

Research on Management Innovation Paths of Small and Medium-Sized Enterprises under the Background of Digital Transformation

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Abstract: The continuous deepening of the digital economy has driven profound changes in the operation and management models of all industries, and traditional enterprise management methods can hardly adapt to the current pace of digital development. As important players in the market economy, small and medium-sized enterprises (SMEs) are generally plagued by problems such as outdated management models, limited development resources, and weak awareness of transformation, resulting in a slow process of digital management transformation. Based on the general environment of digital development, this paper systematically analyzes the connotation, value, current development status and existing dilemmas of management innovation in SMEs, establishes management innovation principles suitable for enterprise development, and puts forward targeted paths for the optimization and upgrading of digital management. It aims to help SMEs break through the limitations of traditional management, improve their comprehensive operation and management level, and achieve stable and long-term development.

Keywords: digital transformation; small and medium-sized enterprises; enterprise management; management innovation; development path

DOI:10.12417/3029-2328.26.06.006

Introduction

The popularization and application of digital technologies have made industrial digital transformation a mainstream trend in enterprise development, and market competition has gradually shifted from traditional resource competition to competition in digital management and innovation capabilities. With small scales and flexible operations, SMEs are key forces in stimulating market vitality and promoting industrial innovation. In the process of transformation and development, most SMEs still adopt traditional management systems, whose management concepts and organizational models are disconnected from digital development, making it difficult to adapt to the dynamically changing market demands. To improve the development status of SMEs and solve the problems of management transformation, this paper explores feasible paths for digital management innovation in SMEs in combination with industry development characteristics, providing support for the high-quality development of enterprises.

1. Connotation and Contemporary Value of Management Innovation in SMEs under Digital Transformation

1.1 Core Connotation of Management Innovation

Management innovation in SMEs under the digital background is different from the traditional single institutional optimization and process rectification. It is an all-round and systematic innovation of the internal management system of enterprises relying on digital technologies. Its core lies in integrating digital thinking into various management modules such as enterprise operation, organization, personnel, and risk control, abandoning the solidified manual management model, and optimizing management processes through information-based and digital tools. This innovative model better fits the flexible operation characteristics of SMEs. Instead of pursuing the standardized and large-scale management systems of large enterprises, it focuses on adapting to the enterprise's own development. Through the lightweight and precise upgrading of management models, it meets the market development needs of the new era and promotes the transformation of enterprise management from extensive to

refined.

1.2 Compatibility between Transformation and Management Innovation

The core goal of digital transformation is to improve enterprise operation efficiency and core competitiveness through digital technologies, while management innovation is the core foundation for the implementation of digital transformation, and the two have a high degree of internal compatibility. Digital transformation provides technical support and development direction for enterprise management innovation, breaking the time-space constraints and process barriers of traditional management and making efficient and intelligent management possible. At the same time, management innovation is the core of digital transformation. The mere introduction of technical equipment cannot realize enterprise transformation and upgrading; only a complete supporting digital management system can give full play to the application value of digital technologies. The two complement and promote each other, jointly driving SMEs to complete modern operation reforms.

1.3 Practical Significance of Management Innovation

In the increasingly fierce market competition environment, carrying out digital management innovation has strong practical value for SMEs. From the perspective of internal enterprise development, the digital innovation of management models can optimize internal resource allocation, streamline redundant management processes, reduce enterprise operation and management costs, and improve internal operational efficiency. From the perspective of external market development, digital management models can help enterprises quickly capture market dynamics, accurately connect market demands, and enhance market adaptability and competitiveness. In the long run, normalized management innovation can help enterprises form sustainable development advantages, make up for the development shortcomings of SMEs, and support enterprises to gain a stable foothold in the wave of industrial upgrading.

2.Current Development Status of Management Innovation in SMEs under Digital Transformation

2.1 Overall Development Trend

With the continuous implementation of digital industry policies and the wide popularization of digital technologies, the overall atmosphere of digital management innovation among domestic SMEs has been improving continuously, and more and more SMEs have begun to attach importance to the digital upgrading of their management systems. The industry as a whole shows a development trend of active transformation and comprehensive penetration. Most enterprises are no longer limited to the digital transformation of a single business segment, but gradually promote the digital optimization of the entire management process. Governments at all levels have also successively issued supporting policies to provide policy guidance and resource support for the digital transformation of SMEs, further promoting the process of enterprise management innovation. On the whole, digital management innovation in SMEs has gradually moved from the initial exploratory stage to a steady development stage of large-scale and normalized implementation.

