

Research on the Impact of Chinese Enterprise Transformation on Knowledge Employees based on the Three-pillar Model

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Abstract. As a new theory and practice model in the field of human resource management, the HR three-pillar model has shown a strong driving force for the value appreciation of human capital through the successful practice of some enterprises since it was introduced in China in recent years and has gradually become a new trend in the transformation and upgrading of human resource management in Chinese enterprises. This study uses the methods of literature analysis and case analysis to explore the impact of this emerging theory on knowledge-based employees from the perspectives of employee motivation, work complexity, organizational identity, etc. Based on these perspectives, this study the value it brings to Chinese enterprises to improve their intellectual capital, summarize the existing problems, and analyze the deep reasons behind the successful implementation of the three-pillar HR model in Chinese enterprises represented by Tencent. From the perspective of internal and external collaboration, this study puts forward specific optimization suggestions that have practical significance to provide direct guidance and practical inspiration for the future development of human resources management in Chinese enterprises.

Keywords: HR three-pillar model; Knowledge-based employees; Employee motivation; Work complexity; Organization identity.

1. Introduction

1.1. Research Background

In the era of the knowledge economy, enterprises rely heavily on advanced production factors composed of knowledge and information. As excellent employees with rich knowledge reserves who can effectively transform their knowledge and skills into enterprise value, knowledge-based employees play an important role in today's enterprise competition and have become the most important capital of enterprises. Therefore, creating a set of human resource management systems that can effectively attract and retain knowledge-based employees based on the existing research and experience, combined with the current development situation of enterprises, has become a priority problem that enterprises must solve in the process of further improving the enterprise value.

At the same time, in modern enterprise human resource management, due to the increasing internal competition in various industries, higher requirements have been put forward for the human resource management theories and systems adopted by various enterprises. In order to further develop its competitive advantages and make full use of its human capital, enterprises must actively change their traditional management theories and systems. Through the transformation and use of the three-pillar model, enterprises can attract, utilize and retain knowledge-based employees more efficiently, improve the competitiveness of human enterprise capital, and lay a talent foundation for the sustainable development of enterprises. In this context, this paper will study the impact of human resource management system transformation based on the three-pillar model in China on knowledge-based employees.

1.2. Significance of the Study

1.2.1 Theoretical Significance

The theoretical significance of this study is mainly divided into the following two points.

Firstly, this study links the three-pillar model with the knowledge-based employees of enterprises for the first time and clarifies the content and form of the impact on the knowledge-based employees

in realizing the transformation of the human resources management system with the three-pillar model. Previous studies have paid more attention to the impact of the incentive mechanism for employees on knowledge-based employees, ignoring the research on how to optimize the measures for enterprises to attract, cultivate and retain knowledge-based employees from the perspective of the overall human resources management theory and methods. This study further provides a theoretical basis and new ideas for Chinese enterprises to improve the competitiveness of human capital by studying previous research and practical experience in enterprise management.

Secondly, this study further expands the theoretical research on the three-pillar model from the perspective of the impact on employees. In China, more and more enterprises adopt the three-pillar model to realize the transformation of the human resources management system. Based on the existing case experience of Chinese enterprises, this paper points out the impact of enterprise system transformation on knowledge-based employees under the premise of meeting China's special national conditions. Thus providing theoretical contributions to the localization process of the three-pillar model in China; it provides theoretical inspiration for effectively linking link knowledge-based employees with the three-pillar model.

1.2.2 Practical Significance

The conclusions of this study will provide an important reference for the reform of management theories and methods of Chinese enterprises based on the three-pillar model, as well as the optimization of the management mechanism for the attraction, cultivation, and retention of the human capital of knowledge-based employees. Through analyzing the existing theories and relevant cases of Chinese enterprises' transformation, this paper points out some problems or help that may arise after adopting the three-pillar model as a new human-human enterprise management model. Then provides some specific measures for enterprises to optimize the three-pillar model, helping enterprises improve the internal drive of enterprise development and more efficiently complete the enterprise human resources strategic planning. On the other hand, from the perspective of the human resource organization model, the research in this paper also provides some institutional optimization suggestions for Chinese enterprises that can enhance the internal drive of employees and attract, cultivate, and motivate knowledge-based employees. Thus this study will provide a solid institutional guarantee for enterprises to achieve long-term sustainable development, which is of practical and innovative significance.

