

# Research and Prospect of Mechanism Innovation of China's Champion State-Owned Enterprises from the Perspective of New Quality Productivity

Qiu Fengcai

Zhejiang University, Hangzhou, China

Qiu Yifu

Xi'an Jiaotong-Liverpool University, Suzhou, China

“The development of new quality productive forces is the internal requirements and important focus to promote high-quality development, we must continue to do a good job in the innovation of this big article, to promote the development of new quality productive forces to accelerate”. On January 31, 2024, General Secretary Xi Jinping delivered an important speech when presiding over the 11th collective study session of the Political Bureau of the 20th CPC Central Committee, systematically explaining the profound connotation and main characteristics of the new quality productive forces. The General Secretary's series of important statements and arrangements on the development of new quality productive forces provide fundamental guidelines and action guidelines for us to do a good job in innovation in the new era and new journey, further liberate and develop the productive forces, achieve high-quality development, and promote and expand the modernization of Chinese-style state-owned enterprises (L. Y. Wang, X. S. Wang, & Li, 2023). With the rapid development of new technologies and new industries, digital transformation provides new opportunities and challenges for China's state-owned enterprises. This paper studies the new quality productivity perspective mechanism innovation of Chinese state-owned enterprises, through field investigation, semi-structured investigation, structured interview, and a state-owned enterprise empirical case study (Da Tong mobile company), explores new requirements of Chinese state-owned enterprises productivity development, stimulates organization core production factors innovation, builds machinery of champion corporation that embodies humanistic values, pursues aspirations, demonstrates distinguished performance, and fosters talent growth, provides the theoretical innovation of Chinese state-owned enterprise governance mechanism, at the same time, provides practical guidance for China's transformation and upgrading of state-owned enterprises reform, and has the theoretical and practical significance (Xi, 2016).

*Keywords:* new quality productivity, China's state-owned enterprises, champion organization, mechanism innovation

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Qiu Fengcai, Ph.D., distinguished professor, Singapore Center, International Business School, Zhejiang University, Hangzhou, China; visiting professor, College of Business Administration, Jimei University, Xiamen, China.

Qiu Yifu, Graduate student, mathematics and physics factory, Xi'an Jiaotong-Liverpool University, Suzhou, China.

Correspondence concerning this article should be addressed to Qiu Fengcai, Singapore Center, International Business School, Zhejiang University, Hangzhou, China. Email: fc0606@163.com.

### **Introduction: Seek the Elder of the Wood, Must Fix Its Root**

General Secretary Xi Jinping often said, “A tree has to strike a firm root before it can flourish. A river has to have a fully dredged source before it can flow unceasingly far”, first-class enterprises should have a first-class champion team as the foundation.

With digital gradual penetration of various industries, enterprise strategic management, organization and management, team construction, the direction of the inspection innovation, the traditional KPI assessment mode gradually becomes the most active factors of production staff creativity, creates value for customers, achieves higher income shackles. The organization staff, really as the core production factors, especially master the core technology, understand customer staff and champion team, make creative execution to adapt to the development trend of new unstoppable productivity, and build external vision, value internal customer-driven organization, and become more beneficial to operating profit target. Compared with the traditional KPI assessment content, the champion team will pay more attention to the authenticity of employees and the market in terms of operation, take the employees’ sense of material and spiritual gain and customer satisfaction and customer value creation as the leading goal, and finally realize the company’s revenue and profit, realize the enterprise value better and faster, and improve the status quo of only indicators not only the market (Shen, Chu, & Zhou, 2023).

### **Research Background on the Mechanism of China’s State-Owned Enterprises**

#### **Policy Perspective: General Secretary Xi Jinping Has Made Important Instructions on the Reform and Development of State-Owned Enterprises**

Since the 18th CPC National Congress, General Secretary Xi Jinping has made a series of important instructions on the reform and development of state-owned enterprises. In particular, on October 10, 2016, he personally attended the National Conference on Party Building in State-Owned Enterprises and delivered an important speech, pointing out the direction and providing fundamental guidance for upholding the Party’s overall leadership over SOEs in the new era, becoming stronger, better, and bigger for SOEs (Shi, 2023).

As an important material and political foundation of socialism with Chinese characteristics, and an important pillar and strength of the Chinese Party in governing and rejuvenating the country, state-owned enterprises play an irreplaceable role in providing a solid material foundation for the great rejuvenation of the Chinese nation. Adhering to party leadership and strengthening Party building is the glorious tradition and unique advantage of China’s state-owned enterprises, and it is the “root” and “soul” of state-owned enterprises. Party leadership and Party building in SOEs have been continuously strengthened, giving a strong boost to important progress and achievements in enterprise reform and development (Lipton & Lorsch, 1992).

#### **Industry Perspective: SASAC Puts Forward Requirements for the Reform of China’s State-Owned Enterprises**

The implementation of deepening and upgrading SOE reform in China is a major overall and strategic decision made by the CPC Central Committee at the strategic perspective of the overall work of the Party and the country in the face of the new era after the three-year implementation of the SOE reform campaign.

The new round of SOE reform has distinct characteristics of the times. From the perspective of reform tasks, there are mainly two categories: One is the task of system and mechanism reform. In this regard, we

will consolidate the achievements of the previous round of three-year reform actions, focus on solving the problem of “tangible to divine”, solve some institutional obstacles to the high-quality development of central enterprises, and encourage enterprises to truly operate in a market-based mechanism. Second is the task of functional reform. It is mainly to focus on the mission and responsibility entrusted by the new journey, focus on the size of the country, and the needs of the country, to encourage enterprises to continuously enhance their core functions and competitiveness, and to play the role of scientific and technological innovation, industrial control, and security in building a modern industrial system and a new development pattern (Yang, Zhu, Sun, & Wu, 2023).

### **Management Perspective: Deepening and Upgrading of State-Owned Technology Enterprises**

As one of the typical enterprises of state-owned enterprises, Company A has always shouldered the heavy responsibility of China’s communication development and construction in China. In the wave of reform, it stimulates endogenous impetus, focuses on scientific and technological innovation, optimizes the operation system, and strives to be the “pioneer” in deepening the reform of state-owned enterprises (*People’s Daily*, 2021).