2.2 Initial Achievements in System Upgrading

After long-term industry exploration and practical development, the digital upgrading of management systems in SMEs has achieved phased results. Most SMEs have basically completed the digital transformation of basic modules such as basic office work, financial accounting, and customer management, completely bidding farewell to the purely manual management model, and the efficiency of basic management work has been significantly improved. Some SMEs with certain development strength have gradually built digital management platforms suitable for themselves, realizing the interconnection of data and information among internal departments and breaking down departmental information barriers. The popularization and application of digital management tools have effectively improved the traditional problems of chaotic management, cumbersome processes and low

efficiency in SMEs, laying a foundation for further in-depth innovation.

2.3 Inherent Shortcomings in Management Innovation

Judging from the current development status of SMEs, there are still many inherent shortcomings in their digital management innovation, and the overall transformation quality is uneven. Most SMEs' digital management innovation stays at the superficial level of tool application, without completing in-depth reforms of management thinking, organizational structure and institutional system, and the problem of disconnection between digital transformation and management innovation is prominent. At the same time, the internal digital management system of enterprises lacks systematic planning, and the transformation of each module is relatively fragmented, failing to form an integrated management system. In addition, most enterprises lack a long-term innovation iteration mechanism, and the update of management models lags behind technological upgrading and market changes, making it difficult to give full play to the core advantages of digital management.

3. Core Dilemmas Faced by Management Innovation in SMEs under Digital Transformation

3.1 Deviations in Cognitive Concepts

At present, the management of most SMEs has obvious deviations in the cognition of digital management, and traditional management thinking is deeply rooted, seriously restricting the promotion of management innovation. Some managers simply equate digital management with the introduction of digital equipment and office software, ignoring the in-depth reform of management systems and business thinking, leading to formalistic enterprise transformation. Some management teams are overly rigid in traditional management experience, lack sufficient understanding of the advantages and value of digital management, worry about operational risks in the transformation process, and take a conservative wait-and-see attitude toward management innovation. Outdated and one-sided cognitive concepts make it difficult for enterprises to build management models suitable for the digital era, becoming the primary obstacle to management innovation.

3.2 Inadequate Adaptation of Organizational Models

Most traditional SMEs adopt vertical and hierarchical organizational management models with relatively solidified structures, which are difficult to adapt to the development needs of digital management. The traditional organizational model has cumbersome levels and long decision-making chains, resulting in low information transmission efficiency, which cannot meet the management requirements of rapid market response and efficient business connection in the digital era. At the same time, the solidified organizational structure leads to rigid division of powers and responsibilities among departments and insufficient inter-departmental collaboration, making it difficult to implement the information sharing and collaborative office models required by digital management. The enterprise organizational model fails to be optimized synchronously with the pace of digital transformation, resulting in a disconnect between technological upgrading and organizational management, which greatly reduces the implementation effect of management innovation.

3.3 Weak Innovation Support System

The imperfect support system is a core shortcoming restricting the digital management innovation of SMEs. Most enterprises lack complete support in terms of talents, funds and systems. In terms of talents, there is a scarcity of interdisciplinary talents with both management capabilities and digital technology literacy within enterprises, and the existing employees lack sufficient digital operation and innovation capabilities. In terms of funds, SMEs have limited capital reserves, making it difficult to support systematic and sustainable digital management upgrading and maintenance. In terms of systems, most enterprises have not established supporting digital management systems and assessment mechanisms, and management innovation lacks standardized guidance. The lack of multiple supporting elements makes it difficult for SMEs to continuously promote management innovation and achieve in-depth transformation and upgrading.

4. Core Principles of Management Innovation in SMEs under Digital Transformation

4.1 Principle of Lightweight Adaptation

SMEs are characterized by small scales, simple business structures and limited resource reserves. Their management innovation must strictly follow the principle of lightweight adaptation, and avoid copying the standardized and complex management systems of large enterprises. When carrying out digital management innovation, enterprises should base themselves on their own operation scale, business characteristics and development positioning, abandon redundant and cumbersome management processes, and build a concise, efficient and self-adaptive digital management model. The lightweight management innovation model can effectively reduce enterprise transformation costs and operational pressure, fit the core characteristics of flexible operation of SMEs, enable the rapid implementation and adaptation of digital management models, practically solve practical problems in traditional enterprise management, and improve management adaptability and practicability.

