Talent Strategy and Future Development of High-tech Enterprises: Taking Huawei as an Example

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Abstract. Innovation is the driving force of enterprise development, and talent is an important way of innovation. Taking Huawei as a research case, this paper discusses in depth how Huawei's talent cultivation system and talent incentive system can realize the innovation stimulation effect. After that, this paper discusses the relevance of Huawei's talent strategy and Huawei's future development to further demonstrate the stimulating effect and importance of talent strategy. Based on the research in this paper, Huawei's talent development system helps Huawei to build up a team of leading talents in various fields to improve its innovation capability in the future development. The talent incentive system helps Huawei to obtain more long-term development capabilities in the future development to improve the sustainability of innovation and intrinsic motivation. Finally, this paper provides specific practical suggestions for Huawei from personalized talent cultivation and talent incentive system innovation, which will help Huawei to better utilize its talent strategic advantages.

Keywords: Talent cultivation, talent incentive, innovation.

1. Introduction

China has put forward the strategic task of independent innovation and innovation drive, as well as more specific requirements. Talent is the main factor and key force for the innovation-driven development of high-tech enterprises. The Chinese government has put forward clear requirements for the innovation development and talent cultivation of high-tech enterprises.

With the continuous development of the trend of economic globalization, enterprises have faced more intense competition, especially the competition for innovative talents in high-tech enterprises has become the core target of enterprise competition. Talent strategy and the establishment of a perfect innovation team have both become important strategic objectives of enterprise development, which are directly related to the superior power of enterprises in market competition. It should be emphasized that the competition of high-tech enterprises is essentially the competition for talents and the competition for talent training system.

However, only through the recruitment of innovative talents from the market and other companies still cannot meet the needs of high-tech enterprises for innovative talents, resulting in a mismatch between the supply of talents and the innovation needs of enterprises. Further, the cultivation and development of innovative talents by enterprises are still in the exploratory stage and need more reforms and innovations. At present, the talent training system of enterprises relies more on university education and cannot give full play to the enterprises' own advantages. In addition, the incentives of innovation talents system also lack sufficient guarantee to help form a more perfect continuous innovation incentive, which indirectly affects the innovation ability of enterprises.

Therefore, based on the dilemma of talent development and the goal of talent cultivation in Chinese high-tech enterprises, this paper discusses Huawei's talent development system in the form of a case study. By discussing Huawei's talent strategy, the study provides a clearer research evidence of detailed goals and directions for future talent strategy development.

The research is divided into four main parts. First, the paper compares the literature on talent strategy to establish a preliminary theoretical framework. After that, this paper takes Huawei's talent strategy as a case study, and fully discusses how Huawei carries out talent development and implements drastic measures. The third part summarizes the progress of the shortcomings and

limitations of this paper's research, so as to focus on the future direction of research development. Finally, this paper reviews the research and puts forward policy recommendations.

2. Literature Review

2.1. Innovation

Currently, regarding the research on corporate innovation, Scott and Meyer argued that corporate innovation is a continuous process that helps to provide more vitality and production improvement in corporate production activities on a continuous basis, which is considered as a continuous corporate business behavior [1]. Later, based on the idea of continuity, Martins and Terblanche further discusses the process of generating corporate innovation and argues that the generation of ideas and creativity is the main means to promote continuous corporate innovation [2]. West, on the other hand, argues from a behavioral perspective that Enterprise Innovation should be an improvement in the way of behaving or the logic of behaving so as to create a more positive way to help firms realize innovative activities [3]. Based on both ideological and behavioral innovation, Babenko suggests that firms should pay full attention to opportunities directly related to innovation, such as talent, strategy and technological capabilities [4]. From the research on firms' innovation, firms' innovation is viewed as a continuous behavior and requires more support from external forces, mainly talent and strategy.

2.2. Innovative Talent

Van Dam provides a clear definition of innovative talent from the perspective of the end result of corporate innovation [5]. The study concluded that innovative talent should be directly responsible for the business behavior of the firm and help the firm to achieve higher business profits. Therefore, those who help enterprises to realize more operating profits or help enterprises to achieve profitability goals can be considered as innovative talents. By defining talent from an economic perspective, van Dam provides a clearer way of thinking about the research. However, the economic outcome approach to defining talent imposes stricter restrictions on the long-term development capability and coverage of innovative talent, resulting in limitations on innovative talent. Lewis and Heckman further broaden the scope of innovative talent by stating that any business participant who helps to provide new perspectives on observation and innovative ideas can be considered as innovative talent, which further provides a broader definition of talent [6].

