

GOING INTERNATIONAL: *Realities and Decisions*

MBA 2011

**Ashcroft International
Business School**

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2W

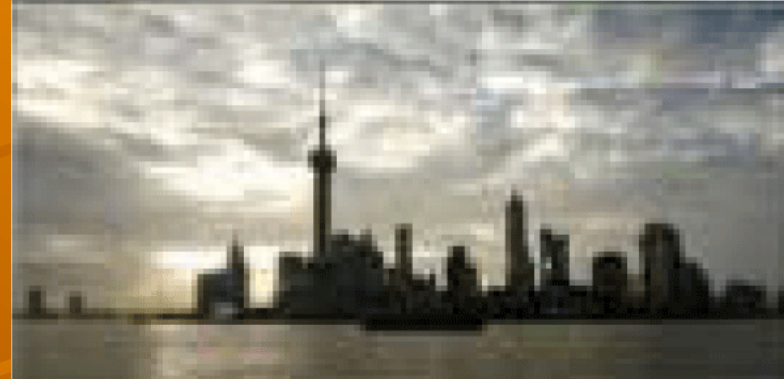
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Realities

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LOVE IS BLIND, GREED IS INSATIABLE



The Classic Case of a China Business Venture

PROF ALAN BARRELL
DR WEI WANG



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Realities

- ✦ **People's disruption of the logic based on which an investment decision should be made.**
- ✦ **People's disruption of the logic based on which the invested venture should be operated.**



Decisions

1. Who should be in charge?

"The non-risk-taking, obedient"?

"The lazy, self-entertaining"?

"The ambitious, self-disciplined"?

Decisions

1. Who should be in charge?



(1) No adaptation



(2) Total adaptation



(3) Principle-centred adaptation

Decisions

2. How to read the market?



Market research

=

"Data collection"?

Decisions

2. How to read the market?

Level 3: Building and running a pilot operation

Level 2: Establishing and using sources of "soft data"

Level 1: Collecting and researching hard data



Decisions

3. How to approach and select a partner?



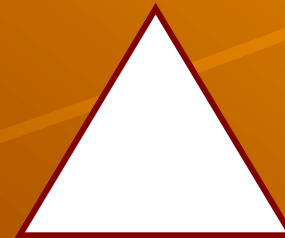
Attraction & Calculation?

Decisions

3. How to approach and select a partner?



Motives



Credibility

Capabilities

Decisions

3. How to approach and select a partner?

Level 3: Real "engagement"

Level 2: Informal investigation

Level 1: formal introduction

Decisions

4. How to negotiate with a partner?



"Positional bargaining"?

Decisions

4. How to negotiate with a partner?

Level 5: Employ a combination of your behaviours and theirs

Level 4: Think from both your perspectives and theirs

Level 3: Keep a balanced emotion throughout

Level 2: Prepare for the negotiation

Level 1: Prepare the team



Decisions

5. How to decide on the deal/relationship?

Rely on financial figures?



Decisions

5. How to decide on the deal/relationship?

- *Business arrangement*
- *Quantitative evaluation*
- *Qualitative factors*

Decisions

5. How to decide on the deal/relationship?



Decisions

6. How to bridge communication gaps?



"Sticking to the contract"?

Decisions

6. How to bridge communication gaps?

Level 3: Related practices and values
- Training and learning

Level 2: Immediately relevant practices
- Communicating and balancing

Level 1: Symbols and irrelevant practices
- Tolerating and ignoring

Decisions

7. How to train local staff?

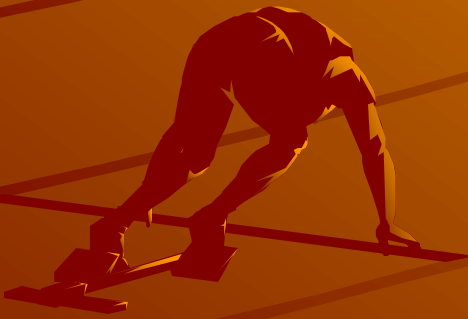


"Why? Shouldn't they just change their behaviour as I tell them to?"

Decisions

7. How to train local staff?

- *Have someone else do it*
- *Combine training in professional skills with training in professional personality*
- *Take account of "local characteristics"*



Decisions

8. How to lead local people?



"Develop shared values"?

Decisions

8. How to lead local people?

*Level of Feelings:
Leading by appealing to people's heart*

*Level of Reasons:
Leading by reconciling people's viewpoints*

*Level of Rules:
Leading by setting people an example*

Decisions

9. How to reconcile business goals and people needs?

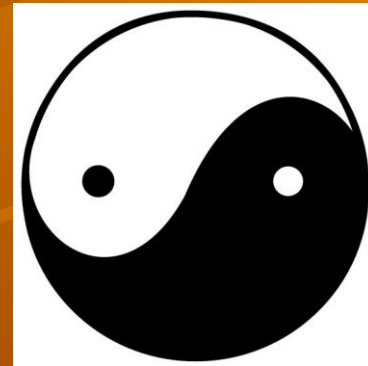
"Being ruthless" ?

