

Improvement of An HR Priority Area Based On miHoYo and CYA. Tech

Course: Managing People in Organisations

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Executive summary

miHoYo, a Shanghai-based game production company, has successfully produced original animation IP and fostered a positive corporate culture through its flexible HRM model. Chaoyouai Technology Company, China's largest English teaching platform, is experiencing market forgetfulness due to the insufficient integration of HR teams within programs despite fostering a cooperative culture.

Internal and external environmental changes affect them differently, and according to the 8-box model, this report has found that miHoYo and CYA. Tech both aim to create a relaxed corporate culture, but their HR practices differ. And a significant disadvantage of CYA. Tech has shown, that its fading corporate culture is accelerating its business shatter.

To future evaluate its size, reach, and sector, this report found that both companies prioritize R&D and have a similar organizational approach. MiHoYo values individuality and teamwork, while CYA. Tech's management is focused on sales performance, limiting departmental engagement and hindering growth. MiHoYo's operation model emphasizes context and firsthand knowledge, enhancing employee engagement. CYA Tech's staff engagement is less interested in strategic development and relies more on interns. MiHoYo aims for fair labour returns and fair performance evaluations, while CYA Tech is more inclusive and welcoming to female employees. Technological advancements, such as AI, can lower production costs and enhance content productivity and will therefore be considered in multiple positions on both sides.

This paper summarizes the analysis that miHoYo's coaching culture encourages employee growth, while CYA Tech's human resources management needs improvement to ensure employee engagement, performance, and profit.

Thus, three recommendations were made from this report, CYA Tech needs to address resource waste by reevaluating its workforce, improving communication, and fostering a positive work environment. Digital transformation can improve recruiting efficiency by using platforms like social media and AI. Additionally, the company should focus on employee engagement by fostering a culture where employees feel like they belong, implementing flat management, avoiding complementary group-building activities, and focusing on personal development.

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1.0 Introduction

MiHoYo, a global game production company, has a flat, self-organized network structure, that promotes equality and respect. Its HRM model is based on technological advancement and research, benefiting staff members. CYA. Tech, the largest English teaching platform in China, has a more complex organisational structure with an unreasonable management approach (Xiong Qi, 2020). According to 30 references from office websites, journals, and papers from both China and globally, this report concludes that compared with miHoYo, CYA. Tech has great human resources management problems. Therefore, this paper suggests that CYA. Tech needs to adopt internal organisational structure reform, recruiting improvement, and more employee engagement. Most importantly, CYA. Tech should also focus on fostering a culture where employees feel like they belong, bringing back flat management, and fostering a sense of family.

2.0 Organisational Overview

► miHoYo

Shanghai, China-based miHoYo is a global game production company that was established in 2011. The business effectively produced a well-known original animation IP from China, which has had great success being listed in international markets. Singapore serves as the foreign headquarters of miHoYo, where human resources run differently from China. The company employs approximately 5,000 people. "Encouraging employees to make their own decisions, share information, and be honest with each other" is the succinct description of Netflix's corporate culture (Lu, W., 2023), which is reflected in miHoYo's HRM model. The gaming corporation does not maintain a dedicated human resources department; instead, all administrative roles are categorized under the public comprehensive category (Lu, W., 2023). This indicates that there is a great deal of employee flexibility in this gaming company, along with a positive and active corporate culture. There is also less need for employees to report to work or perform administrative tasks, freeing up their time to be used elsewhere.

► CYA. Tech

The largest English teaching platform in China is Chaoyouai Technology Company or CYA. Tech is slowly being forgotten by the market but is still in operation. Human resources at CYA Tech are not integrated with the programs; in addition to the HR teams inside each program, each subteam has a designated HR representative, but they are not in communication with one another. The administration department, of which the HR is a part, is conveniently located in front of the seating areas and next to the reception desk. While this is going on, the human resources department is dedicated to fostering a cooperative culture by enabling employees to read and study while at work, provided that they complete their allocated tasks. (Xiong Qi, 2020)

3. Main Discussion

3.1 Internal Environmental Changes

3.1.1 Intended HR Practices:

miHoYo hopes to create a relaxed and recognized corporate culture, so the human resources team gives a lot of benefits in terms of cultural construction, encourages every employee to be a developer and creator, and respects and protects employee output (Mangiron, C., 2017). CYA. Tech hopes to build a big family, but due to financial problems, the human resources team has to consider treating different employees differently and excluding interns from benefits.

