bureau of Statistics

2. Mechanism of Cloud Management

Currently, the HR allocation of micro-enterprises is generally "one person, one use". However, HR from inside and outside have one or more skills and the existing HR allocation makes these skills hardly exert themselves. Based on the above point of view, micro-enterprises must keep virtual roles in mind, makes full use of HR expertises and try to make it that "one person, more use." Meanwhile, the overall development of micro-enterprises needs to be improved by the construction of role-based virtual teams without limit of organizational boundaries, and the coordination and cooperation among different roles. Due to the limited scales and abilities, micro-enterprises have difficulty in bearing the enormous costs of HRM and HRD. While virtual HRM will help lower the number of employees and HR cost, and greatly improve the efficiency by effective use of external resources. Thereby it enhances the competence of micro-enterprises.

Social networking, mobile Internet and cloud computing technology have spawned cloud management model, which is also a revolution for enterprise management-- cloud-based management. Cloud management supported by cloud computing technology and other related technologies, establishes a sound data system and information sharing through a centralized management system. Cloud management has great significance for micro-enterprises. First, the nature of cloud computing is transforming the information investment into several small lease-style expense, which makes micro-enterprises get HR with lower costs. Secondly, inherent convenience and high flexibility form cloud management just meet the needs of micro-enterprises. Organization boundaries of micro-enterprises can be expanded through the "cloud" connection and cooperation to form a new team; and resources are no longer closed to outside, they will get deployment based on market demand.

In summary, basic mechanism of cloud management is that: micro-enterprises provides HR through cloud platform; tasks are assigned to roles in the cloud; micro-enterprises make the cloud better gradually by changing tasks and role demands. By doing it, micro-enterprises will utilize all virtual talents on the cloud platforms according to the changes of tasks.

3. Problems in Micro-enterprises HRM

3.1 Thin Consciousness of Human Resource

With the limited scale of operations and other factors including their own strength, development and social environment, human resource management and human resource development run slowly. While enterprises' competition is about products, qualities, services and technologies in the market economy. But mostly it's the talents competition. Human is the first element and proper human resource management is the key to enhancing the core competition of enterprises. The ideas of human resource of micro-enterprises falling behind and misunderstanding lead mismanagement. Most micro-enterprises in Chongqing take employee as the source rather than the capital of the enterprise. Some managers can't understand human resource management deeply. They don't recognize the contribution employees make to the enterprise. Thus, it's hard for employees to maximize their creativity which seriously dampened members' enthusiasm. We found managers only focus on the production and sale to realize the increase in profits. They aren't concern about employees and lack of clear concept of human resource management.

3.2. Improper Way of Management

Managers don't respect employees and manage members in a traditional way instead of scientific human resource management. Micro-enterprise is the small business enterprise whose managers often rule the whole human resource. The way of management is used to be administrative and lack the standard which measures human resource's value as well as system which norms human resource. It's difficult to match the human resource with the position properly and put the right person to the right place. The internal enterprise have no clear division so that hinder the healthy development of micro-enterprises.

3.3. Lack of Training

Also the introduction of talents is extensive and employees training is ignored. The human resource management of micro-enterprises have no long-term planning and they are weak at operation effectively which cause micro-enterprises to emphasize more recruitment than keeping so that they have difficulties in gaining talents to promote the sustainable development of enterprises. The recruitment and use of talents are important parts of human resource management. Without enough understanding of human resource management, most micro-enterprises can't allocate talents and positions scientifically and rationally even

though they long to get talents. Because of own limitations, micro-enterprises can't invest a lot of resources like large or medium-sized enterprises for staff training. Most micro-enterprises lack professional and systematic training.