This Company always adheres to Xi Jinping new era of socialism with Chinese characteristics as guidance, earnestly implements the reform of state-owned enterprises deepening promotion action of major decision deployment made by CPC Central Committee and the State Council, combines reform with the company development strategy, integrated planning, speeds up the construction of new information infrastructure, continues to empower reform in a digital and intelligent way, strives to compose a new chapter for the world first-class information service technology innovation company with high quality development (Zhao, Liao, & Zhang, 2023; Y. F. Liu & Q. Liu, 2023).

### **Professional Perspective: The Essence of State-Owned Enterprise Reform Is the Interaction Between Productive Forces and Production Relations**

The 20th CPC National Congress report of the Party focuses on deepening the reform of state-owned assets and enterprises, and clearly proposes six requirements: first, to accelerate the optimization and structural adjustment of the state-owned economy; second, to promote the state-owned capital and state-owned enterprises to become stronger, better, and bigger; third, to enhance the core competitiveness of enterprises; fourth, to improve the modern enterprise system with Chinese characteristics; fifth, to promote the entrepreneurial spirit; and sixth, to accelerate the construction of world-class enterprises. Around the above requirements, the current reform of state-owned enterprises will mainly focus on adjusting the strategic layout, deepening the shareholding reform, improving the corporate governance structure, improving the management system of state-owned assets and the leadership mode of state-owned enterprises (Cao, 2022).

The reform of state-owned enterprises is the product of the combination of the central government and the local practice. In essence, it is the interaction between the productive forces and the production relations, which is in line with the objective needs of building a socialist market economy. From an academic point of view, “SOE reform” refers to the reform of traditional SOE in order to adapt to the socialist market economic system in terms of system, mechanism, and management system. The new link and the core content is to establish a modern enterprise system, enhance the vitality of state-owned enterprises, and improve the economic benefits of state-owned enterprises (Li, Xu, & Wei, 2021).

## Challenges and Opportunities of New Quality Productivity to the Mechanism Innovation and Efficiency of China's State-Owned Enterprises

### The Digital and Intelligent Transformation of State-Owned Enterprises Faces a Series of Unique Challenges

In 2023, the State-Owned Assets Supervision and Administration Commission of the State Council in the state information work to promote the meeting stressed that in the process of building a world-class enterprise, it is important to build first-class information ability, with “wisdom, digital state” construction, accelerate the assets of state high-quality development, and contribute more power to promoting the modernization of national management system and management ability. The year 2024 is a key year for the implementation of the 14th Five-Year Plan. As the “vanguard” in promoting the integrated development of digital economy and real economy, state-owned enterprises have also ushered in a key year to submit the “answer sheet” of digital transformation (see Figure 1). There are two main challenges (Yu, 2010; Xu, Xin, & Chen, 2006).

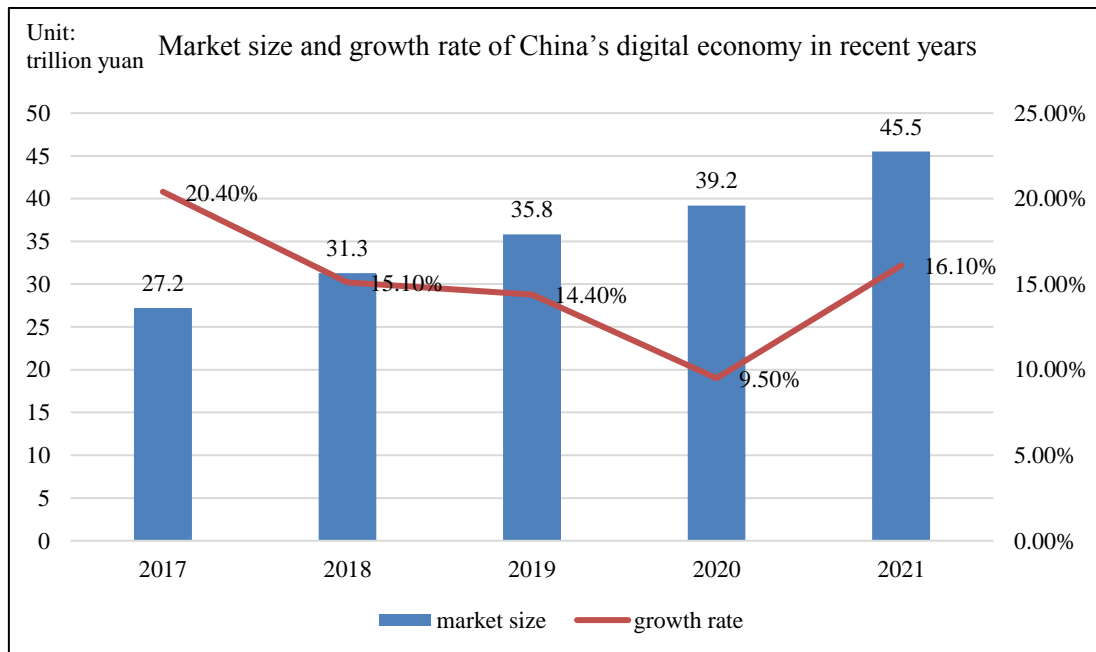


Figure 1. Market size and growth rate of China's digital economy in recent years.

Externally, the construction of digital China has risen to the perspective of national strategy, and the development of digital economy has gradually deepened. Among them, as the most important part of the national economy, state-owned enterprises not only bear the special mission of leading the response to the call of the government, but also bear the responsibility of leading the development of innovative industries and overcoming the key issues such as the autonomy and control of core technologies in the face of new changes in the global environment (Bai, Li, & Wang, 2022).

Internally, as the economy tends to flatten out and the traditional operating model encounters bottlenecks, the injection of digital technology has become a new growth driver (see Figure 2 below). In order to achieve high-quality development, state-owned enterprises, like other enterprises, also need to improve the group's control and operation capabilities through consolidating the digital foundation, accelerate the integration of the industrial chain, and expand new business areas, so as to shape new competitiveness.