4.2 Principle of Practical Empowerment

The core goal of digital management innovation is to empower enterprise development and improve operation efficiency. Therefore, the management innovation of SMEs must adhere to the principle of practical empowerment and put an end to formalistic and superficial transformation. In the process of upgrading the management system, enterprises should focus on the pain points and difficulties in operation and management, and carry out innovative optimization around core links such as business development, internal control and market connection. Priority should be given to transforming management modules that can effectively improve work efficiency, reduce operation costs and enhance market competitiveness, abandoning digital transformation that is divorced from enterprise reality and flashy but impractical, so that management innovation can truly serve enterprise operation and development, and realize the deep integration of technical empowerment and management quality improvement.

4.3 Principle of Gradual Iteration

Digital management innovation is a long-term and systematic project that cannot be accomplished overnight. SMEs must follow the development principle of gradual iteration to steadily promote the upgrading of management systems. Enterprises should formulate phased management innovation goals and implementation plans based on their own development foundation, starting from the digital transformation of basic modules and gradually promoting the management innovation of the entire system. At the same time, relying on changes in the market environment, technological development and enterprise operation, the management model and system should be continuously optimized and iterated, and inappropriate management content adjusted in a timely manner. The gradual innovation model can effectively avoid transformation risks, ensure the steady progress of management innovation, and realize the long-term sustainable development of enterprises.

5. Optimization Paths for Management Innovation in SMEs under Digital Transformation

5.1 Innovate Digital Management Thinking

Thinking innovation is the primary prerequisite for management innovation in SMEs. Enterprises must completely break the shackles of traditional management thinking and establish a modern digital management concept. The enterprise management should take the initiative to change development cognition, deeply study the development trend of digital industry and digital management knowledge, abandon one-sided cognition of digital transformation, and attach importance to the all-round innovation of the management system. At the same time, enterprises should strengthen the construction of internal digital culture, and guide all employees to establish digital work thinking and take the initiative to adapt to the digital management model through normalized internal learning and publicity. The completion of thinking innovation from top to bottom can lay a solid ideological foundation for the implementation of enterprise management innovation and promote the full integration of digital management models into all links of enterprise operation.

5.2 Reconstruct Digital Organizational Structure

To adapt to the development needs of digital management, SMEs must break the traditional hierarchical and solidified organizational model and reconstruct a flexible and efficient digital organizational structure. Enterprises can streamline redundant management levels, shorten decision-making and information transmission chains, build a flat organizational management model, and improve internal response and execution efficiency. At the same time, clarify the digital management responsibilities of each department, break down departmental information barriers, build a cross-departmental collaborative work mechanism, and realize internal data and information sharing and business collaboration. A flexible digital organizational structure can adapt to dynamic market changes, improve internal management efficiency, and ensure the efficient implementation of various digital management innovation measures.

5.3 Improve Digital Support Mechanisms

A sound support mechanism is an important support for SMEs to continuously promote management innovation. Enterprises need to improve the support system from multiple dimensions of talents, systems and resources. In terms of talents, build an interdisciplinary talent team with both management literacy and digital capabilities through the combination of external introduction and internal training, and improve the team's digital practical operation ability. In terms of systems, establish work specifications, assessment mechanisms and incentive systems suitable for digital management to standardize the workflow of management innovation. In terms of resources, rationally allocate enterprise capital resources, give priority to ensuring digital management upgrading, technical maintenance and talent training, and comprehensively consolidate the development foundation of enterprise digital management innovation.

6. Conclusion

Digital transformation is an inevitable trend for SMEs to break through development bottlenecks and achieve high-quality development in the new era, and management innovation is the core key to the implementation of enterprise digital transformation. The current market environment is becoming increasingly complex, industry competition continues to intensify, and the drawbacks of traditional management models have gradually become prominent, seriously restricting the transformation, upgrading and long-term development of SMEs. By sorting out the connotation and contemporary value of digital management innovation in SMEs, analyzing the current development status, existing dilemmas and core principles of enterprise management innovation, this paper puts forward targeted innovation and optimization paths from three dimensions: thinking innovation, structure reconstruction and mechanism improvement, combined with the operational characteristics of SMEs. Only by actively conforming to the wave of digital development and carrying out systematic management innovation based on their own reality can SMEs effectively make up for development shortcomings, improve internal management efficiency and core market competitiveness, and achieve stable, healthy and sustainable development in the general trend of industrial digital upgrading.

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