

Ecological Niche, Innovation and Coordination evolution: A Discussion on the Development of City Commercial Bank in China

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Abstract: Ecological niche principle is the important theory to study the competition and adaptability in ecology. Based on enterprise bionics principle, leading the ecological niche theory into economic and management fields can bring new ways of thinking for management decision-making and enterprise's survival and development. The concept of enterprise ecological niche is the multidimensional resource space that an enterprise can occupy and utilize in a strategic environment. The model of ecological niche involves the expansion, compression and movement of the ecological niche, the interactions between different ecological niches involve overlapping, separation and coordination evolution. In this article, the model of ecological niche and the relation between ecological niche, innovation and coordination evolution are discussed. Based on the ecological niche theory, the innovation and coordination evolution of city commercial bank have been analyzed. Facing the fierce competition of four traditional state-owned banks and dozens of national joint-stock banks and foreign banks, city commercial banks have a great pressure to survive as local banks. How to survive and pursue for development in the fierce market competition has been the most important issue for them. Now many city commercial banks in China take great efforts to develop the business in different cities, but expanding the business region simply cannot enhance the whole ecological niches of city commercial banks, and with the current legal system constraints and the benefit struggles of their major shareholder (local government), most of efforts of city commercial banks to develop businesses in other cities have to give up finally. So, whether expanding the business regions can rescue city commercial banks is deserved to doubt. In this article, it is pointed that only by the innovation and coordination evolution between their own ecological niches and between ecological niches of different enterprises can the city commercial bank achieve the sustained development.

Key words: City commercial bank, Coordination evolution, Ecological niche, Innovation

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