

Optimization Strategies for Performance Management of Knowledge Workers in EH Intelligent Company

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Abstract: In the context of globalization and informatization, knowledge-based employees have emerged as the primary drivers of enterprise innovation. Consequently, traditional performance management systems are encountering significant challenges in the context of intelligent enterprises. This article utilizes the EH Intelligent Company as a case study to assess the current state of performance management for its knowledge-based employees. The analysis identifies challenges such as ambiguous performance goals and standards, delayed feedback, ineffective incentives, and suboptimal cross-departmental collaboration mechanisms. Consequently, this study proposes targeted optimization measures, including the establishment of a flexible and personalized evaluation system, the enhancement of two-way communication, the construction of diversified incentive strategies, and the improvement of team collaboration assessment. The implementation of these measures is expected to enhance the performance of knowledge-based employees, boost enterprise competitiveness, and serve as a reference for analogous enterprises.

Keywords: Knowledge-based employees; Performance management; Intelligent companies; Excitation mechanism

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1. Introduction

In the context of accelerated globalization and informatization, knowledge-based employees have become the core force driving innovation and competitiveness enhancement in enterprises^[1]. The ongoing progression of technology and the refinement of industrial frameworks have collectively led to an augmentation in the demand for knowledge-based professionals across diverse industry sectors^[2]. This is particularly evident in fields such as high-tech, intelligent manufacturing, and information technology, where the innovation capacity and professional competencies of knowledge-based employees are pivotal factors contributing to enterprises' ability to maintain competitiveness^[3]. Performance management, as an integral component of the employee motivation and development system, has garnered significant attention from major enterprises in recent years^[4]. However, as the

proportion of knowledge-based employees in enterprises increases, traditional performance management methods are increasingly demonstrating their limitations^[5]. Conventional performance management systems are inadequate in fully capturing the value contributions of knowledge-based employees in innovation, collaboration, learning, and growth^[6]. Consequently, enterprises must develop a more flexible and diversified performance management system to effectively motivate and guide knowledge workers to realize their potential^[7]. As a high-tech enterprise with a core focus on technological innovation, EH Intelligent Company's primary competitive advantage stems from the creativity and professional competencies of its knowledge-based workforce. The enterprise's knowledge-based employee group is characterized by its diversity, encompassing professionals from various disciplines such as technology research and development, market analysis, and project management, among others. This article will take the optimization of knowledge-based employee performance management in the company as an example to study and propose a plan to optimize the knowledge-based employee performance management system. The objective of this study is to better stimulate employees' potential and creativity and enhance the innovation capability of the enterprise.

2. Introduction to EH Intelligent Company

EH Intelligent Company was founded in 2014 and is headquartered in Guangzhou. It is a national high-tech enterprise specializing in the research and development of artificial intelligence technology and intelligent unmanned systems. The company has historically sought to construct a "smart city," providing support and empowerment for a variety of fields, including intelligent transportation, logistics transportation, emergency rescue, and smart agriculture, through independent research and development of innovative intelligent devices and solutions. EH Intelligent Company has assembled a robust and prolific technical team, with core members predominantly from prestigious universities and enterprises domestically and internationally. These individuals possess extensive research and development backgrounds and substantial market operation experience. Within the organizational framework of enterprises, knowledge workers assume a pivotal role, predominantly situated in technology research and development centers, product design departments, and data analysis and operations departments. These professionals facilitate technological innovation, product optimization, and upgrading, thereby contributing to the enterprise's overall competitive advantage.

3. The current situation of performance management for knowledge workers

3.1. Performance management system

EH Intelligent Company has established a comprehensive performance management system for knowledge-based employees. This system encompasses various aspects, including goal setting, feedback mechanisms, and incentive measures. In the context of goal setting, the company undertakes a departmental decomposition of its corporate strategic goals. It then determines performance directions based on the responsibilities of each department and the abilities of its individual employees. The company's feedback mechanism constitutes a pivotal element within its management loop, serving as a crucial conduit for the dissemination of feedback and the subsequent refinement of its operations. The company utilizes a combination of quarterly evaluation feedback and annual summaries to assist employees in comprehending their work performance and areas for improvement. With regard to the matter of incentive mechanisms, the company has formally instituted a range of both material and non-material incentives. The material incentives encompass performance bonuses and special allowances, while the non-

material incentives include opportunities for promotion, recognition, and training programs.

3.2. Performance evaluation standards and indicators

The performance evaluation of knowledge-based employees at EH Intelligent Company encompasses a multitude of dimensions, including technological achievements, innovation ability, teamwork, and work attitude. The evaluation is comprised of quantitative and qualitative indicators. The objective of the evaluation process is to determine the extent to which employees have contributed to the organization's technological research and development output. The evaluation encompasses a range of metrics, including the number of patents obtained by employees, the degree of technological optimization achieved, and the progress in the completion of projects. In contrast, soft skills are assessed based on the efficiency of cross-departmental collaboration, the ability to innovate, and the extent of team contribution. With regard to the evaluation process, the company administers performance evaluations on a quarterly basis and conducts a comprehensive review of employees' work performance through annual summaries.

3.3. Incentive mechanism

EH Intelligent Company has developed a series of measures at both the material and non-material incentive levels. With regard to material incentives, the most salient of which are annual performance bonuses, special rewards, and job allowances, the company seeks to stimulate employees' work enthusiasm through direct economic rewards. In terms of non-material incentives, in addition to salary incentives, the company also focuses on career development and training opportunities. Employees have the opportunity to engage in professional skills training, management improvement courses, and other relevant educational opportunities according to their individual needs.

