

Research on the Economic Benefits of Human Resource Management in Corporate Strategic Management

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Abstract: Human resource management is a key component of corporate strategic management and one of the core competencies of enterprises. High-quality human resource management plays an important role in maintaining a healthy and stable talent team, optimizing human resource allocation, promoting cost reduction and efficiency improvement, stimulating employees' enthusiasm and initiative, accelerating technological research and development, and facilitating the transformation of achievements. More importantly, it can directly or indirectly bring economic benefits to enterprises. Based on this, this paper focuses on the study of human resource management and economic benefits in corporate strategic management. Through a systematic analysis of the relationship between human resource management and economic benefits, it deeply reveals the important role of human resource management in corporate strategic management, analyzes the current situation of the economic benefits of human resource management in strategic management, proposes countermeasures and suggestions, and presents typical industry cases. It is hoped that this research can provide enterprises with a better understanding and awareness of human resource management and offer some reference for strengthening human resource management.

Keywords: corporate strategic management; human resource management; economic benefits; synergy mechanism

1. Introduction

Strategic management is the process of planning, designing, guiding, and implementing the long-term development goals of enterprises. It is the core of internal management work and the beacon guiding the development of enterprises. Human resource management, as one of the core functions of enterprises, is also an important part of corporate strategic management. Both strategic management and human resource management are important aspects of corporate management. Corporate development strategies guide the direction of human resource management, while human resource management plays an important supporting role in achieving strategic objectives. The aims and goals of both are consistent, with the ultimate purpose of promoting high-quality corporate development and achieving greater economic benefits. However, in practical corporate operations, some enterprises still lack sufficient understanding and attention to human resource management. Problems such as the low degree of alignment between human resource management and corporate strategic management still exist and urgently need improvement. Further research on the intrinsic relationship and alignment mechanism between human resource management and economic benefits in corporate strategic management has become an important task at present.

2. Research on the Relationship Between Human Resource Management and Economic Benefits in Strategic Management

2.1 Concept of Human Resource Management

Human resource management is defined as the management process of comprehensively applying scientific methods, coordinating internal personnel relations, fully motivating employees, ensuring that everyone makes the best use of their talents and that people and positions are well matched, maximizing the value of human resources, and realizing organizational goals. Human resource management plays an indispensable role in the corporate management system and performs a crucial regulating function. The main tasks of corporate human resource management include human resource planning, recruitment and selection, education and training, performance management, compensation management, and coordination of personnel relations.

2.2 Concept of Economic Benefits of Human Resource Management

The economic benefits of human resource management refer to promoting cost reduction and efficiency improvement and enhancing economic performance by optimizing human resource allocation, stimulating organizational efficiency, and

reducing human operation costs in various ways. Human resource management is an important strategic driving force of enterprises. Through scientific recruitment, job integration, and optimization of compensation costs, it not only ensures the stability of the talent team and the efficient operation of the enterprise but also helps avoid labor disputes and reduce human resource waste. By strengthening team education and training and improving incentive mechanisms, it can stimulate employees' enthusiasm and initiative, promote business growth, and directly improve economic benefits. In addition, through human resource management, enterprises can harmonize internal relations and create a positive corporate culture, which also contributes to enhancing economic benefits indirectly.

2.3 Economic Benefits of Human Resource Management in Strategic Management

Corporate strategic management and human resource management interact through a dynamic cycle of "strategy formulation → human resource alignment → strategic execution feedback → strategy adjustment." They adjust and optimize each other, jointly aiming at the realization of corporate strategic goals and promoting the improvement of economic benefits. Human resource management is deeply involved in corporate strategic decision-making and, through talent introduction, education and training, performance management, and compensation incentives, ensures the implementation of strategies and the achievement of strategic objectives. High-quality human resource management helps to stimulate employees' enthusiasm and initiative, harmonize corporate relations, improve labor productivity, and promote enterprise benefits. For example, Huawei, through its "Employee Stock Ownership Plan," tied employee interests to strategic objectives, forming a continuous innovation drive. As a result, it achieved its annual goals ahead of schedule for consecutive years and realized a multiple increase in corporate benefits.