Lewis and Heckman point out that innovative talent is not unique and innate, it requires systematic development and training. Therefore, innovative talent development strategy is considered to be an important way for companies to sustainably maintain their talent advantage [6].

2.3. Innovative Talent Strategy

Glover and Smethurst describe the attributes of innovative talent and point out that innovative talent shares common characteristics, including unique personalities, openness, risk-taking, and a love of sharing and expressing themselves [7]. Glover and Smethurst then study further demonstrate the feasibility and potential effectiveness of innovative talent strategies [7]. Oldham and Cummings point out that a challenging innovation environment should be established to guide employees to innovate on their own [8]. The importance of a firm's innovation environment for the implementation of talent strategies is discussed in depth from the perspective of the external environment, and Martins and Terblanche argue that internal management and monitoring systems, especially appraisal and performance systems, remain one of the main ways of innovative talent strategies, which help to stimulate employees' innovative behaviors and develop more innovative talents directly [2].

Numerous studies have concluded that innovative talents, as participants in corporate and social activities, are still faced with basic needs, including the need for income, the need to improve the quality of life, and the need for personal reputation. As a result, the strategic design of a firm's talent development strategy needs to focus on incentives to ensure the continuity and stability of innovation. Heimovics and Brown point out that job security, institutional design, monitoring systems, and the

level of participation have a direct impact on employee motivation and innovation [9]. Horibe also points out that employee innovation behavior and incentives, especially those based on caring, are directly related to the ability of employees to innovate behavior and incentives, especially care-based incentives, can better help stimulate talent development and thus achieve more positive talent development goals [10].

Based on the existing literature, it can be seen that the development of talent strategy includes the company's business strategy, mainly the talent development system and the talent intense system. Moreover, current research still focuses on specific features of talent strategy and lacks firm-level based specificity. In addition, studies on talent strategy and future development of the company do not provide sufficient evidence. Therefore, this paper will discuss talent strategy and Huawei's future development characteristics in depth using case study as the research method.

3. Huawei Talent Strategy and Future Development

From the perspective of Huawei talent strategy, talent training system and talent incentive system are still the core of Huawei talent strategy.

3.1. Talent Training System

At present, Huawei talent training system mainly includes three parts, covering basic theory research, applied research and frontier technology exploration.

First of all, Huawei provides all Huawei employees with basic research and theory learning services through ICT Academy to help employees better understand the basic theories of information technology. ICT Academy pays attention to the development of basic theories and recruits a large number of basic theory scientists to carry out basic research in the field of information technology, especially ICT and cell phone communication technology related to Huawei's core business. communication technologies related to Huawei's core business. Based on the ICT Academy, Huawei has cultivated a large number of theoretical experts to provide more active theoretical support for Huawei's basic research.

After that, Huawei set up Huawei Research Institute to cultivate a large number of practical talents, mainly for the practice of basic theories and the transformation of results. In the Huawei Research Institute, all talents are encouraged to combine fundamental theories with Huawei's existing businesses, mainly its communication network business and mobile handset business, in order to carry out more active hardware and software innovations. In addition to fostering innovative talents in application areas, Huawei also recruits a large number of industry experts to translate basic theories into results. Based on the Huawei Research Institute, Huawei has established a larger scale and practical innovation team covering the company's core business, with a long-term focus on the transformation of basic theories and business practices [11].

As a high-tech company, in addition to basic theory and practice translation, cutting-edge technology innovation is also a talent strategy that Huawei has long focused on to help Huawei take a more leading position in global innovation. Unlike basic theory and practical innovation, cutting-edge technology requires a large amount of funding and long-term investment, which still faces more cost pressure for Huawei, which aims at profitability [12]. Therefore, Huawei realizes cutting-edge field innovation through talent cooperation strategy. Specifically, by providing financial and equipment support, Huawei establishes long-term partnerships with scientists, mainly university scholars, in cutting-edge research around the world to realize the cultivation of external talent system. Further, by establishing long-term cooperation with scientists in cutting-edge fields, Huawei solves the financial difficulties in traditional research through funding and hardware [12]. Accordingly, Huawei can also reduce the high initial cost of research team building. Through this talent cooperation strategy, Huawei realizes the sharing of cutting-edge technology research results at the lowest cost, thus forming a more comprehensive external talent strategy system (shown in Table 1).

