

Assignment 1: The Script of Video Presentation

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The scripts of video presentation: a case study about HRM in ByteDance

Hello, everyone. I am Jenny. Welcome, come to my video presentation. The topic of my presentation is HRM in ByteDance, including three parts of contents: introduction, the role of HR, and sustainable competitive advantage in ByteDance.

1. Introduction of ByteDance

ByteDance is a Chinese multinational internet technology company (Wikipedia, 2021), whose products focus on the user of customer terminals in video-sharing social networking services and apps, such as Tik Tok, Headline, Lark (ByteDance products, 2021). Although the company has just been founded less than 9 years, it has offices in 30 countries, and more than 200 cities globally.

Until 2021, its market capitalization has exceeded JD and Uber, placed eleventh among the largest internet companies worldwide (Statista, 2021).

Just like the globalization strategy of CEO Zhang Yiming (2018), ByteDance has developed in the domestic and overseas market together. According to the data in Statista in 2020, ByteDance ranked only second to Tencent in the Share of mobile app usage time in China. And the number of MAU in Tik Tok via iOS worldwide in 2021 has reached over 100 million. From these data, we can discover the expansion of ByteDance is very rapidly comparing with other internet companies.

Secondly, the amazing expansion also happened in the number of employees. According to the data in ByteDance website (2019) and research report from Capital

securities (2020), the number of global employees in ByteDance has increased from 60 thousand to over 100 thousand within two years.

Comparing numbers in Tencent and Amazon, during the longer period, the number of employees in Tencent has not reached 100 thousand, and the number in Amazon also just exceeded a little (Statista, 2021).

Also, we cannot ignore, in the process of global strategy, the pressure from the domestic and overseas environment has brought administrative dilemmas for ByteDance, including stronger supervision in domestic relevant industries, cultural differences and policies in overseas markets. To overcome these turbulences, ByteDance began to adjust organizational structure in head leaders firstly. In 2021, HR head Liang Rubo will become the new CEO to work for the organizational management (Zhang, 2021). Huge evidence proves that ByteDance has been in the key stage of strategic and organizational adjustment.

2. The role of HR in ByteDance

Just like the analysis of the white paper on talent development (2021) edited by LinkedIn China, talent competition is more important than other elements in internet industries. Based on the proportion of jobs posted by overseas Chinese enterprises, until 2020, the talent demands of ByteDance has reached a historic high.

Based on the situation of the talent demands in ByteDance, overseas talents are still the main gap (ByteDance Career, 2021). And for the HR department, the huge demands of positions in HRBP tend to recruit overseas or local talents. Also, as a high-technique

enterprise, HRM in ByteDance is operating in HR 3.0 (IBM, 2020) based on the characteristic of transparency, creativity, and delayering (ByteDance Culture, 2021). Thus, HR digital analysts become the significant demands to realize digital awareness of HR update (Ulrich, and Smallwood, 2020).

So, what is the role of HR in ByteDance? Boglind et al (2011) in their article, HR transformation, and shared services, presented HR function connected to HR transformation. In ByteDance, according to the position demand, I think HR has three roles: servicer, architect, and product manager.

Boxall (2011) thought “HRM is the process of managing work and people in organizations”. Just like the metaphor of ‘bundle’ (Wall and Wood, 2005) and ‘black box’ (Purcell et al., 2003), the role of servicer for HR in ByteDance should emphasize two problems. How Service Delivery Center in ByteDance operate the HRM process work? And how to link HR goals to performance outcomes?

To understand the “internal fit” of SDC in ByteDance, I try to illustrate the key points of employees’ life cycle. Based on Human Resources Professional Association illustration in 2017, the HRM function in ByteDance follows the demands of the digital era to develop the Lark system assisting the whole process except onboarding training which is outsourced by other company. According to the data in 36 Kr, a business research platform in China, after 2019, 90% recruitments in ByteDance happen online. In employee performance, ByteDance uses OKR to judge employees’ performance in LARK twice a year and for everyone, including CEO. Everyone can see the other employee’s performance of key results.