4. Problems in the performance management of knowledge workers

4.1. Unclear performance goals and standards

EH Intelligent Company has established performance objectives for each department. However, certain objectives lack explicit quantitative metrics and depend excessively on qualitative assessments. With regard to the technology research and development department, the technology research and development center is the core department of the company's technological innovation. However, the performance evaluation standards are relatively vague, and employees are not clear about their specific contributions to the project, which affects their sense of identification with performance goals.

4.2. Performance feedback mechanism lags behind

A number of employees in the knowledge sector at EH Intelligent Company have submitted reports detailing the protracted nature of the feedback cycle for performance evaluation. They further contend that the evaluation process is deficient in its paucity of timely communication and feedback, with a summary evaluation being conducted at the conclusion of each year. The presence of feedback lag has been identified as a significant impediment to the timely comprehension of employees' strengths and weaknesses in their work. This, in turn, has a deleterious effect on their capacity to adjust their work status and strategies in a manner aligned with feedback. This phenomenon, to a certain degree, serves to diminish the efficacy of performance management.

4.3. The practical effectiveness of incentive mechanisms is not significant

EH Intelligent Company has historically provided its employees with material rewards commensurate with their contributions. However, as the nature of the company's work has evolved to become increasingly knowledge-based, the methods by which it offers incentives to its workforce have undergone a gradual transformation. In contrast to material rewards, knowledge workers prioritize personal career development opportunities, personal sense of achievement, and promotion prospects. In the prevailing incentive system, the emphasis is predominantly on short-term economic benefits, while long-term career advancement and spiritual incentives are often overlooked. This has led to a decline in job satisfaction and a lack of full mobilization of work enthusiasm among knowledge-based employees.

4.4. Inadequate performance management mechanism for cross-departmental collaboration

Given the variances in job content and nature among departments, it is challenging for performance evaluation to comprehensively address the outcomes of cross-departmental collaboration. For instance, while there is close collaboration between the technology research and development department and the marketing department of EH Intelligent Company, the performance evaluation standards of these two departments have not been effectively integrated, resulting in a lack of smooth cooperation between departments. This, in turn, has affected the overall efficiency and effectiveness of work.

5. Optimization strategies for performance management of knowledge workers

5.1. Establish a flexible and personalized performance evaluation system

For employees in the knowledge-based sector, the objectives of the job, the nature of the tasks, and the requirements in terms of skills vary across different positions ^[8]. Consequently, it is recommended that EH Intelligent Company expedite the enhancement of the personalized and flexible performance evaluation system. The development of performance evaluation standards should be informed by the unique characteristics of each employee position, thereby ensuring a customized approach to assessment. The implementation of customized evaluation criteria facilitates a more precise alignment between employees' job responsibilities and their actual duties. This, in turn, has the potential to enhance both the employees' potential and the accuracy and fairness of performance management.

5.2. Strengthen performance feedback and two-way communication

EH Intelligent Company must establish a two-way interactive communication channel. Such a channel would allow employees to have a clearer understanding of their performance and to have more say in setting goals and evaluation processes. It is recommended that the company implement regular performance evaluations and feedback mechanisms. These mechanisms would allow employees to receive feedback and suggestions from their superiors at the conclusion of each work cycle. A regular feedback mechanism can timely identify potential problems and help employees continuously adjust their direction and improve their professional abilities during the work process.

5.3. Establish diversified incentive strategies

It is recommended that EH Intelligent Company consider the merits of abandoning its exclusive reliance on

traditional material incentives and instead implement personalized and diversified incentive strategies. While financial compensation is undoubtedly a significant factor for knowledge workers, it is not the sole motivator for their professional engagement. A sense of accomplishment and a strong sense of identification with the organization are also crucial factors that significantly influence their work enthusiasm. In addition to material incentives such as salary and bonuses, the company's incentive system should prioritize spiritual satisfaction. It is imperative to provide employees with ample opportunities for career development. Such opportunities may include regular training programs and involvement in project decision-making processes. These initiatives are designed to enhance employees' professional competencies and job satisfaction.

5.4. Strengthen the performance evaluation mechanism for team collaboration

By reasonably allocating the weight of individual and team performance, enterprises can clarify the roles and responsibilities of members in the project and further optimize collaboration efficiency. Furthermore, the regular implementation of team review and summary activities can foster a collaborative environment, thereby enhancing team cohesion and laying a more solid foundation for future cooperation. This management method, which takes into account both individuals and teams, can better guide knowledge-based employees to show creativity in cooperation and help the efficient achievement of enterprise goals.

5.5. Dynamic adjustment mechanism for performance management

In light of the strategic realignment within the company, the evolving market environment, and the enhancement of employees' individual capabilities, performance evaluation systems ought to undergo a parallel adjustment, aligning with the market's shifting dynamics. The performance management system must be highly dynamic and adaptive to ensure that employees can always play their role within the most appropriate performance framework. The dynamic adjustment mechanism must take into account the personal growth and work rhythm of employees. Concurrent with the advancement of the project and the alteration of employees' roles, the performance objectives must undergo modification to ensure that the evaluation of employees consistently aligns with their contemporary job responsibilities, work environment, and work challenges.

6. Conclusion

This study analyzes the performance management issues of knowledge-based employees at EH Intelligent Company and proposes optimization strategies to help improve the company's performance management level and stimulate employee creativity. In the future, companies will be able to further advance the digital transformation of performance management, employ big data to accurately analyze employee performance, and achieve dynamic management. Concurrently, they have the capacity to fortify the integration of corporate culture and performance management, thereby enhancing employee belonging. In addition, it is imperative to closely monitor industry trends and to continually enhance the performance management system in order to adapt to the dynamic market environment and the evolving needs of employees. This approach will ensure the promotion of sustainable corporate development.

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