3.1.2 Actual HR Practices:

miHoYo and CYA. Tech both provide induction training for new employees, but the length and amount of training are different. In addition, the human resources department of CYA. Tech does not continue to track the growth path of employees after their entry. (Stoller, G., 2022)

3.1.3 Perceived HR Practices:

The human resources team of miHoYo gives full recognition to their work. But in CYA. Tech, the human resources team does not feel sad about the company's salary and

welfare reduction or wants to fight for some rights and interests for everyone. Because the salary of the human resources team is lower than that of other positions, they are more like bystanders with an attitude of indifference. (Xiong Qi, 2020)

3.1.4 HR Outcomes:

miHoYo is operating better and better with the cooperation of the human resources team and all departments (Lu, W., 2023). CYA Tech's human resource management and financial problems have led to the departure of a large number of old employees. (Xiong Qi, 2020)

3.2 External Environmental Changes

3.2.1 The General Market Context:

In the fiercely competitive gaming market, miHoYo strives to attract top talent by offering high compensation, generous welfare, and significant autonomy. Meanwhile, CYA Tech opts for a sales-driven approach, capitalizing on market fragmentation and a lack of unique products or government support. (Vinsensius & Adam, 2021; Xiong Qi, 2021).

3.2.2 The External Population Market Context:

MiHoYo's gaming dominance has attracted top talent, including high-achieving students from prestigious universities, drawn to its vibrant corporate and gaming culture (Susannah Haan, 2023). CYA Tech has distinguished its stances in the event of a drop in profits. For the most part to save money, the educational requirements for jobs that don't demand mental labour have decreased while maintaining a balance for other positions. (Xiong Qi, 2020)

3.2.3 The External General Institutional environment Context:

The human resources department at MiHoYo has decided to assemble a localization team and conduct a local analysis of all exported content. (Liu, M. and Chung, J., 2022)

The human resources department of CYA Tech is limited to conducting internal product

research and development and reform because the company needs to maintain profitability in this market and lacks policy support.(Xiong Qi, 2021)

3.2.4 The External Population Institutional Context:

MiHoYo seeks creative technical and planning talents, aligning with China's talent policies that foster an environment conducive to their emergence. While CYA. Tech only needs odd jobs and does not require ability, which is more suitable for laid-off re-employment people, the employees of this enterprise are worried about the reputation problem, so it does not match the national policy at present. (Xiong Qi, 2021)

3.3 Evaluate on Size, Reach, and Sector

3.3.1 Size:

The CEO of MiHoYo, an international gaming company with more than 5,000 workers, declared the company to be unreliable. (Xu, Z., Sukumar, A., Jafari-Sadeghi, V., Li, F. and Tomlins, R., 2021) Nonetheless, the corporation has a flat organisational structure and produces 27 billion yuan in sales annually. While administrative management gives staff research priority, miHoYo favours technological innovation over personnel management.

In the meantime, CYA. Tech, which employs 500 people, has an open management structure and an extensive open-office (OA) procedure. Employees can look for project managers or managers directly via the company's social software system, which makes sure business operations run smoothly.

3.3.2 Reach:

The human team at miHoYo is in charge of hiring, and the specialized administrative team is in charge of welfare design and internal culture creation. All unconnected tasks are categorized in the public comprehensive department rather than having a distinct human resources department (Stoller, G., 2022). Its culture construction is referenced

from the Western world, open, flexible, encouraging, and positive (Vinsensius, A. and Adam, M., 2021), but as a Chinese company, it certainly combines all elements. The project leader makes post-adjustment decisions after the human team manages personnel transfers and preparations for each project team. A similar organisational approach is like a combination of Netflix and Databytes (Mangiron, C., 2018.). Each project at CYA Tech is assigned a team leader, or 1-2 people, who manages personnel matters in addition to their work duties (Xiong Qi, 2020). The team leader makes decisions regarding post-employment. Its managerial model is a typical outdated small-size Chinese business style, relevant examples could be easily found in any market with narrow-minded bosses (Yaling P, 2020), and their falling is predictable without support from nepotistic powers (Moer Z, 2020).

3.3.3 Sector:

The ethos at miHoYo, which values both individuality and teamwork, means that departments are intimately related to one another. It's one of the best video game companies because of its culture-driven management approach. (Ahn, J.K. and Kwak, C., 2021) The normal staff, who are primarily interns with short service records and high mobility, rarely interact with the CYA Tech department. Since the company solely pays for sales performance, management is blind to the value of departmental relationships. The growth and development of miHoYo is hampered by this lack of engagement.

3.4 Analyse Key People Management Concerns

3.4.1 Employee engagement

miHoYo's operation model emphasizes context, not control, allowing firsthand knowledge to determine and execute work plans. This approach enhances human potential and motivates people to reach their full potential.

CYA Tech's organizational culture, once renowned for its laid-back and supportive atmosphere, cultivated high levels of staff engagement prior to 2020. Emphasizing values such as reading and effective time management, the company created an

environment where employees felt valued and motivated. However, recent internal changes have led to a decline in employee interest in the company's strategic development. Instead, CYA Tech appears to be increasingly reliant on interns to promote their purported new products, signaling a departure from its previous employee-centric approach. This shift raises concerns about the company's ability to maintain employee morale and engagement amidst evolving dynamics (Moer Z, 2020).