Table 1 Huawei talent cultivation system

Strategy	Aim
ICT Academy	Grounded Theory Research and Grounded Theory Program
Huawei Research Institute	Practical translation of grounded theory research to improve business profitability
Cooperation in cutting-edge technology and human resources	Sharing the fruits of cutting-edge technology and establishing an external talent system

Source: Huawei annual report

Huawei's talent development system can be seen from Huawei's talent development system to establish a comprehensive perspective to help better meet the future competition. The future development of science and technology enterprises includes multiple environments such as the underlying theory, business profitability and competition in cutting-edge fields. Through the talent development system, Huawei is able to expand its talent pool and develop its own talent team to compete in the future. Through the ICT Academy, Huawei recruits large-scale basic theory research talents, while all employees provide basic theory courses, which will help realize more active popularization of basic theory [13]. After that, the Huawei Institute translates the grounded theory to help improve Huawei's profitability and business coverage, which provides more profit guarantee for Huawei's future market competition [12]. Finally, by providing part of the profits as support funds to the cutting-edge technology scientists to realize the sharing of results, the talent cooperation strategy helps Huawei to provide a more complete external support system in the future market competition, especially the competition of cutting-edge production technology.

3.2. Talent Incentive System

In addition to the talent training system, the talent incentive system is also an important way for Huawei to improve the sustainability of the talent strategy, to stimulate the innovation ability of talents in the long term.

As shown in Figure 1, the objectives of Huawei's talent incentive system mainly include innovation potential incentives and innovation sustainability incentives [14]. Specifically, through the establishment of perfect communication channels, Huawei provides each talent with more perfect information feedback channels to better understand the needs of the talent, so as to provide them with more matching resources. After that, through the spirit of struggle and personal honor incentives, Huawei establishes better incentives for those talents who have accomplished innovation, which can better establish innovation role models. Finally, career development, as one of the important strategies for talent innovation incentives, can better motivate innovation through career advancement [15].

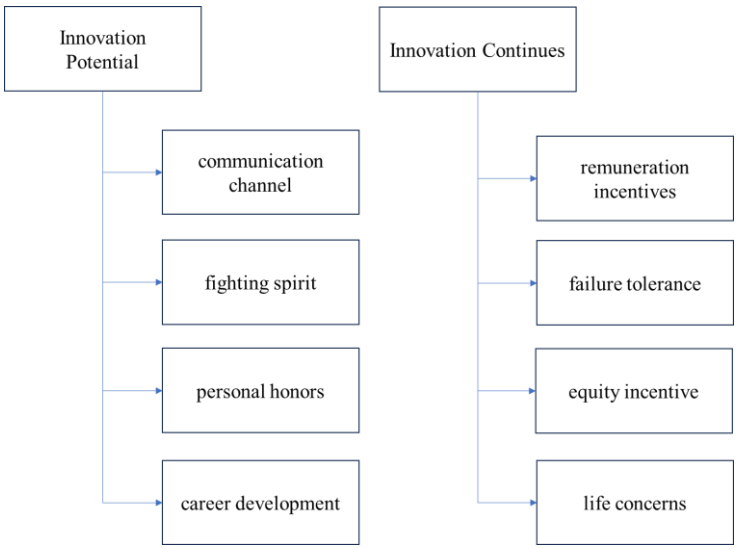


Fig. 1 Talent incentive system (Photo credit: Original) Source: Huawei annual report

For innovation sustainability, Huawei focuses more on compensation and equity to address the basic economic needs of talent. Specifically, higher compensation allows talent to reduce the stress of living in a longer-term R&D program with a sustained focus on innovation activities. In addition, equity incentives, usually options, are a longer-term stock redemption mechanism to ensure talent's longer and more stable service at Huawei [16]. Subsequently, failure tolerance is also considered as one of the important talent motivation strategies at Huawei to help build innovation continuity. Generally speaking, innovations often face more failures due to their uncertainty and complexity, which may be more damaging to talent's motivation and sustainability, Huawei remains more tolerant of innovation failures and encourages talent to sustain their work, which greatly reduces talent's resistance to failures and thus their ability to engage in the longer term [16]. Correspondingly, long-term commitment and a large number of failures may cause more mental stress, which also requires life care. Life care, as one of the goals of Huawei's talent strategy, helps to alleviate mental stress through more direct measures, thus enabling continuous innovation activities.