4. Cloud Management of Micro-enterprises HR

4.1. Establishment of Virtual Talent Bank

In the era of knowledge economy, HRM has become the core of enterprise management, and decides the enterprise's success and failure. The importance of human resource in micro-enterprises is clear. Irritation and randomness in human resource management can restrict the further development of enterprises. Some only have the system of performance appraisal rather than a complete human resource management system. HRM integrating into the overall business strategy of the enterprise can improve efficiency and promote the healthy development of enterprises. Human resource is the key to getting and keeping competitive advantage. Micro-enterprise managers must pay attention to the importance of human resource. Taking employees as the basis of enterprise development and staff development as the strategy to plan are needed. To achieve people-oriented, micro-enterprises must recognize the importance of employees. Together with realizing the enterprises profits, the development of employees is also important which is the key to the survival of the fittest competition. According to this, managers must establish a core idea of modern enterprise human resource management. People-oriented human resource management requires micro-enterprises to establish effective recruitment and selection system, various recruitment channels and flexible recruitment methods which helps to absorb more talents. Breaking the nepotism, exploring the competition and promotion mechanism, emphasizing the employees and putting the right person to the right position will make the talents stand out and retain them. Establishing a new relationship between employees and organizations, recognizing the contribution each member make to the enterprises development, focusing on the team rebuilding and improving cooperation and team spirit by different activities can enhance their sense of dependence and belonging, and trust each other which is good for talents gathering. Micro-enterprises establish virtual talent bank on the basis of traditional talent database. That is, collating the existing human resources (including internal staff and external personnel) and analyzing their talent skills, expertise, and build role bank (skills or expertises); each role can not complete a task independently, and it is just one of skills tasks required. Then, make sure what skills needed in the tasks and build virtual talent bank. The talent in the virtual bank is not a real person, but possessed by different the roles. One virtual talent can complete one task independently. So each personnel of micro-enterprises will be more potential to be virtual talent. Meanwhile, micro-enterprises should be managed dynamically, and continuingly revise and update information on Virtual talent bank to achieve sustainable development.

4.2. Focus on the Organizational Culture Building and Staff Training of Virtual Talents

Human resource management and human resource development should combine with the organizational culture³. As the group culture, organizational culture can guide value direction of group members, production efficiency and economic benefits. Micro-enterprises should attention organizational culture building more which doesn't mean copy simply. As affected by business environment, development history, industry characteristics and leadership, micro-enterprises should establish their own organizational model they adapt to. Organizational culture can enhance the cohesion and solidarity of the whole enterprises. Enterprises can't develop without employees' contribution. It's very important to create good organizational culture and human environment which care employees and encourage them to make a progress. Organizational culture building is a long-term work. The innovation of organizational culture is another important part. Rich and update culture will be get along with the development of enterprises. In addition, optimizing the allocation of human resources can make enterprises gain great value. The quality of employees determines the market competitiveness of enterprises. Training is a vital method for improving members' quality. Micro-enterprises should have employees to get some skill and knowledge trainings in new field. The purpose is to enable employees to do their own work well. Based on different employees, micro-enterprises should make appropriate training plan. Enterprises can design contents and arrange the time schedule according to the level of employees which can reduce the training cost and ensure the training go on orderly. During the process of staff training, the training not only meet different employees' needs, but also meet the needs of improving the overall quality. Taking training as a welfare is an effective way to motivate employees. This training also is helpful for employees to enhance the cohesion and keep a positive attitude in daily life. Micro-enterprises must rationally allocate virtual talents by the unit of task, work up virtual teams and offer virtual team members training and motivation. Given the cost of micro enterprises, training can be action learning, work experiencing, information communication and sharing on the cloud platform, or implement of mentors-guiding and employees' self-learning, which enhancing the cohesion of whole HR in micro-enterprise. Finally, we can motivate talents to do what they can do by incentives. Due to the limited ability of paying salaries and benefits in micro-enterprises, we can take career or vision incentives supplemented by compensation incentive to raise competitiveness. Most micro-enterprises have a broad development space, so we can motivate teams through the establishment of a common developing vision. Meanwhile, it's important for team members to feel deeply that it's the best platform of challenging themselves and achieving their values. In addition, when the team makes certain achievements, micro-enterprises should offer certain incentive compensation.