3. Current Situation of the Economic Benefits of Human Resource Management in Corporate Strategic Management

3.1 Talent Planning Lagging Behind Development Strategy

Scientific talent planning is an important measure to ensure the stability of the corporate talent team, and a sound talent echelon is a prerequisite for promoting healthy corporate development and achieving good economic benefits. However, many enterprises do not pay enough attention to human resource management, especially talent planning. Some organizations fail to formulate talent plans based on their development strategies; some enterprises have talent plans with no substantive content, which exist in name only; others have talent plans disconnected from corporate development strategies, lagging behind enterprise growth, and offering weak guidance for human resource management. These problems result in human resource management lacking direction, overall coordination, and foresight. For example, when enterprises need to adjust employee types due to transformation, the absence of advance planning and deployment not only makes it difficult to recruit suitable talents in time but also easily causes instability within the enterprise. All these factors are detrimental to building a strong talent team and indirectly exert a negative impact on corporate economic benefits.

3.2 Talent Reserves, Education and Training Not Aligned with Development Strategy

Enterprise development is a long-term process that requires sufficient talent reserves and continuous education and training to enhance the overall quality of the workforce, thereby improving labor productivity and boosting economic benefits. At present, some enterprises still fail to place sufficient emphasis on talent reserves and training. Their workforce tends to have high turnover, with a particularly large outflow of core talents and technical backbones, while reserved talents cannot keep up in time, resulting in passivity at work. Reluctance to invest in education and training causes employees' quality to stagnate, with insufficient motivation for improvement. The shortage of high-end talent reserves and the generally low quality of the workforce hinder the improvement of production efficiency and reform innovation, reduce the enterprise's core competitiveness, and consequently affect its economic benefits.

3.3 Unscientific Compensation System and Performance Management, Insufficient Incentives

A scientific compensation and performance management system can effectively stimulate organizational vitality, promote reform and entrepreneurship, and enhance corporate benefits. However, in practice, many enterprises have unreasonable compensation systems. Problems include weak correlation between employee salaries and performance contributions, making it difficult to reflect work achievements or daily performance; insignificant income differentiation and insufficient incentive measures, which fail to motivate employees effectively and lead to declining enthusiasm. The most direct economic manifestation of this is reduced business volume, revenue, and profits. In addition, some enterprises' performance appraisal indicators overly emphasize short-term results, such as operating income and profit margins, while providing insufficient support for innovation, R&D, medium- and long-term development, risk-taking, and fault-tolerant

mechanisms. This is unfavorable for stable long-term economic benefits and may also lead to shortsighted behavior such as excessive debt and resource waste, causing certain losses to enterprises.

3.4 Insufficient Corporate Culture Building and Unfavorable Development Environment

Human resource management should not only emphasize management and material rewards but also focus on creating a favorable environment for talent development and strengthening spiritual incentives. However, many enterprises overemphasize material stimulation while neglecting spiritual incentives such as self-realization, mission, recognition, honor, and career development. Deficiencies in corporate culture construction result in a mismatch between the overall atmosphere, corporate values, and the enterprise's vision and strategic planning. Employees then lack a sense of mission and achievement in their work, while team cohesion, centripetal force, and enthusiasm for innovation and entrepreneurship are weak. Corporate culture and the working environment exert a subtle yet crucial influence on employees' work enthusiasm and state. A poor environment may lead to reduced work efficiency, insufficient innovation capacity, and ultimately a negative impact on corporate economic benefits.

