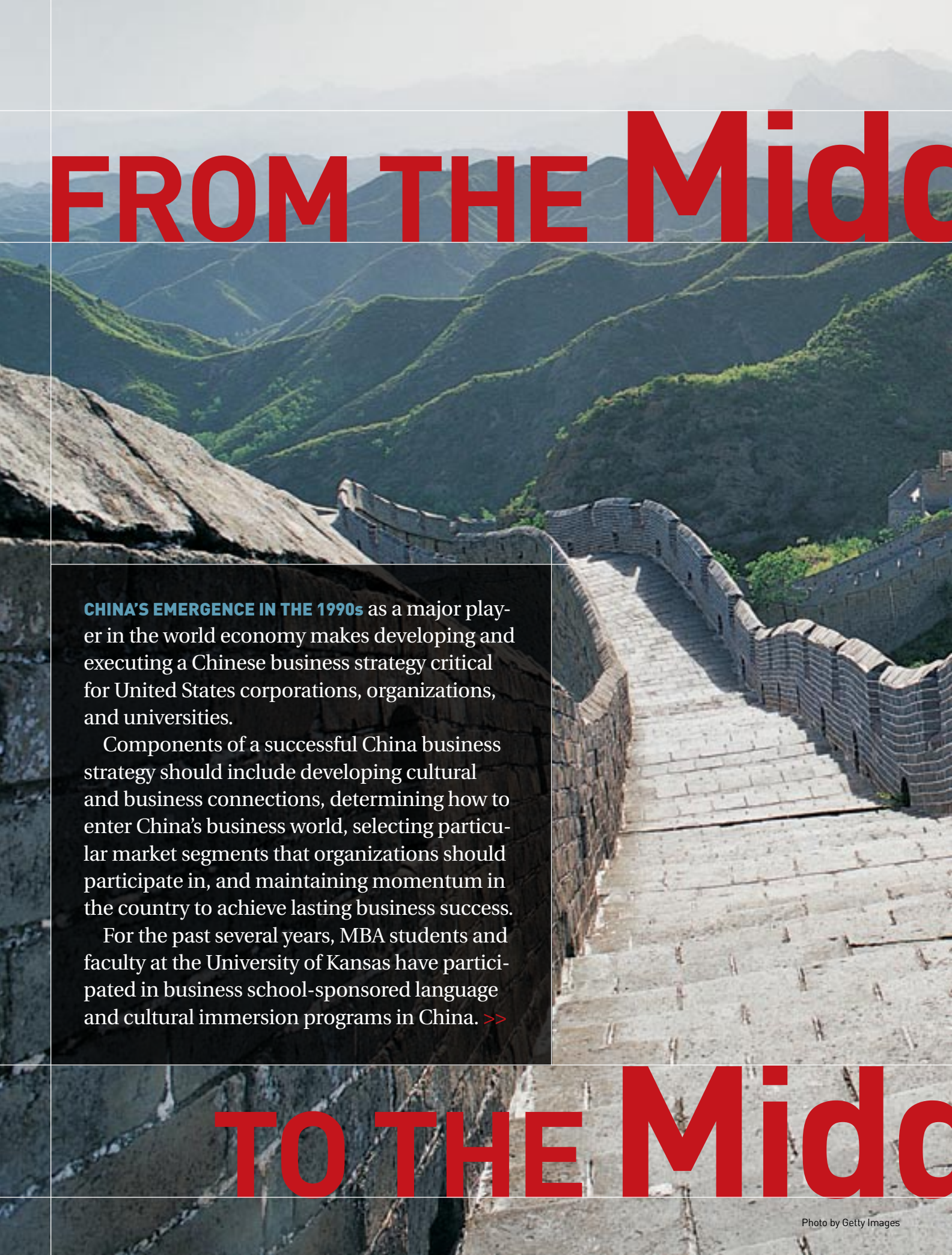




FROM THE Midc

CHINA'S EMERGENCE IN THE 1990s as a major player in the world economy makes developing and executing a Chinese business strategy critical for United States corporations, organizations, and universities.

Components of a successful China business strategy should include developing cultural and business connections, determining how to enter China's business world, selecting particular market segments that organizations should participate in, and maintaining momentum in the country to achieve lasting business success.

For the past several years, MBA students and faculty at the University of Kansas have participated in business school-sponsored language and cultural immersion programs in China. >>

TO THE Midc



le West

By Stephen Smith

University of Kansas MBA students immersed in Chinese culture.

le Kingdom



WE'RE NOT IN KANSAS ANYMORE. University of Kansas MBA students have gained a deeper understanding of how businesses operate in China. **BOTTOM LEFT:** (Left to right) Vanessa Carneiro (International Studies), Lori-Lin Shipman (International Studies), Denise McCleary (MBA), and Steve Baru (MBA, graduated).

“A manager’s need to know the basics of dealing with Chinese counterparts and understanding Chinese markets, industries, and business practices is growing by the day,” says Charles Krider, academic director of the MBA program at Kansas University. In the university’s business school, this understanding arises from language and cultural studies on the Lawrence, Kansas, campus and from immersion into Chinese business and culture.

“All too often, students first realize the value of overseas study at the graduate level, when they are least able to engage in it,” says Carol Rose, director of the international programs office at the business school. “KU has developed two-week intensive program options that provide MBA students—even part-time students—with opportunities to experience how business is carried out in China.”

These short breakthrough programs expose students to China’s rich culture, language, and business practices. A series of Center for International Business Education and Research grants from the U.S. Department of Education made the university’s programs possible, Rose says.