3.4.2 Performance Management

miHoYo aims to provide a fair and reasonable return on labour, attract elite individuals, and ensure fair performance evaluations. Its founder, Cai Haoyu, plans to offer a 20-month year-end bonus for exceptional employees. (Lehonkoski, R., 2022.)

CYA Tech maintains a strong compensation and year-end bonus structure for regular employees. However, due to a high turnover of interns who typically have short three-month cycles, they enjoy limited benefits tied to performance. For example, operations interns are evaluated based on sales and customer retention, with three performance tiers: high, medium, and poor. Despite their contributions, interns receive negligible performance bonuses. For instance, operations interns may earn only £5 for every £4,000 of revenue generated (Yaling P, 2020). This setup raises questions about the long-term sustainability of relying on a transient workforce and its potential impact on company performance and culture.

3.4.3 Diversity

In miHoYo, an essential idea is that an individual who is whole and in good health will always be developing. Cai Haoyu addresses employee remuneration, skills, and mental development in the miHoYo Employee Handbook. (Ahn, J.K. and Kwak, C., 2021) He claims that they can get the best talent in the business because they can offer large returns and quick advancement.

While in CYA. Tech is positive in terms of diversification because it is welcoming to female employees and has a breast chamber and children's entertainment area—features that are uncommon in gender inequality in China. (Yaling P, 2020) In addition, the company employs a large number of gay individuals and fosters an inclusive work environment where everyone can live in harmony.

3.5 Role and Impact of Technological Advancements

MiHoYo uses fantasy and visualization to create blockbuster games. They aim to create an efficient content production tool that can produce detailed virtual objects (Ahn, J.K. and Kwak, C., 2021). MiHoYo's goal is to enhance content productivity, creative efficiency, and auxiliary design tools, as their technology research and development are funded by game sales.

CYA Tech perceives technology's advancement as a double-edged sword, recognizing its potential lethality in an increasingly competitive market. With products lacking distinctiveness, the company views AI as a crucial tool for cost reduction, particularly in minimizing labor-intensive processes. This strategic shift towards automation is anticipated to reshape the company's workforce dynamics, with a reduced reliance on manpower and a greater emphasis on core managerial and technical roles within the software development department (Jing Z, 2022). By aligning with technological trends, CYA Tech aims to maintain competitiveness and operational efficiency in an ever-evolving landscape.

4.0 Conclusions

miHoYo has the most dependable coaching culture, which excavates the potential of employees to have endless aspirations for the future and advancement. Establishing a very clear vision and goals for enterprise development, regardless of the expense, is of vital importance. Regarding CYA Tech, the organisational structure is more crucial than any other area. If a better human structure doesn't emerge within the organisation, employee engagement, performance, or profit will all sharply fall. Before they can focus

on other factors, CYA Tech needs to acknowledge how inadequate their current human resources management is. (Jing Z, 2022) They should start from scratch and reset all of their goals, objectives, job duties, and other specific details.

5.0 Recommendations

5.1 Urgent Internal Organisational Structure Reform

At CYA Tech, there is presently a grave turnover. First and foremost, in terms of workforce, the project team should reevaluate the work's scope while also strengthening team communication, creating a positive work environment, breaking down barriers between enterprise information, clearly dividing labour among positions, and putting in place suitable incentives for employees' personal development. (Tianlang Y, 2020) Regarding product management, a dedicated product manager or specialist is assigned to monitor new products in real time and promptly notify other departments.

5.2 Recruiting Efficiency Improvement With Technology

Social media and online platforms can be used to increase the scope and efficiency of recruiting through digital transformation. CYA. Tech can use digital technologies to interview individuals, filter resumes, cut costs, and enhance the calibre of hiring. (Xiong Qi, 2021) CYA. Tech can set up digital platforms like recruiting apps and college websites to streamline the hiring process. Resume screening can be automated with the help of artificial intelligence technology. Speech recognition and video conferencing can be used to provide intelligent interview assistance, cutting down on both the duration and expense of interviews. CYA. Tech can also create more sensible hiring strategies by using data analysis to better understand market trends and rival efforts. All things considered, digitising human resources is essential to streamlining hiring procedures and cutting expenses. (Jing Z, 2022)

5.3 More Employee Engagement Construction

CYA Tech's need is for the company to increase profits, but the product is not competitive, so it needs to hire qualified product managers. However, the company

lacks a qualified talent incentive policy, which makes it difficult to retain employees. Therefore, in addition to providing a high salary, the company should look into how to foster a culture where employees feel like they belong. miHoYo offers its employees a sense of full identity, letting them feel as though it's their second home. (Xiong Qi, 2020) CYA Tech should take this to heart, bringing back the flat management of the past and replacing the middle managers who want to build a hierarchical system in the company. For each group building, reasonable use of all funds is essential, avoid group building, ending formalism, refrain from forcing employees to participate in boring group-building activities would help the company perform well. (Xiong Qi, 2022) Over time, workers will come to favour the organisation, and they will be more inclined to take the initiative to devote themselves to it.

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