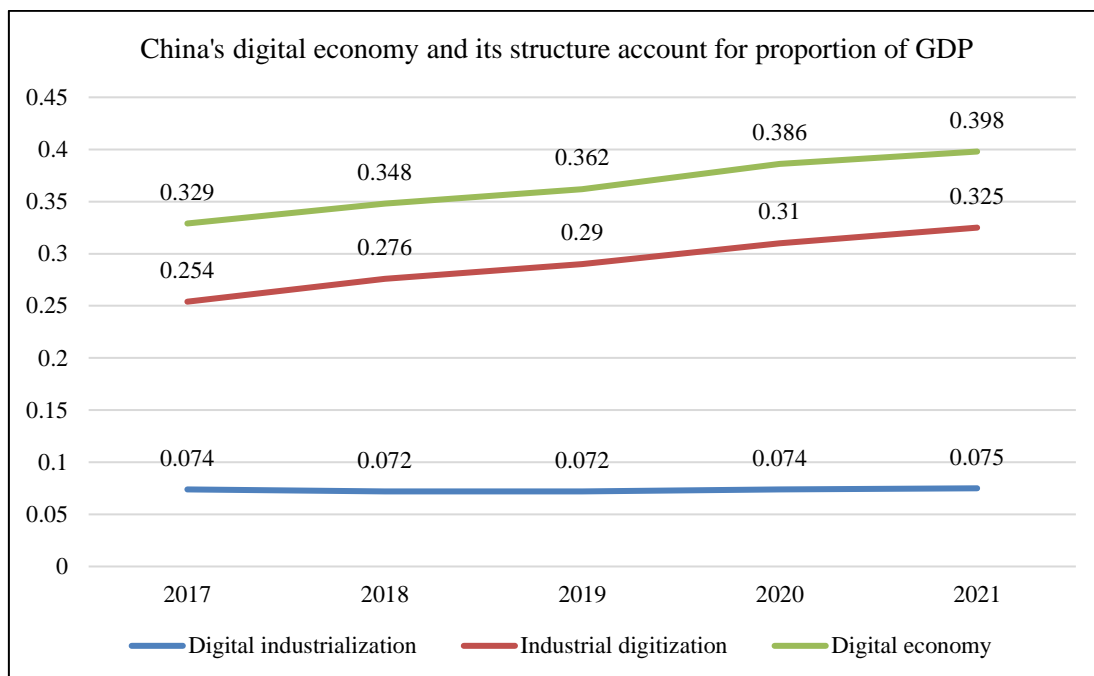


Figure 2. China's digital economy and its structure account for the proportion of GDP.

### New Opportunities for China's State-Owned Enterprises

New quality productive forces are advanced productive forces that meet the requirements of Chinese-style modernization and high-quality development. They are an important source of China's competitive advantage and the key to seizing the strategic commanding heights. Accelerating the development of new quality productive forces is the focus of promoting high-quality development (Chen, 2022).

State-owned enterprises are an important part and model of the new type of production relations, and also an important subject of the formation and development of new quality productive forces, providing the institutional basis and organizational guarantee for Chinese-style modernization. Cultivating and developing new quality productive forces is the important mission and task of modern new state-owned enterprises. Traditional means obviously cannot complete the task of cultivating and developing new quality productive forces, and building new modern state-owned enterprises is the only way to accelerate the formation and development of new quality productive forces (Yang, Li, & Huang, 2022).

### The High-Quality Development of China's State-Owned Enterprises Calls for the Mechanism Innovation and Construction of the Champion State-Owned Enterprises

State-owned enterprises urgently accelerate the transformation of digital intelligence and mechanism innovation, eliminate the production relations of state-owned enterprises that hinder the productive forces, accelerate the transformation of controlled state-owned enterprises to the collaborative and efficient mechanism mode compatible with champion state-owned enterprises, and change the operation mode of new state-owned enterprises of division of labor to create efficiency on efficiency, and create benefits on agility and cooperation. The mechanism of champion state-owned enterprises needs to have the following three characteristics:

The champion state-owned enterprise mechanism can realize the most active "employees and customers" to comprehensively allocate production factor resources and develop new quality productivity, and change the

tradition of state-owned enterprises to “capital, land, and equipment” as the optimal allocation of resources production relations to promote the development of new quality productive forces.

Champion state-owned enterprises promote operation innovation and comprehensive thinking of staff growth learning development. New quality productivity under the new mechanism, team members to the bottom up create, consensus, total responsibility and the team governance, go all out to achieve team dream, the personal dream into the team dream process, fully respect talent, trust talent, maximize the potential of each talent, in the “dry middle school, learn dry” inspire team learning and learning driving force, to adapt to the external uncertainty environment competition, make the most active “people” production factors stimulated to promote the development of new quality productivity.

The strategic design of champion state-owned enterprises is easy to design, but it is difficult to implement the strategy. Therefore, state-owned enterprises can change from passive mechanical implementation to creative implementation, and greatly improve the organizational efficiency and benefit. The new mechanism enables employees to flexibly reach the current needs and potential future needs of customers. Team members not only coordinate and cooperate with each other efficiently, but also divide their responsibilities, and perform their respective responsibilities. Just like an orderly orchestra, each musician accurately plays his own musical instrument and plays a beautiful movement together (Xi, 2020).

### **Exploration of Building the Mechanism of the Champion State-Owned Enterprises**

#### **China Has Made Solid Steps to Deepen the Reform and Upgrading of China’s State-Owned Enterprises**

China’s SOE reform focus on action is mainly in the following three aspects.

First, we will deepen reform to optimize resource allocation. We will focus on serving major national strategies, and further promote the concentration of state capital in important industries and key sectors that are vital to national security and the lifeblood of the national economy, in public services, emergency response capacity, and public welfare sectors that are vital to the national economy and people’s livelihood, and in forward-looking strategic emerging industries. In the work, we will continue to carry out strategic restructuring and professional integration, optimize the budget input of state capital operations, increase the layout of new industries and new race tracks, promote the transformation of traditional industries into a strong foundation, and improve the resilience and safety of the industrial chain (Sigler & Haley, 1995; Chen, Lawrence Hexter, & Hu, 1993).

