

Bridging the Chinese talent gap



Despite making huge economic strides in the last three decades, China is still wanting in the area of human capital. Not enough local talent is being adequately groomed to keep up with the country's growth engine.

This is a direct result of Chinese companies not devoting enough time to look at their talent pipeline, according to **Goh Thee Woon**, director of coaching and facilitation consultancy, Rubicon Network.

“The involvement of senior managers in people's development in China is absolutely key,” he says. “Don't just leave everything to HR. To a large extent sometimes, I feel HR gets caught with a lot of other administrative stuff. HR could be a stumbling block if senior managers don't jump in, don't take charge in terms of retention.”

He adds that the development of local talent, and subsequently a company's ability to retain staff, is more important now than ever, if China wants to keep pace with the rest of the world, especially with keen competition from emerging market economies.

Goh suggests a few simple steps: first, retain the people who keep you in business. Second, identify these people by giving them more responsibility to ascertain their strengths and weaknesses. Third, fast-track these “high potentials” regardless of gender or age.

China 101: a roadmap to breaking into the Chinese market

As hard as it is to find good local talent in China, there has been an influx of foreigners hoping to make it in China. Many have failed, but some have succeeded.

Goh Thee Woon of Rubicon Network says there are certain ‘must-have’ attributes to surviving China.

“I think one of the must-haves is a sense of adventure ... The other one I would call having the attitude of working 24/7. You have to work reasonably hard, 24/7 to a large extent ... You've got to be humble and at the same time you've got to be assertive.”

Guanxi or relationship building, which figures prominently in the China context, should also be heeded. “I would actually encourage that anybody who wants to enter China, they understand the need to cultivate what I call connection-building skills. Not necessarily going out to please everybody but knowing how to build connections, knowing how to engage in small talk, knowing how to actually gain the confidence, knowing actually eventually how to gain the trust.”

“It essentially helps to open doors. It also essentially points you to a lot more possibilities, certainly in that regard. And especially if you are working with senior level folks, sometimes actually getting trust it's significant. And I dare say, (while) it's pretty rampant in China, it's also happening in the Western world.”

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“Anyone who is actually good, being stuck on the job, doing the same old mundane job, eventually is going to lose their potential. But if you career-rotate them around, you’ll actually give them more exposure. If you stretch them, if you coach them, if you mentor them, I think that’s the biggest hope.”

Another way to shore up human capital is by building what he calls ‘bench strength’. “Bring in your best manager and at the same time search out for the best in China,” he explains. “Let them mix, let them develop their teamwork and constantly actually build the bench strength.”

All these measures are what Goh deems as necessary, because he says it is no longer realistic for the expatriate managers to stay in China, what with the kind of disparity in compensation.

“It’s not realistic for the companies to actually not manage that issue. So bring in foreign managers who actually are positive about people, who actually know how to develop people, who actually come in with a clear mindset that they are there to do actually what we call ‘B-O-T, build, operate and transfer to the local folks.”

Goh cautions, however, that the transition should be a smooth one. For the first year, he recommends that the foreign managers still shoulder the bulk of the responsibilities – about 70 per cent – leaving the locals to manage the remaining 30 per cent. By the second year, the locals should aim to take on the bulk of the workload, until progressively, the handover is complete.

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