1.3. Literature Review

1.3.1 Literature of Knowledge-based Employees

Yu's research found that the personal characteristics of knowledge-based employees, such as knowledge reserve and personality, can promote the innovation ability of enterprises. At the same time, organizational identity can positively impact the development of knowledge-based employees' innovation potential [1]. At the same time, Zhang's paper also proved that knowledge-based employees with self-reflection needs and high self-reflection participation could independently enhance their ability to deviate from the rules and innovate by sensing the improvement of work complexity [2]. On the other hand, Wang found that the establishment of a compensation incentive model suitable for the organization and employees is conducive to enhancing the work consciousness and subjective initiative of the knowledge-based employees, thus improving the sustainable development ability of the enterprise by analyzing the case of the knowledge-based employees of Shuanghui Group [3].

1.3.2 Literature of HR Rhree-pillar Model

As a human resource management system summarized according to the practice of American multinational enterprises, the three pillars of HR are generally in the pilot stage in China. The practice enterprises are mostly concentrated in Chinese multinational companies or large enterprises. At the same time, Lu's paper pointed out that for most enterprises in China, the existing human resources management system is relatively backward compared with the three-pillar model in terms of

management theory, performance management, and salary management system[4]. Wu's research also pointed out that through better internal coordination, the three-pillar model can meet the needs of internal customers for human resources management and maximize the output value[5].

1.4. Research Framework

This study first determines the research theme according to the research background and significance and determines the theoretical significance and practical value of the research on the impact of the transformation based on the HR three-pillar model on the knowledge-based employees of enterprises. Secondly, the key elements affecting knowledge-based employees are preliminarily selected through literature review and analysis. Thirdly, through the combination of practical cases, this paper analyzes the main factors that affect knowledge-based employees in enterprises and puts forward the existing problems. Finally, in view of these problems, specific optimization and improvement strategies are proposed.

2. Methods

This paper mainly adopts two research methods: a literature analysis and a case analysis.

2.1. Literature Analysis

By consulting a large number of relevant literature, paying attention to and understanding the academic research achievements and the latest trends related to this study, mastering the mainstream research direction, and conducting an in-depth review and evaluation of the existing research, thus constructing the basic proposition and framework of this study and providing theoretical support for this study. By analyzing the existing research on the influencing factors of knowledge-based employees, this study preliminarily selected the set of influencing factors that may be related to the three-pillar model and understood the operating mechanism of different factors affecting the different characteristics of knowledge-based employees before the actual research began. At the same time, this study also consulted a large number of practical cases and improvement opinions of the HR three-pillar model in Chinese enterprises and had a full understanding of the application and theoretical status quo of Chinese enterprises trying to transform to the HR three-pillar model. Combining the above information, the theoretical framework of this study was initially constructed.

2.2. Case Study Method

According to the purpose of the analysis, a representative case is selected as the research object. Comprehensively collect the information about the case object and systematically analyze the case item by item according to the content to be studied. Finally, according to the analysis results, use the comprehensive analysis method to strengthen the overall understanding of the basic proposition of the study. This study will select the case of Tencent's transformation to the HR three-pillar model to discuss the process and development of the localization of the HR three-pillar model in Chinese enterprises. This study will comprehensively collect relevant documents on the transformation of Tencent's human resources management system and classify and sort out relevant case data according to the key elements selected in this study that affect the different characteristics of knowledge-based employees. Through systematic discussion, it will analyze the main factors that affect the knowledge-based employees in Chinese enterprises adopting the three-pillar model. Finally, according to the analysis results, Integrate the existing problems of enterprises to be solved in this study.

3. Result

3.1. Research on Knowledge-based Employees

The definition of knowledge-based employees in Chinese domestic literature is generally defined from the perspective of the personal characteristics of employees. For example, Liu believes that

knowledge-based employees are differentiated according to their personal education level. She also believes that knowledge-based employees with higher education have a richer knowledge reserve, which helps them make full use of their theoretical knowledge and skills to assist enterprises' sustainable development [6]. After summarizing previous studies, Su pointed out that knowledge-based employees are those who have knowledge reserves or professional skills that are beneficial to the development of enterprises. They tend to have stronger subjective initiative, diversity, and innovation in their work and pay more attention to their own career development[7]. Relevant research on the impact of enterprise management on knowledge-based employees in China mostly focuses on the incentive system of knowledge-based employees. Guan's research has proved that in order to realize personal value, knowledge-based employees will hope to exert their knowledge reserves and professional abilities in the middle of work[8]. Zhang believes that work complexity is an important pre-factor in stimulating the deviant innovation of knowledge-based employees. Knowledge-based employees can gain higher freedom in complex work, create opportunities for independent thinking and action, and easily harvest a sense of achievement [2]. Yu found that organizational identity played a significant intermediary role in knowledge-based employees developing their personal innovation potential with the help of knowledge reserves and subjective initiative [1].