Second, we will deepen reform around improving systems and mechanisms. On the one hand, we should accelerate the improvement of modern corporate governance of SOEs with Chinese characteristics, optimize the “pre-item list” of Party committees (leading Party groups) at different levels and dynamically, promote the construction of a scientific, rational, and efficient board of directors, and transform institutional advantages into development advantages. On the other hand, we will continue to improve the market-oriented operation mechanism, promote the tenure system and contractual management to improve the quality and scope, build a precise, efficient, standardized, and orderly income distribution mechanism, and accelerate the construction of modern new state-owned enterprises (Chesbrough, 2003).

Third, we will deepen reform to improve institutional safeguards. We will further clarify the rights and responsibilities of investors in their supervision, promote centralized and unified supervision of operational state-owned assets, and make better use of the advantages of professional, systematic, law-based, and efficient

supervision. We will further optimize the assessment system, implement the “one enterprise, one policy” and “one industry, one policy” assessment, and make the policy supply more accurate, scientific, and consistent. We will improve the coordinated and efficient supervision system for state assets, effectively improve the effectiveness of supervision, safeguard the safety of state assets, and create a favorable environment for the reform and development of enterprises (Liu & Wang, 2000).

### **China’s State-Owned Enterprises Are Accelerating the Pace of Scientific and Technological Innovation**

The state-owned enterprise studied by the authors is accelerating “promoting the transformation of digital intelligence and realizing high-quality development” as the main line of the company’s strategic development. Internally, it improves the production and management ability by means of digital intelligence, and enables the transformation and development of thousands of industries. Build BASIC6 (big data, artificial intelligence, net letter security, ability, power network, 6G) kechuang plan, as the implementation of the new layout of the specific measures and scientific and technological innovation, industry control, security support of specific bearing, construction of industry leading “ability”, speed up from “+ AI” to “AI +”, promote data, technical elements and production operation of the whole process, all link are in depth fused, reform and deepen ascension action on high-quality ground work with strong support (Dai, 2020).

### **The Technological Innovation of China’s State-Owned Enterprises Needs to Maximize the Release of Popular Dividends**

Organization mission and beginner’s mind is the soul of the organization, awakens employees beginner’s mind and dream, into the organization mission, the beginner’s mind and dream and enterprise’s mind dream, maximizes the release of the dividend, lets enterprises and employees have mutual achievement, promotes enterprise in the market reform, scientific and technological innovation and development and lead, the speed up on economic development (Li, Dong, & Wang, 2018).

The relationship between the original intention and the dream is interdependent and mutually reinforcing; the original heart is the deepest belief and pursuit, is the source of power for a person to move forward; the dream is our good wishes for the future life, is the goal and direction of struggle; the pursuit of the dream needs the support and guidance of the original intention (Begenau, Farboodi, & Veldkamp, 2018).

There are two processes in the establishment of the original dream: The first stage is subjective thinking, which forms the original dream independent of the position and salary according to the influence of family relations, the social stage, and self-realization. The second stage is the objective formation. Influenced by the company’s development concept, it is driven by the team culture, and forms the original dream with the same goals and ideas as the company and the team (Jiangsu Communication, 2017).

The original dream naturally has social attributes, and the consistent original dream will attract each other and eventually form a resultant force. Employees’ original aspiration and dream, team and dream, family, company’s and customer’s original aspiration and dream, and national dream, form the relationship between the original aspiration and dream ecosystem, so that individuals can find the positioning and feel the value in the group. However, the authors’ study on a state-owned DT company found that the energy state and vitality of more than 1,000 employees are low, generally losing the driving force of the original intention and dream, the sense of team value and growth sense is low, and the level to be improved, resulting in the lack of vitality of the organization and employees (see Figure 3) (Jiangsu Communication, 2017).

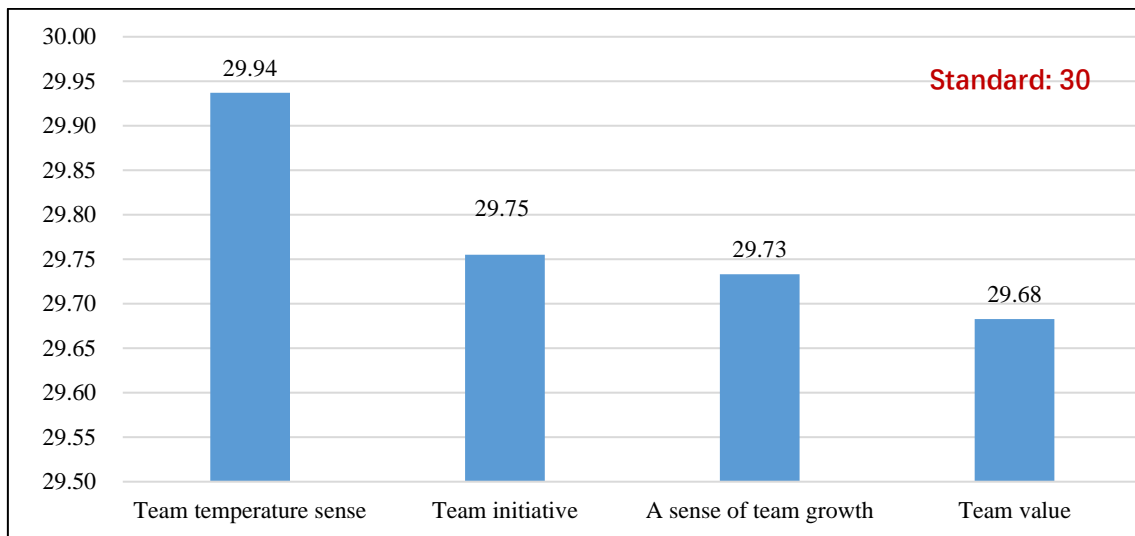


Figure 3. The score of the energy dimensions of Datong mobile team.

The authors found that the energy value of DT team was 119.11, which was at the level to be improved. The enterprise lacks the people-oriented humanistic spirit working environment, cannot stimulate the creativity and enthusiasm of team members, and employees cannot get a sense of value and growth in team work.