The university offers bachelor's and master's degree programs in Chinese language and culture. Students also participate in China-related offerings through a variety of schools and departments, such as art history, political science, and business. Since 1959, the school has housed the Center for East Asian Studies, which receives support as a national resource from the U.S. Department of Education.

Adding to the university's success is the 2006 establishment of the Confucius Center, one of four centers in the United States created by China's government to increase trade and tourism, and to encourage deeper understanding of China's languages and culture. According to William Tsutsui, executive director of the Confucius Center, Kansas was selected because of "its commitment to study China and its outreach programs related to East Asia."

Getting a GRIP on China

While some students receive their initial lessons in China's language, culture, and business practices as undergraduates, many incoming MBA students have had no exposure to China. Starting in 2002, two-week study-abroad programs in China have been offered at least every other year. In addition, the Global Research Integrative Projects (GRIP), an intensive set of MBA courses that address international research questions, recently placed Kansas students in an advisory role to Dongfeng Motor Corporation, China's second-largest automobile manufacturer.

Dennis Karney, a member of the business faculty who led the GRIP program in China, is a passionate believer in the power of study abroad to help students integrate what they have learned from various classes and to gain a more objective view of how businesses operate in other countries.

"The study-abroad experience can help students become more mature practitioners," he says. "It forces them to adapt their learning and beliefs and to see how these apply in a different world."

Karney works intensively with the students while abroad, providing a sounding board for their reactions and constantly prodding them to think in new ways.

The school's short breakthrough programs, including GRIP, offer students a balance between academic sessions, taught by Chinese faculty, and business-related site visits, as well as cultural experiences such as visiting the Great Wall.

The university relies on existing relationships with China's universities to facilitate program planning and delivery. In Beijing, for example, the University of International Business and Economics provides lectures by its faculty and arranges for visits with key public and private sector entities. Zhongnan University provided classes as well as essential contacts with Dongfeng Motor executives.

To maximize their China experience, students prepare in advance through readings, lectures, and cultural orientations. For instance, while still in Kansas, students attend a Chinese-style banquet where they receive coaching about proper eti-

quette. Because the students generally have no knowledge of the language, instruction is provided in "survival Chinese."

"Being able to say a few phrases in Mandarin shows interest in the culture and helps establish rapport with the Chinese people," says Diana Lu, an MBA graduate who served as a teaching assistant for the GRIP project. Even if the students can only use basic greetings, the fact that they made an effort to learn is the most important thing."

To expose faculty to the dynamics of the Chinese business environment, the business school supports faculty who attend the overseas programs alongside the MBA students.

"This is a great opportunity for faculty to learn about China, and to interact with MBA students in a setting where all are learners," says Associate Dean Keith Chauvin, who attended the 2004 summer program. The faculty members return to campus and use their China experience in their classes and research.

The MBA students return to the United States impressed with the dynamism of China's economy and its people. "I've been all over the world, but China is just amazing," says Bert Hornyak, a Navy officer earning an MBA with a focus in petroleum management. "They are eager to embrace capitalism but they do it on a tempered level so they can grow appropriately. Hands down, this experience is second to none—I'm sure it will be a highlight of my education." Hornyak now envisions living and working in China at some point in the future.

Learning valuable business lessons

One of the most important lessons students learn is how difficult it can be to do business in China. The recent GRIP program in China provided a unique opportunity for University

“Being able to say a few phrases in Mandarin shows interest in the culture and helps establish rapport with Chinese people.”

—Diana Lu, KU MBA graduate



LEFT: Christopher Allen (Business senior), Tailan Chi, Robert Hirth (MBA and JD), and Steve Baru listen to a manager from Butler Manufacturing-Bluescope. **BELOW:** Dongfeng Automobile Company General Manager Zhu speaks to MBA students about the Chinese automobile industry and his company.



of Kansas MBA students to study the operations of a Chinese company. The students discovered that overcoming the language barrier was critical and that the use of interpreters can be extremely cumbersome. Considerably more time and patience are required to accomplish business tasks in China than would be necessary in a business environment where all participants spoke the same language.

"Many students commented that while we had told them in advance about the difference between U.S. and Chinese business cultures, they did not realize how significant this was until they were asked to delve into a business problem in China," says Diana Lu.

Will Fraley, a former Sprint manager who participated in the university's study-abroad program in 2004, subsequently became executive vice president of a software company where his responsibilities included managing offices in Russia and the Philippines. One of the most valuable lessons he learned was that doing business in China is not for everyone.

"As a result of this experience I was able to steer my company away from opening a shop in China, because I learned how business is conducted and how much relationship building is required," he says. "I was able to take away that this was not where my company needed to be right now because we did not have the resources to set up the operation adequately."

One goal of the MBA program is to help students develop an awareness of international business and its importance in the world economy. The business school encourages students to develop Chinese cultural and business knowledge as part of their lifelong learning and hopes that many students and faculty will build on their "initial experience imprint" to become contributors in the global economy.

Dean William Fuerst strongly believes that the business school should continue to build its China-related programs, and he expects participation to grow.

"China's vast size and unprecedented growth make it vital that our students learn how to do business there," Fuerst says. "We are working to establish partnerships with Chinese universities in order to streamline the exchange of faculty and students."

Many universities in China are eager to establish programs with United States institutions. However, the lack of Chinese language skills by American students tends to limit exchanges unless the Chinese institution has the ability to deliver courses in English. Any organization contemplating or expanding its involvement in China should develop an appreciation for its language, culture, and business practices. This can be accomplished by including an in-country experience as part of the learning process. **T+D**

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—William Fuerst, Dean, KU Business School