4. Countermeasures for Enhancing the Economic Benefits of Human Resource Management in Corporate Strategic Management

4.1 Promote High Alignment and Deep Synergy Between Talent Planning and Corporate Strategy

When formulating development strategies, enterprises should explicitly incorporate talent development planning to ensure high alignment and deep synergy, thereby enabling talent support and enterprise development to resonate in unison. High-quality talent planning can guide the construction of the talent team, support high-quality corporate development, and enhance economic benefits. Therefore, before determining strategic planning goals, enterprises should arrange for the human resources department to jointly study the talent strategy. Based on strategic goals and future development blueprints, they should anticipate changes in talent needs, design talent development plans scientifically and reasonably, and break down human resource development goals to ensure that enterprise needs are met. During strategy implementation, enterprises should establish a dynamic adjustment mechanism. According to the enterprise's development status, progress toward goals, and business or technical needs, they should analyze the current talent pool, continuously update recruitment and training plans, and improve the talent structure. After each stage of strategic objectives is achieved, enterprises should promptly summarize lessons learned to provide a basis for the next round of strategic planning.

4.2 Combine Recruitment and Training to Optimize Human Resource Cost-Effectiveness

Enterprises should scientifically and reasonably organize recruitment based on long-term development strategies, current job demands, and existing workforce structure to ensure that the team remains stable, motivated, and innovative. Competency models for key positions should be further optimized, integrating qualities and abilities required by the strategy to enhance the precision of talent recruitment. Emphasis should be placed on introducing strategic, innovative, and interdisciplinary talents to trigger a "catfish effect," thereby invigorating the workforce. By leveraging high-level talents, enterprises can improve reform and innovation capabilities, R&D capacity, and organizational coordination, enhancing core competitiveness and boosting economic benefits. Job positions should be scientifically and precisely arranged. Through job value evaluation, overlapping roles should be consolidated, redundancies reduced, and structures optimized. Flexible employment mechanisms should be reasonably developed, with a moderate increase in flexible and dispatched employees to reduce human resource costs and improve efficiency. Around corporate development strategies, enterprises should regularly hold strategy interpretation meetings to ensure all employees understand the direction of development and strengthen confidence. Education and training activities should be carried out in a hierarchical and categorized manner based on different positions and competencies. A "mentorship + job rotation" system should be implemented, enabling training to truly improve employees' capabilities and comprehensive qualities, transforming them into a driving force for corporate development and enhancing economic benefits.

4.3 Strengthen Performance Management and Enrich Compensation Systems to Fully Stimulate Employees' Enthusiasm for Innovation and Entrepreneurship

A scientific and reasonable performance management and compensation system is an important way to motivate employees' creativity, improve labor efficiency, and increase business volume, playing a guiding role in enhancing economic benefits. Enterprises should establish a scientific, reasonable, practical, and dynamically adjustable performance management system based on actual conditions. Strategic objectives should be broken down by tasks and timelines to departments and

positions, forming individual KPIs to ensure smooth achievement of objectives. During performance evaluation, key strategic indicators should be highlighted, and their guiding role reinforced. A regular performance evaluation mechanism should be established. If assessment results significantly deviate from employees' actual performance, timely adjustments and necessary measures should be taken. A competitive compensation and benefits system should be built, benchmarked against industry standards to ensure competitiveness. Medium- and long-term incentive tools should be enriched and expanded, such as equity-based incentives and stock option plans, with an increased proportion of employee stock ownership. This deeply binds the interests of management and employees with those of the enterprise, maximizing employee motivation.

4.4 Build a Strong Corporate Culture to Create a United, Motivated, and Positive Atmosphere

Corporate culture is a booster for improving cohesion, centripetal force, and combat effectiveness. It is also a driving force for enhancing organizational efficiency and competitiveness, thereby playing a positive role in improving economic benefits. Enterprises should give full play to the role of corporate culture in shaping a talent development environment, integrating corporate strategy into the vision, mission, and values. By strengthening publicity and education, they can enhance overall recognition and foster an atmosphere of equality, harmony, positivity, and innovation. A people-oriented approach should be upheld, with employee care placed at the core of corporate culture building. Activities such as providing warmth in winter and coolness in summer, holding monthly birthday celebrations, visiting employees' families in their hometowns, and arranging New Year's Eve dinners for nonlocal staff should be actively carried out to demonstrate corporate care. The exemplary role of models should be further strengthened. Employees with outstanding achievements and contributions should be rewarded materially as well as spiritually, enhancing their sense of accomplishment and mission. This creates an atmosphere of learning from the excellent and striving upward, fostering unity and enthusiasm.