Therefore, the authors believe that the original aspiration and dream of employees are re-stimulated from two levels to release the dividends of the people.

On the first level, the original dream is set by individuals by combining social roles and family roles, and is more about long-term goals. For start-ups, employees' divergent thinking and clear goals are the key to the beginning. To quickly unite people through feelings plays a positive role in promoting the development of the enterprise. For more mature and larger enterprises, the original dream of employees and companies and departments is not coordinated and unified, and it is easier to go extreme in the way of work and deviate from the main line of the company's operation. In Henan a Unicom D personnel revealed: forcing users to replace pay light cat, for example, light cat is the company resources, does not belong to the customer cost, on the premise of normal equipment operation, network quality assurance, the old light cat secondary use is to save resources and costs for the enterprise, but because of the D personnel and the company's dream, the rationalization of business after the interests of customer interests, causes huge risk to public opinion, the company's image, and business development (Liu, 2017; Ren, Fei, & Wang, 2017).

The second level, beginner's mind dream is the idealized state of employees, champion team, and members of the beginner's mind dream should be a tree (Qiu, 2022) (see Figure 4), the team beginner's mind dream is the root, members of the beginner's mind dream is the backbone, the team is the branches of members' dream trunk, tree formation of beginner's mind dream needs the company to have certain culture and social responsibility, in the assessment direction, salary incentive, staff care, and talent training has perfect system, the company employees are positive, and fully struggle with efficient cooperation. Take the fan culture of Xiaomi Enterprise as an example, let fans become employees, let employees become loyal fans of the enterprise, deeply bind employees with the enterprise, and make employees highly recognize the company's products and love the atmosphere of the company. Successively put forward the "make friends with users, be the coolest company in the user's heart" for development of the vision and "touched the heart, price honest" product mission, through



“who is the millet, millet why struggle” letter not only to the entrepreneurs, the enterprise value to the height of human contribution, also let all staff find their own positioning, mutual identity, make full use of the heart dividend, win the word of mouth in the society (Xi, 2020).

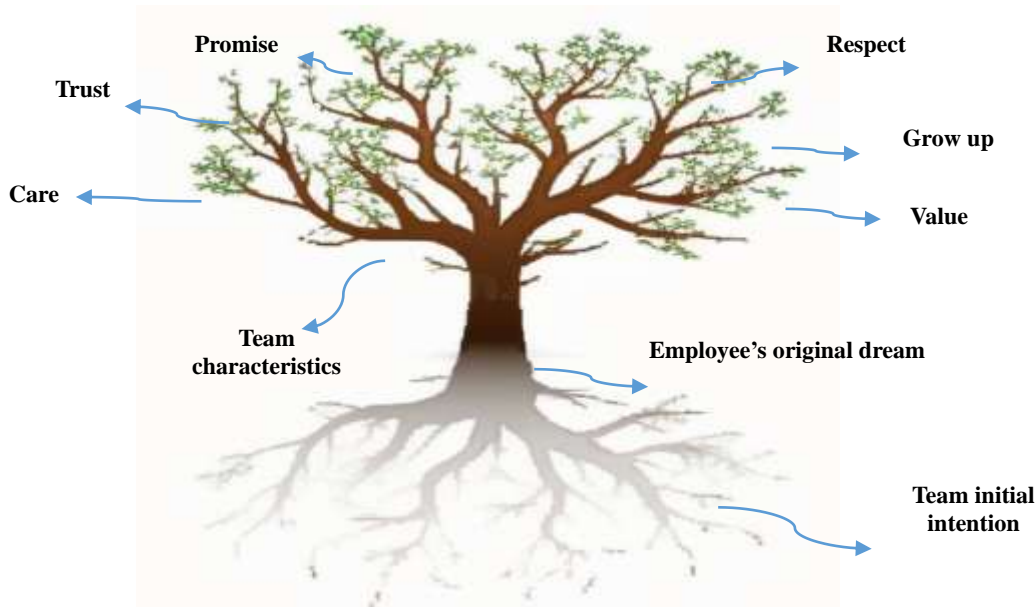


Figure 4. Relationship diagram of team and members.

### Strategy of Building the Champion State-Owned Enterprise Mechanism

#### Strategy 1. Build a Comprehensive Champion Team and Refresh the New Connotation of the Values of the Champion Team

**The original intention and dream of employees under the current development pattern.** The authors studied a state-owned enterprise and found that new blood is constantly injected into the development of the company, the number of employees increases, and the age gap between employees gradually widens. Basic unit is busy with production, work repetitive, thinking curing, at the same time, subject to the pressure of KPI assessment, work style identity is reduced among the new generation of the enterprise, the first generation of old people’s mind dream is gradually forgotten, the second generation of employees has big pressure between staying duty, the third generation of new employees beginner’s mind dream is unable to cast, which makes the grass-root employees’ mind dream more and more far, due to a lack of inheritance spirit, old three staff curing mechanism management just steward, the heart dividend release is restricted, see Table 1 below.

Table 1

*Mission Undertaking of the Three Generations*

First generation	Consistent belief, the anchor of development	A generation that follows the operation to split up to the company
Second generation	Be responsible for guarding the soil	The first generation of college students to graduate and start the school to work
Third generation	Bright personality, to realize the value	Millennials who grew up with the Internet

**Explore the values and work behavior standards of the champion team.** The authors in the study to build champion team practice, found that the champion team has common values and behavior standards,

including “five elements”, “eleven factors”, “N behavior standard” as a champion team soul connotation (Qiu, 2023) (see Figure 5), different enterprises according to the actual and development stage, choose five-six consensus values standard, as shown in the figure below.