Comparing with the views from the article written by Perry et al in 2008, which emphasized the devolution of HR to the line, the structure of HR in ByteDance transforming continuously based on Three-legged stool (Ulrich, 1995; 2009), has built the HRM with ByteStyle and internet industrial features. The Chinese scholar Ma Haigang in his book said, communication, cooperation and efficiency construct the three legs in HRM. In the next 5 years, according to the analysis of research report from Sealand Securities (2021), the products in ByteDance will expanse from customer terminals to business terminals. Based on this main goal, the three parts will shape the cycle to fulfill HR responsibility together and discover problems more efficiently. In the process of sharing service and delivering customer value from SDC, HRBP will provide support for business goals and communicate the frontline information with COE combining with problems happening in SDC. Then, the structure of HRM will have strong interaction and adaptability for dealing with dynamics strategies of ByteDance in the global management.

Pursuing better efficiency and effectiveness, many securities in China (Founder securities, 2020; Hua Chuang Securities, 2020) analyze the agile organizational structure which has coherent with HRM. In the platform enterprise, for ByteDance, the delayering structure is very obvious. And the whole huge middle platforms struggle to serve for development and iteration of products in the frontline. However, with the growth of ByteDance, pure pursuit of small teams around products has been not enough to support the demands of effectiveness. Hence, the more complaints for products from customers have been received in the new year (Zhang, 2021).

Even though HR also as the product managers supports marketing of software as a service, Lark system is brought to overseas market by HR managers. The technology can increase efficiency, but cannot shape culture for the organization as a complex adaptive system (UHL-BIEN and ARENA, 2017). So, opportunities and challenges for global management both are facing for ByteDance (Nankervis, et al, 2021).

3. How to maintain sustainable competitive advantage

So, in the coming 5 years, the largest challenge for ByteDance is to deal with issues of global management to adapt to expansion at an incredible rate globally. For HR, global talent management still will be the main topic to win the core competitive advantage. Thus, just like Collings said in 2019, HRM should build more complete human capital on a global scale by developing talent strategies. Also, although the Lark system is excellent, how to manage global talents in a different context, system, and culture is difficult (Allen, Lee, and Reiche, 2015). This dilemma motivates HR to construct more multi-ecosystem for organizational management.

According to the research of White Paper of Talent Development (2020), reputation, popularity, and culture all impact the attraction of overseas talents. The young ByteDance has fewer in these perspectives comparing with other large companies, such as Alibaba, HUAWEI. However, I think the culture in ByteDance has more attraction for the young who pursues more freedom, creativity, and equality. HR should grasp the competitive advantage of culture to construct the image of the company. Secondly, as an internet company, leading technology, and excellent labs can attract more scientific

manpower. Understanding talents' need is a permanent topic for HR.

Finally, in effective mechanism, understanding the link between GTM and MNE performance is important by multilevel consideration (Molloy, Ployhart, and Wright, 2011). The performance in Alibaba focuses on half KPI and half value. Multi-dimensions are considered by Alibaba. But for young ByteDance, creativity is the key issue to explore new markets. In the current situation, updating OKR is a better choice for organizational resilience. Comparing Alibaba, I think performance in ByteDance is more adapted from Google due to the similar model in knowledge-based employees and enterprise type. With the growth rapidly in ByteDance, comparing mature mechanisms in Google (Doerr, 2018), ByteDance needs to realize the transformation in performance from single result to shapes of motivation and culture. So, the Next stage of ByteDance should try to create the multi-dimension performance and culture to optimize efficiency and effectiveness better (Molloy, Ployhart, and Wright, 2011).

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Appendix 1: The Link of Video Presentation

HRM in ByteDance:

<https://web.microsoftstream.com/video/bdb02d39-6ada-4d03-9357-57d16f6d318b>