5. Typical Case Analysis

A small-to-medium-sized trading enterprise with an annual turnover of 15 million yuan and more than 50 employees has faced challenges due to external environmental pressures and intensified industry competition. Traditional business growth has stagnated, new business expansion is difficult, and per capita business volume has remained stagnant. Investigations also revealed an imperfect organizational structure, overlapping functions, imbalances in responsibilities and authority, and low coordination efficiency. In addition, employee compensation and incentives were insufficient, performance assessments were formalistic, and employee motivation was noticeably weak. To address these issues, the enterprise took human resource management as the key lever, and by implementing systemic reforms in organizational structure and HR management, it effectively improved its economic performance.

5.1 Establishing a Flattened Management Structure

Adhering to the human resource management philosophy of "harmony in diversity, dynamic adaptation, and joint progress of people and positions," the company built a flat governance structure. It streamlined and optimized its organizational setup by merging the former Marketing Department and Operations Department into a Business Department, and by dissolving the Logistics Department and integrating its functions into the Administration Department. After adjustment, the enterprise structure was reduced to four departments: Administration, Business, After-Sales Service, and Finance, all directly reporting to the General Manager. Based on the new structure, the company developed a detailed departmental responsibility matrix and responsibility manuals to clarify roles. A "three-point position system" (fixed personnel, fixed positions, fixed staffing) was implemented to clearly define each employee's core responsibilities. Redundant roles were consolidated, division of labor was rationalized, and human resources were scientifically allocated.

5.2 Improving the KPI-Based Performance Management System

The enterprise established a KPI-driven management system that covered management, finance, business, and after-sales service departments, tailored to different positions. Management: assessed on regional market share, proportion of new channels, and share of key clients. Finance: assessed on debt-to-asset ratio, return on net assets, and cash turnover days. Business: procurement was assessed on proportion of quality suppliers, centralized procurement cost, and inventory turnover; sales was assessed on customer activity rate, order fulfillment rate, and customer conversion rate. After-Sales Service: assessed on customer satisfaction and complaint handling outcomes. The KPI system was designed as a dynamic mechanism, with monthly reviews. Adjustments to performance targets were allowed, with the margin of adjustment controlled within 10%.

5.3 Establishing a Closed-Loop Employee Incentive System

The company developed a differentiated, closed-loop incentive system that integrated career development, performance

evaluation, and compensation. Based on KPI results, employee salary-setting and adjustment mechanisms were optimized, encouraging employees to focus on “real performance” rather than “personal relationships.” The company refined the two-tier performance-based compensation allocation system to fully recognize contributions and strengthen differentiated incentives, ensuring that “contributors” and “idle employees” had significant income gaps, and that marketing positions became more attractive. Furthermore, a medium- to long-term employee training plan was introduced, allowing employees to see immediate career value while envisioning future growth opportunities.

6. Conclusion

Corporate strategic management and human resource management are closely intertwined. Strategic management serves as the guiding framework, while human resource management provides the operational support. Only when the framework is well established can the details be effectively implemented, ensuring the enterprise’s healthy, stable, and high-quality development, thereby achieving greater economic benefits. Enterprises must attach great importance to human resource management by improving talent planning, strengthening recruitment and training, enhancing compensation systems, reinforcing incentive mechanisms, and cultivating corporate culture. In doing so, human resource management can fully exert its pivotal role in strategic management and drive the enterprise’s sustainable, high-quality development.

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