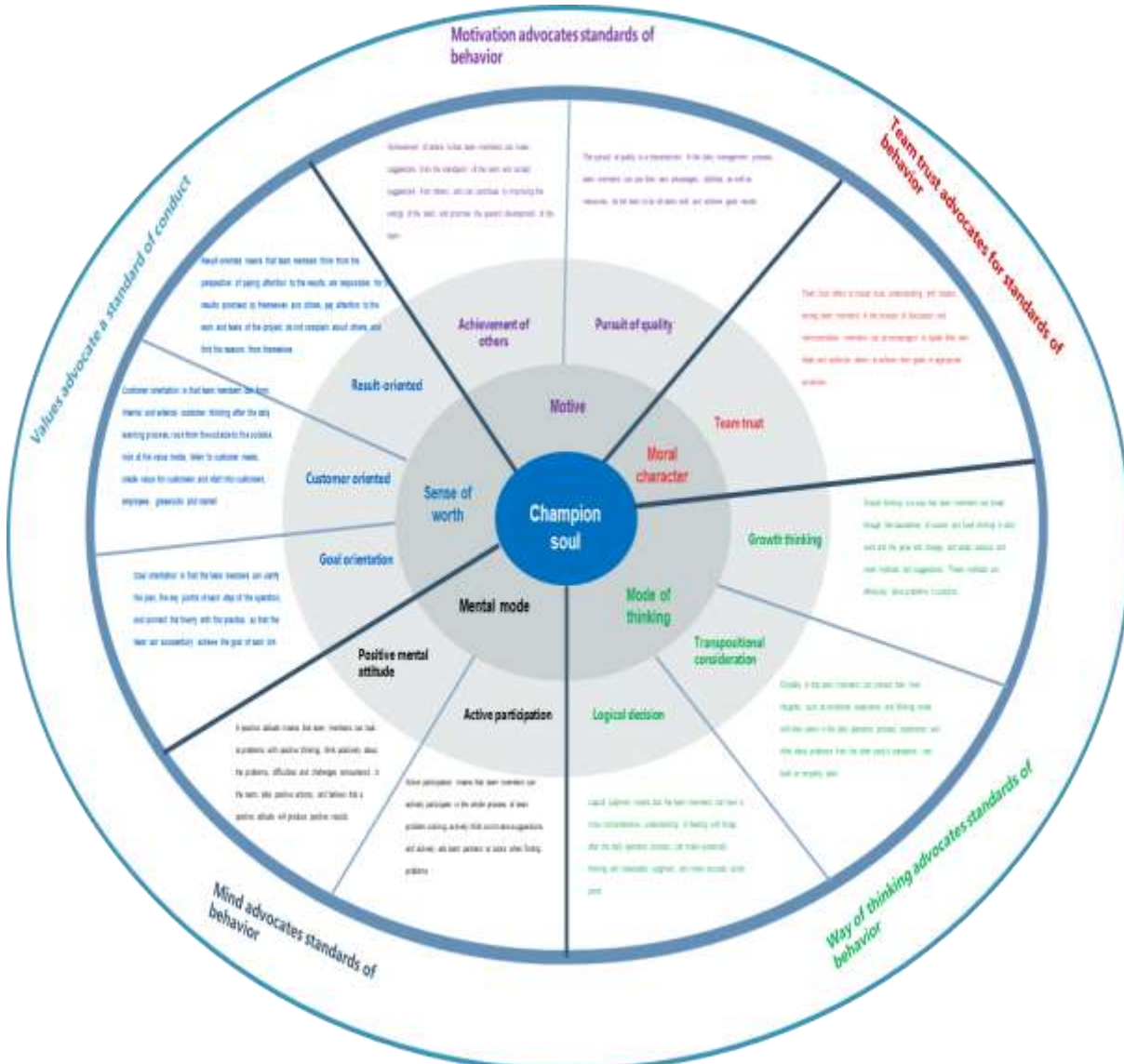


Figure 5. Interpretation of the core values and behavioral standards of the champion team.

The authors concluded in the practice of Company A that the core values of the champion team have the following five common characteristics. First, we should have a positive attitude and trust each other. The organization should believe that employees are positive and willing to strive for the realization of team dream and personal honor; Employees should believe that the organization can provide a platform and space for personal growth and help realize their original aspiration and dreams. Second, it is necessary to take the thinking of customer first and active service as the bottom line requirement of enterprise business layout and employee code of conduct. We should base on the customer perspective, start from customer needs and solve customer problems. Third, it is necessary to sort out the goal-oriented and value-oriented operation thinking,

individuals serve the team, the team serves the dream, and ensure that the path can be implemented, the goal can be quantified, and the progress can be controlled. Fourth, to do growth thinking, get rid of the demons. Break the identity label of “grassroots employee”, transform from job responsibilities to the drive of daily actions, and transform the execution to creative execution. Fifth, the pursuit of quality, the achievement of the champion. Turn the KPI assessment into a dream incentive, transform the mediocre team into the champion team, complete value creation in the process of business development, achieve mutual achievements in the process of customer service, and do the market operation behavior that violates the objective laws and brings great harm to the employees. We believe that the development of the market needs to be steadfast and stable.

The authors’ long-term research in A Company found that the champion team should also take the first-class standards to achieve customer satisfaction, value creation, brand highlighting, staff development of high-quality development as the specific goal; take customer satisfaction as the basic starting point for all the work. People should first think about the network, products, and service work from the perspective of customers, achieve cognitive leading, network leading, product flag, service leading, strive to create an outstanding brand image and customer reputation; take value creation as the ultimate foothold of the work in all fields. Through the whole process of network first, service entry, marketing follow-up, to achieve the public to refine the original, the government, and enterprise to break the bureau, the whole region to increase income, improve quality and efficiency, improve the company’s profitability and market competitiveness; take brand display as the goal of enhancing the company’s brand awareness and reputation. In the process of promoting the transformation of production, lifestyle, and social governance of thousands and industries, do the government first letter, the industry first, the customer first choice, the first line of innovation; take employee development as the fundamental mission of the company. By strengthening employee lifelong education, smooth the staff development channel, be a practical humanistic care for employees. To achieve smooth growth, high ability, resultant force agglomeration, full of vitality, improve employees’ sense of gain, happiness, and belonging (Ye & Marorn, 2016).