3.2. Research on the Three-pillar Model

The three-pillar model divides the human resources management department of an enterprise into three modules, namely COE (Center of Experts), HRBP (HR Business Partner), and SSC (Shared Service Center). Among them, COE serves the enterprise management and HRBP and is mainly responsible for the scheme design and process optimization at the strategic level of human resources. HRBP gathers human resources generalists who understand business in enterprises, pay attention to the maintenance and management of internal customer relations, is mainly responsible for connecting the human resources department and internal customers of enterprises, and assists the business department manager in completing the human resources management work, so as to improve the value creation ability of the business department. The SSC department is mainly responsible for the scheme design and process optimization of the standardized transactional work of the internal human resources management department of the enterprise, serving the COE, HRBP, and the company's employees, and helping the other two modules free from the traditional transactional work of the human resources department[9]. By analyzing the case of a large manufacturing enterprise, Li found that the enterprise using the three-pillar model human resource management model significantly improved the efficiency of staff capacity development and expanded the value space of staff capacity development [10]. However, in the practice of Chinese enterprises, many enterprises did not play the progressive role of the three pillars of the human resources management model, but the function of each department was misplaced due to unclear positioning of the three pillars and unclear division of labor [11]. Such behavior has seriously affected the introduction, training, use, and retention of knowledge-based employees, damaging enterprises' human capital and sustainable development ability.

3.3. Main Impact

Based on the literature analysis, this paper initially proposes the main impact of the transformation of enterprises to the three-pillar human resource management model on knowledge-based employees from four perspectives.

3.3.1 Recruit Knowledge-based Employees

When enterprises that attach importance to human capital transform the three-pillar human resource management model, they will improve recruitment plans and specific recruitment policies for high-value human capital. The enterprise formulates an employee recruitment strategy through COE to ensure that human resources are closely related to the development of enterprise strategy,

optimizes HR work efficiency by improving SSC, and implements institutional recruitment for knowledge-based employees.

3.3.2 Optimize the Incentive System for Knowledge-based Employees

Enterprises that adopt the three-pillar model to carry out human resource management work can formulate an incentive system that is more in line with the needs of human capital development of enterprises from a macro perspective through COE and achieve more effective employee motivation and improve the human resource management level of business departments by taking the HRBP familiar with business into the team.

3.3.3 Knowledge-based Employees' Subjective Initiative and Deviant Innovation in Complex Work

The research has proved that the three-pillar human resource management model under the ideal state can significantly improve the subjective initiative of employees at work. At the same time, because professional HRBP is familiar with the business work of various departments, it can provide knowledge-based employees with jobs that are more in line with their own capabilities, which is conducive to knowledge-based employees to better perceiving the complexity of work, thus improving their ability to deviate from the rules of innovation.

3.3.4 The Influence of Organizational Identity on the Innovative Ability of Knowledge-based Employees

Under the ideal three-pillar human resource management model, COE can improve the organizational identity of employees for enterprises by improving the corporate culture, while professional HRBP can provide knowledge-based employees with career development planning and ability training that are more in line with their own needs, which obviously helps to improve the organizational identity of employees, so as to give full play to the innovative potential of knowledge-based employees.

3.4. Tencent's Three-pillar Transformation Case

3.4.1 Tencent Company Profile

Shenzhen Tencent Computer System Co., Ltd., established on November 11, 1998, occupies a very important position in China's Internet service market. Since its establishment, Tencent has always adhered to the business philosophy of focusing on user value and providing stable and high-quality Internet services for a large number of users. People-oriented is the main theme of Tencent's human resources management. Ma Huateng said: "Tencent regards employees as the first wealth of the enterprise. For Tencent, business, and capital are not the most important. Business can be expanded and replaced, and capital can be absorbed and adjusted, while talent is the most irreplaceable and our most valuable asset". By the third quarter of 2022, Tencent had 108836 employees, of which more than 40% had a master's degree or above. It is a high-quality knowledge staff team and an important corporate capital of Tencent.