Decisions

9. How to reconcile business goals and people needs?



LEADERSHIP



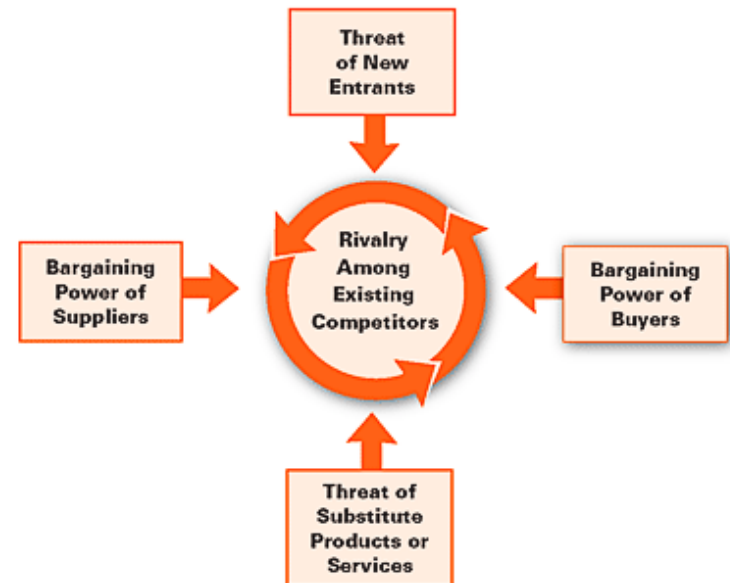
MANAGEMENT

International Business Success

What determines success?

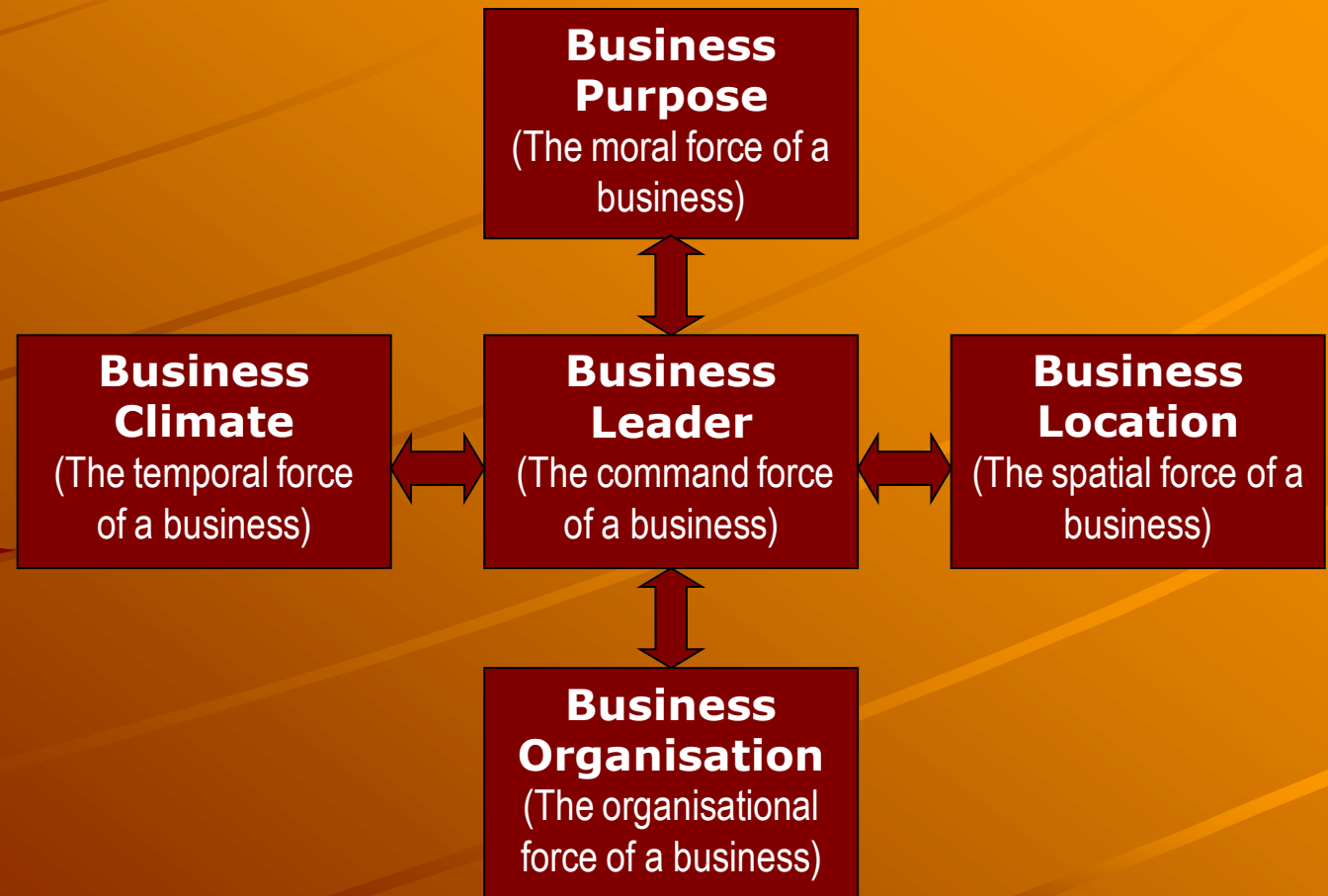
"Porter's five forces"?

The Five Forces That Shape Industry Competition



International Business Success

What determines success?



Thank you all!



For more information:

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