### **Strategy 2. Build the Champion Team Comprehensively and Reshape the New Way of Thinking of the Team**

The transformation of fixed thinking in state-owned enterprises to growth thinking is the premise of success. The difference between the two thinking modes creates huge differences in the behavior characteristics between people. The former believes that the things that cannot be changed and are difficult to change are the latter thinks that can be cultivated through learning. The biggest limit for grass-root staff thinking change is the “grassroots”, grass-root staff need to remove the “basic” label, cancel the passive growth; people work at the grass-roots level, yet their vision follows the company’s development, open the pattern, do external, value, regard grassroots as soil, from the basic experience, the grass-roots work inward, work hard on the repeated ordinary work, the same grass-roots work needs to seek, do the work “fine”, “special”, get team recognition, gain social recognition. Growth thinking mode can give people a strong belief, we should focus on success and failure to self-growth, “real confidence does not come from a title, an expensive clothing or a famous car; real self comes from your thinking mode, you are ready to grow”.

Since I don’t want to learn, I want to learn, from proving myself to growing myself, growth thinking is profound for the development of individuals, families, and teams. Growth thinking can promote the establishment of a positive attitude, help the team to build the courage of difficulties, and face the difficulties.

Growth thinking has the property of cultivation. The key to change the thinking mode lies in the understanding of failure, and to transform the failure factors of “talent” and “personality” into the shaping of brain power. “Failure is very painful for everyone, but you can’t let failure define you.” We should follow the company’s clear development ideas and correct methods, for the ongoing career to find enough motivation and interest, and make enough efforts (Devyke, 1995).

In the practice of A Company, the authors found that the team needs to have “winning spirit” and “determination to win” from the spiritual perspective, take the initiative to get out of their comfort zone, the comfort zone of the team and the family, have the big pattern of creating the future, and have the internal drive and strategic determination to win and strive for first-class. Uphold the spiritual pursuit of longing for victory, daring to win, and striving for first-class, adhering to the upward attitude of facing difficulties, uniting, and invincible, make victory become a belief and a habit, accumulate a small victory into a big victory, and achieve better development through lasting victory (Alistiaie, 2015).

### **Strategy 3. Build a Comprehensive Champion Team, Highlighting the Customer-Driven Team**

The concept of customer first is put forward by Mr. Peter Drucker, the father of management, who pointed out that the main goal of enterprises is to create and retain customers. The key to creating customers is to find and meet needs, and the key to retaining customers is to provide services and improve experience (Hong, 2013). In terms of customer creation, the company has mobilized Migu Culture and Technology and China Mobile Integration Company to make continuous progress in discovering, meeting, creating, and leading demands, so as to provide customers with better network experience and product ecology. The user scale continues to grow, close to the 1 billion mark. In terms of customer retention, the development concept of customer first will be placed at the core position in 2024. In order to return to the essence of the telecom operation industry, and do a good job in customer service, employees should ensure that they are based on the customer point of view, ensure that the business development is sincere, and ensure that the performance growth is bright and right (Zhao, 2005).

To make grass-root employees understand and implement the development concept of customer first, it is necessary to stimulate employees’ drive, guide employees to establish positive development goals, make KPI assessment become the ruler of employees’ self-value realization, help employees grow faster, so that employees can lose the “burden”. The correct design of products customer first service concept creates the foundation for high-quality development. Customer first should hear from the people, remove the “uninformed”, do not use business order, focus on the user relationship, carefully combine products, and finally hand over to the society and customers’ judgment.

In the practice of Company A, the authors found that the team needs to have “the spirit of fighting” and “the drive to grab” from the perspective of behavior, and to reflect the full commitment and opportunity to promote development. All energy into work, keeps selfless working state, rebuilds organization, personal values, the state-owned enterprises work to promote state capital to be bigger and stronger, make the organization and individual potential in high goal through leading, maximize stimulate potential, hold exogenous opportunities, step steady first, for fast breakthrough (*Economic Information Daily*, 2003).

### **Strategy 4. Build the Champion Team Comprehensively, and Practice the “Nine Hypotheses” That Stimulate the Team and Employees**

To build a champion team, three conditions need to be balanced. First, the change of management style from focusing on “KPI” results to believing in “employees with new quality of production factors”, to remove

the KPI assessment, pay attention to the creative use of production factors of new quality employees, believe staff nine assumed management model changes (see Figure 6). That is, treating employees as “new quality factors of production”, discovering employees’ strengths to link work areas, identifying employees’ expectations of better living standards and meeting it, to cultivate the true inner drive, and make employees’ dreams into organizational dreams. This is to build the champion team of “soft new quality production factors to create new quality productivity”; second, employees change from the eyes to the inside “only leadership” habit to the eyes to the “customer” value creation, to cultivate champion healthy soil for grassroots units, and avoid “lying down to win”; third, properly handle the business driving relationship between “employees and customers” and “shareholders and operators”; “employees and customers” is the bottom of the organization. Focus on sustainable and healthy development, “shareholders and operators” are the subjects responsible for the organization’s business results, financial return planners, responsibility persons, and beneficiaries. Therefore, balance the vitality, creativity, and stability, development, and efficiency of the organization, lead the team to realize the multiple champion dream of staff, team, organization, and customers.

<p><b>hypothesis 1:</b> Believe that employees will be automatically complete the goal spontaneously</p>	<p><b>hypothesis 2:</b> Believe in the employees' goals and groups, Weaving business objectives are coordinated</p>	<p><b>hypothesis 3:</b> Believe in employee needs and goals Priority, more conducive to implementation organizational goal</p>
<p><b>Hypothesis 4:</b> Believe that the employee is the first person responsible for the growth</p>	<p><b>hypothesis 5:</b> Believe that employee work is for meaning, Specificity, freedom and achievement move</p>	<p><b>hypothesis 6:</b> Believe in employees and employees, Staff Workers and teams are mutual rapport</p>
<p><b>hypothesis 7:</b> Believe that the staff to the team mission Pursuit more personal than to achieve, it's important</p>	<p><b>hypothesis 8:</b> Trust that employees are concerned about love, trust, Commitment, respect, value and success the instinct of a long demand</p>	<p><b>hypothesis 9:</b> Believe that the management to the simple, Simple, Socialism, uncomplex and perfect doctrine</p>

Figure 6. Nine hypotheses—trust in the power of trust.