3.4.2 Tencent's Three-pillar Practice

Since 2009, Tencent has been trying to practice the three-pillar model in the human resources management of enterprises. Tencent's COE comprises four departments: Human Resources Department, Tencent College, Compensation and Welfare Department, and Corporate Culture and Employee Relations Department. According to the main purpose of the company's strategy, COE develops a positive human resources strategy and the connectivity of the strategic human resources policy system and is responsible for developing methods, tools, and guidance. Tencent upgraded SCC to a shared delivery platform (SDC), which includes: human resources information construction center, human resources system development center, an operation service center, and four regional human resources centers in Beijing, Shanghai, Chengdu, and Guangzhou. SDC gives full play to the supporting role of the platform and becomes an expert in delivering human resources products,

services, and systems. Tencent's HRBP organizational structure comprises seven business teams and one functional system. The main responsibility of HRBP is to diagnose and meet the personalized HR business needs of each department in the process of business development, become an HR consultant who understands the actual business, and provide flexible and targeted "one-stop" HR solutions for internal customers [12].

With regard to the attraction, cultivation, use, and retention of knowledge-based employees, Tencent has always insisted on taking talents as the source of organizational vitality. Each department under the three pillars of human resources has a clear goal orientation and coordinated operation according to the enterprise's strategic development objectives of human resources.

In order to continuously introduce excellent talents, Tencent's COE has established the evaluation and tracking method of recruitment quality from the strategic level through the analysis of actual recruitment data. HRBP will build a strong employer brand from the business level to attract high-quality knowledge workers. SDC, on the other hand, creates recruitment service products from a service perspective to assist business departments in talent selection[12].

With regard to the incentive system for knowledge-based employees, Tencent's COE's compensation and welfare department is responsible for carrying out compensation research from a strategic perspective to help develop a clearer compensation strategy. HRBP will also help improve the customized compensation plan according to the actual needs of the business department, which has played a significant role in strengthening the enthusiasm of knowledge-based employees and enhancing employees' self-recognition [12].

As for knowledge workers' perception of work complexity, Tencent's COE has always emphasized the corporate culture of professional competition. For example, in Tencent Interactive Entertainment Group, there is fierce competition among game studios, which provides enough work complexity for knowledge workers and stimulates their deviant innovation ability. Tencent's HRBP-driven Feature Team (FT) is user-centered, with product characteristics as the final delivery value, and a flexible team that exists temporarily or for a long time according to product requirements. It also provides appropriate work complexity for knowledge-based business department employees, further stimulating their initiative and innovation in work [12].

Tencent's COE has always built a corporate culture that meets enterprise development needs from a strategic perspective. From Tencent's internal satisfaction survey, employees highly agree with the company's values, which cannot be separated from the work of the corporate culture and employee relations department under the COE to strengthen the corporate culture construction and cross-level and all-round communication of the enterprise. SDC starts with services, improves the product projects of business departments to improve employee satisfaction, and improves employees' understanding of corporate strategy and corporate culture by establishing regional tea houses and other facilities, to improve enterprises' retention ability for knowledgeable employees.

Combined with the above case analysis, it further proves that Chinese enterprises will affect knowledge workers from four aspects: talent attraction, incentive mechanism, perceived work complexity, and organizational identity in transforming the three-pillar human resource management model.

4. Discussion

4.1. Optimization Suggestions from the Perspective of HR External Collaboration

4.1.1 Strengthen the Synergy between the Three Pillars of HR and Enterprise Strategy

The construction of HR's three pillars is to better implement enterprise strategy. It must be close to the enterprise strategy, guided by the enterprise strategy, and ensure that the human resources system can support the development of the enterprise [13]. The COE of Tencent, in this case, emphasizes that the human resources policy should be formulated according to the enterprise's development needs from the enterprise's perspective of enterprise strategy. For example, it advocates

an enterprise culture that emphasizes internal professional competition, helps knowledge-based employees in business departments to appropriately increase their work complexity, and stimulate their deviant innovation ability, so as to meet the needs of long-term development of the enterprise and improve the overall innovation potential of the enterprise.