From the perspective of talent incentive system, Huawei's talent strategy provides more positive guarantee for Huawei's future development, which is mainly reflected in two aspects. First, Huawei's future development requires talents to realize innovation potential to help the company realize innovation in technology, application and production in multiple fields to improve the company's profitability. Generally, innovation requires more external incentives to stimulate innovation potential [16]. With more positive incentives, Huawei can better stimulate the innovation potential of its talents in the future, thus increasing the company's competitiveness in the technology sector. The second and more important continuous innovation. Short-term innovations cannot provide stable support for Huawei's future development, and are therefore uncertain. Only continuous innovation can guarantee the stability and security of Huawei's future development. Compensation and equity incentive strategies help to sustain the innovation incentives of the talent strategy by enhancing short-term gains and providing long-term rewards [14]. In addition, failure tolerance demonstrates Huawei's focus on long-term future growth capabilities rather than short-term innovation outcomes. Therefore, by focusing on innovation sustainability, Huawei can better accomplish its innovation goals and realize the future development objectives of long-term innovation.

4. Limitation and Outlook

In terms of research methodology, the research in this paper focuses on discussing Huawei's talent strategy and future development through a qualitative approach, utilizing case studies. Qualitative research is usually more theoretical and fails to provide more direct evidence, which may lead to a decrease in the credibility of the research findings. For the research, this paper focuses only on Huawei's current talent strategy and future development to provide detailed case evidence. However, for other high-tech enterprises, such as Alibaba, this paper has not yet formed a detailed discussion, which may result in the conclusions of the study being too one-sided to be universally applicable.

Based on the limitations, this paper provides an outlook for future research. First, from the perspective of research methodology, quantitative analysis methods based on data should be carried out to further improve the credibility of the study. By collecting data on Huawei's talent strategy and company development, more direct quantitative evidence will be provided to discuss in detail the impact of talent strategy on Huawei's future development. From the perspective of the research object, this paper will further expand the scope of the research object to cover more Chinese high-tech companies, so as to form a more generalized research conclusion. For example, this paper will compare Alibaba, Tencent and other Internet that high-tech enterprises in the characteristics of talent strategy and the characteristics of the company's future development to make a case score. After that, by way of comparative research, this paper will further compare the differences and commonalities of talent strategies of different enterprises to provide more generalized research conclusions and comparative evidence.

5. Conclusion

The research analyses Huawei talent strategy, mainly Huawei talent training system and talent incentive strategy to discuss talent strategy and Huawei future development in depth. This paper summarizes two main conclusions. First, Huawei talent training system focuses on basic theory research, business practice application and cutting-edge technology innovation in three areas to continuously expand the talent team and establish a more active talent cooperation system. For the company's future development, the Huawei talent training system can help provide direct support for the company's underlying theoretical research and business expansion. Further, through external talent cooperation, Huawei can also gain more competitive advantages in the field of future cutting-edge technology through the sharing of results. Second, the Huawei talent incentive system helps to realize the incentive for talent innovation potential and the incentive for talent continuous innovation. For Huawei's future development, the talent innovation potential incentive provides more innovation guarantee for Huawei's future development to expand innovation capability. The incentive for continuous innovation of talents is more useful for Huawei's long-term development to maintain a continuous leading market advantage in the complex market competition in the future.

Therefore, this paper proposes two recommendations to help further improve Huawei's talent strategy to enhance the company's future performance. First, Huawei should further enrich the Huawei talent development system, mainly by establishing a more personalized talent development system. The current Huawei talent training system has initially formed a perfect system, but the personalized and specialized training of talents is still in the blank, resulting in a conflict between individual characteristics and training programs. Through more active communication and individual employee participation, personalized talent strategy should be proposed to give full play to the innovative qualities of each talent. Second, strengthen Huawei talent incentive system, mainly the continuous innovation incentive system. At present, Huawei's incentives for continuous innovation are still based on economic means (equity, salary), but lack of more unique incentives. Through institutional innovation to guide those talents with innovation ability to participate in team building and become leaders can better stimulate the sense of responsibility and participation of talents. The sense of responsibility and participation is an important guarantee for the continuous innovation of talents.

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