The authors believe that the power should be delegated from the perspective of leaders, gradually realize the autonomy and spontaneous realization of the staff team, and fully practice the “nine assumptions”. The managers cultivate and reshape the ability, so that each grid unit has the ability of independent operation and coordination, and becomes a grass-root operation unit with regional characteristics. Managers should cultivate the soil of grass-root champions, be good at summarizing methods, teaching experience, encouraging learning, not only the champion in business volume, but also the champion who do their best to achieve achievements, guide the grass-root units to build the champion team mode, optimize the mode, curing mode, promotion mode,

and jointly build the platform for champion refinement. The authors’ research found that trying to promote the team internal growth, value, trust, commitment, respect, and love feeling (see Figure 7), can do the following five things, namely see, hear, said, experience, touch the feeling, inspire team champion culture “compare, learn, drive”, forge the government first county grid, industry first, customer choice, innovation first science and technology driven company.

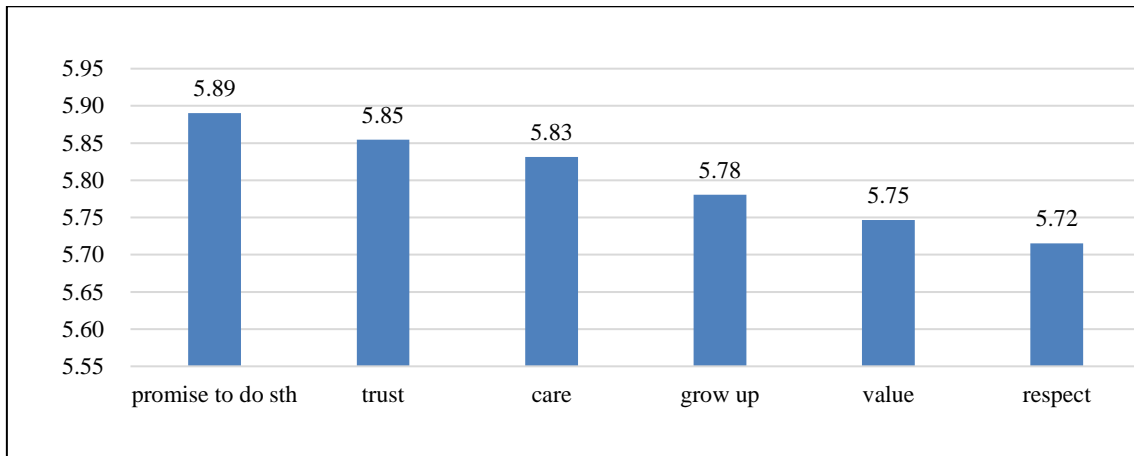


Figure 7. Humanistic 12-character status analysis chart of DT Company.

The authors’ investigation found that the leadership of the company should have the “wisdom of planning”, the middle managers should have the “level of management”, and should have the implementation of the planning and the combination of knowledge and action. Adhere to working based on the current, in long term, use the first line work method and the standard traction method, do a good job of investigation and research, shape, flag orientation, do the right thing; use the implementation of the penetration method, review the work method, far planning, scientific management, do things correctly.

### Summary and Outlook

#### Summary

In China’s state-owned enterprises, there is a close connection between the new quality productivity and the champion team. New quality productive forces, as an advanced productive force with the characteristics of high technology, high efficiency, high quality, and high innovation, play a leading role in innovation and get rid of the traditional economic growth mode and productivity development path. The building of a champion team by Chinese state-owned enterprises is the key force to promote the development of new quality productivity. It is not a day to build a champion team. The champion team constructs the new mechanism to adapt to the champion organization in Chinese state-owned enterprises and releases the momentum of new quality productivity. The authors believe that the new mechanism has the following characteristics: First, to understand the “new” cognition of the champion team of new quality productivity. The authors think that for Chinese enterprise champions team new quality, “new” is to master the new technology “people/employees” factors of production, cultivate champion new quality productivity leadership cadres, from “strategic execution” oriented organization structure to reconstruct people-oriented network neural structure, to adapt to the demand of “customer” innovation, with new employees as the first driving force, fully discover, extend, and expand staff advantage, linking work field to create value. The second is the champion mechanism of reconstructing the

creative execution of the bottom-up strategy. Implementation of traditional strategy involves top-down strategy decomposition, to achieve the target layer by layer decoding and decomposition to posts, reasonable allocation of resources, with the use of performance management incentive system to promote financial budget for benefit management, operation process efficiency management. However, down to the champion team management new mechanism, we should accelerate to play the role of new quality productivity, management from objectives to concerted, management mission from propaganda to consensus, culture from control to assign, structure from the hierarchy to the independent team, duty from only to focus on customer value creation, ability from hard skills to organizational learning ability, organization data from process informatization to asset data digitization and data's seventh transformation, reconstruction of China's state-owned enterprises champion team new mechanism, to adapt to the number of intellectualization transformation, liberation of new quality productivity. Third, returning to the essence of management is customer value creation. China's state-owned enterprises focus the essence of operation on customer value creation, all employees look out, value internally, use emerging technologies to tap customer needs, establish customer data assets, and take whether they can create customer value as the only standard to test productivity. Therefore, change the state-owned enterprises from the traditional "division of labor" to create customer efficiency management to "collaborative" to create customer benefit management, from closed organization boundary to symbiotic alliance ecosystem, from the production and marketing research operations to the government research enterprise value creation, from passive response to customer demand to use digital technology, such as artificial intelligence, big data, cloud technology seamless oblique contact customers, and response to customer demand, agile innovation services and products, make customer type, agile, digital enterprise.

### Outlook

State-owned enterprises in the process of cultivating and developing new quality productivity, pay attention to the construction of champion team mechanism innovation, at the same time, strengthen the digital transformation of state-owned enterprises to strengthen innovation on top-level governance model by the stakeholders of the enterprise, digital people application of enterprise law and ethical risk management, establish state-owned enterprises data assets platform and data assets confidential security, and strengthen the global market competition pattern, bring international operational leadership, favorable reconstruction with international competitiveness, and the sustainable development of ESG champion mechanism of China's state-owned enterprises.

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