4.1.2 Strengthen Enterprise System cCoordination

In order to undertake the implementation of the three pillars of HR in the enterprise, the enterprise should first build an authorized institutional environment, make corresponding adjustments in the post-function setting, improve the cross-level and all-round communication ability between the human resources department and other business departments within the enterprise, fully guarantee the power of the human resources department in the process, and fully integrate human resources management into the operation of the daily business departments of the enterprise. It is necessary to improve the strategic participation of COE, ensure that the policies and plans on human resources are closer to the company's reality and better implemented, and establish a comprehensive discussion system for employees within the enterprise through COE to strengthen the organizational identity of knowledge-based employees. Give full authorization to HRBP so that it can go deep into all business departments, have more opportunities to provide human resources technical support for actual business work, improve the human management level of business departments, and more effectively motivate knowledge-based employees. Provide SSC with high-level technical support to deliver standardized human resources service products to internal customers more efficiently and proactively [10].

4.2. Optimization Suggestions from the Perspective of HR Internal Collaboration

4.2.1 Fully Upgrade HR Capabilities

The most important premise when building the three HR pillars is comprehensively upgrading HR capabilities. COE should first improve its professional ability to become a professional expert in human resources management, and focus on enhancing its strategic awareness and change awareness, communicating with enterprise managers in-depth, analyzing enterprise strategy, implementing it into the human resources layout, and formulating policies and plans from the overall perspective. For HRBP, in order to make it become a generalist of human resources and deeply cultivate its business thinking and service awareness, it should try to break the original technical division of business departments, integrate internal resources and build a new team plan to adapt to the external environment, so as to stimulate the work initiative and innovation potential of knowledge employees within the business departments. For SSC, it is necessary to improve its service quality, quickly respond to and solve the basic needs of employees, and ensure the completeness of the human resources service process. At the same time, it is necessary to pay attention to the analysis of the collected big data of employees, feedback to COE and HRBP, and constantly explore the path to realize the self-value of knowledge-based employees and improve their organizational identity and work identity.

4.2.2 Improve the HR Structure

The core of the three pillars of HR is to free human resources from transactional work, pay more attention to the strategic level, and be closer to the actual work content of business departments, to help enterprises achieve long-term sustainable development. Therefore, to build three pillars, we must first achieve synergy in the architecture. When constructing the three pillars of HR, we should clearly define the functional boundaries and role positioning of COE, HRBP, and SSC and clarify the content of rights and responsibilities, and the relationship between them, in combination with the actual human resources service needs and strategic planning of the enterprise. At the same time, the three pillars should pay attention to internal communication, share human resources information in a timely manner, and improve the satisfaction of internal customers, which can better avoid the problem of non-coordination within the three pillars of HR.

5. Conclusion

The research adopts the method of literature analysis and case analysis, mainly uses the research method of qualitative analysis, and applies the idea of the HR "three pillars" model throughout the whole process of building the mechanism of attracting, cultivating, applying, and retaining knowledge-based employees in the human resources department of the enterprise, and obtains the following specific conclusions:

1. Based on the theory of the HR "three pillars" model, we reshaped the people who adapt to the development background of contemporary enterprises. The new roles and functions of the human resources department are HRBP, HRCOE, and HRSSC. On this basis, combined with the relevant theories of knowledge workers, creatively put forward the analysis and arrangement of the mechanism that the enterprise human resources management system affects knowledge workers from the aspects of employee motivation, work complexity, and organizational identity, and determined the key factors that will affect knowledge workers under the "three pillars" model.

2. Applying the main influencing factors and influencing mechanism proposed in the literature analysis part of this study, taking Tencent's human resources management system as the research case analysis object, this paper evaluates its current three-pillar HR management system and finds out the relative advantages and disadvantages of the three-pillar management system of the enterprise for attracting, cultivating, using and retaining knowledge-based employees through the analysis results, to further improve the influence factors of the three-pillar model proposed in this study on enterprise knowledge workers.

In brief, based on the "three pillars" model, this study constructs a set of scientific, comprehensive, and operational mechanisms to attract, cultivate, use, and retain knowledge workers, providing the theoretical basis for the human resources department of enterprises to develop the potential of human capital further, and providing new models and new ideas for the reform of its human resources management department. The methods and technologies used in the research are the preliminary attempt of human resources departments to improve enterprise knowledge capital from the perspective of the HR "three pillars" model and will provide methods and technology references for future relevant research.

However, there are also areas for improvement in this study. Due to time and cost constraints, this study is mainly based on the existing literature and case studies. It does not quantify the key factors affecting knowledge workers, can not accurately verify the hypothesis, and lacks a systematic analysis of the specific impact mechanism. Future research can collect and sort out first-hand secondary data, quantify specific variables, and analyze and determine the interaction mode and quantitative relationship between relevant factors and more objectively and systematically summarize the impact of the HR three-pillar model on knowledge-based employees.

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