4.3. Proper Planning, Scientific Management, and Construction of HR Cloud Platform

Human resource planning is the prerequisite of enterprises with standardize management and scientific operation. As managers, they should set some steps about human resource development and utilization at a time based on the long-term goals of enterprises. Meanwhile they should attention the standardization and institutionalization of human resource management in the practical operation. Only micro-enterprises adjust the planning of human resource management flexibly, scientific human resource

management be can absorbed in all corners of enterprises which can achieve human resource most. Compared with the large and medium-sized enterprises, the small size and weak strength in micro-enterprises are obvious. Talents helping the development of enterprises rapidly is longed for, but there is no career planning of talents and no enough cohesion of enterprises so that the stability of employees is low. Micro-enterprises should plan human resource development rationally and do other work well such as the introduction and recruitment of talents, the promotion and development of employees as well as training and performance management. Career development planning can motivate employees to work hard and improve themselves. Helping employees make career planning from the need of enterprises and encouraging employees to combine individual career development goals and business strategy goals organically are necessary. Reasonable human resource management mechanism through the use of incentives flexibly can retain talents. These incentives include something about compensation, achievement, ability, environment, emotion, honor and knowledge. As the stakeholders and economic entities of self-management and self-financing, micro-enterprises should take efforts to achieve the incentives to the most and benefit the stability of employees.

Local governments can take advantage of regional economic characteristics, building a public cloud platform. As the industries cluster in the region with the similar nature, they can achieve resources complementary in production, technology and services. These companies generally have similar human resource needs, which benefit for the formation of scale and knowledge overflow of human resource demand and supply. HR agency commissioned by the government build the cloud platform, authoring and opening to micro-enterprises within the region, which can reach HR sharing between enterprises. And it can also be operated by a third-party HR services for consulting and outsourcing. Due to the cross-region of network platform, local governments can cooperate with each other based on their own regional HR cloud platform, which realize HR sharing between regions. In short, talents are essential in the enterprise competition. Micro-enterprise should fully recognize the problems in human resource management. taking effective measures with scientific management and cloud platform will maximize the potentials of human resources to achieve win-win both employees and micro-enterprises.

5. References

1. Chen Weizheng & Yu Kaicheng & Cheng Wenwen. (2011). Human Resource Management, China: Higher Education Press.
2. Cheng Wenwen. (1995). Future Tendency of Human Resource Management. Talent Exploitation, 12, 8-9.
3. E Qi. (2013). On Human Resource Management of Small and Medium-sized Enterprises in China. Journal of Dalian Maritime University, 1, 30-32.
4. Gao Wenju. (2002). Training Management, China: Guangdong Economy Press.
5. Ma Kou. (2012). On Micro-enterprise Human Resource Management in China. Development of Small and Medium-sized Enterprises, 7, 26-27.
6. Pan Jiang. (2012). On Human Resource Management of Small and Micro-enterprises. Human Resource Development of China, 6, 63-66.
7. Peng Ke. (2012). Problems and Countermeasures of Human Resource Management of Small and Medium-sized Enterprises in Henan. China: Henan University Press.
8. Ulrich D. (1997). Human Resource Champions: The Next Agenda for Adding Value and Delivering Results, Boston: Harvard Business Press.
9. Xuan Xiaolan & Zhou Shen. (2013). Research on Human Resource Development of Small and Micro-enterprises based on Cloud Management. Academic Forum, 3, 159-162.
10. Zhang De. (2002). Human Resource Development and Management, China: Tsinghua University Press.
11. Zhang Min & Chen Wanming & Zou Zhi. (2008). Study on the Talent Accumulation Effect of SME Based on Information Management. Science of Science and Management of S. & T, 9, 181-185