

Businessman's school turns out tough Chinese managers

By HIROTAKA YAMAGUCHI

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WUHAN, China—In a classroom at a management school in this city in Hubei province, the instructor asked the 16 students what kind of jobs they aspired to gain.

One student spoke on at length for nearly five minutes.

His professor, Japanese businessman Sadahisa Sugiyama, replied with thinly veiled exasperation. "You're still talking too much and wandering far from the point. A person who cannot change himself cannot become a leader recognized by other people," he said.

The blunt criticism, made through an interpreter, was meant to convey to the student that he had to change his style of communicating if he really wants to get ahead in life.

"Don't make me tell you the same thing over and over," Sugiyama added in warning.

Sugiyama, 63, president of Minami Fuji Sangyo Co., a construction firm in Mishima, Shizuoka Prefecture, established the Global Management College (GMC), last year.

The school's raison d'être is to train Chinese students hoping to work for the subsidiaries of Japanese companies in China. The course for shaping future international executives is gathering growing attention both in Japan and China.

The school last year had more than 10,000 applicants for entry in its six-month course. While about 150 students have attended GMC so far, less than 50 have completed the tough program and moved on to jobs at Japanese companies struggling to compete in the ex-

panding Chinese market.

The 16 students listening to Sugiyama on this day are senior students at Wuhan University (WHU) or other schools. They heard about GMC through the Internet or word of mouth. They are the cream of about 3,000 applicants for this term, accepted after filling out detailed applications and passing three interviews.

Sugiyama formed ties with WHU by offering scholarships to its students.

He started out in the Chinese education system as a visiting professor in business at WHU. It didn't take long for him to realize that bright, young Chinese seldom have opportunities to form contacts with the Japanese companies that are looking to hire them.

GMC began its intensive management training course in July 2005.

Sugiyama, busy as president of Minami Fuji Sangyo, can only find time to teach in China about 10 days a month. The rest of the school's lecturers are other employees of his company, who hold weekly classes at the GMC building near the WHU campus.

The program operates like a seminar class at Japanese universities, in that the students are assigned a problem and told to devise a method of solving it.

In addition, students do field work, such as market research commissioned by Japanese companies. In such projects, students form a team and use methods they have devised in class.

It is a difficult assignment, and more than two-thirds of the initial enrollees have dropped out. Forty-four of the 45 successful graduates

were hired by subsidiaries of Japanese companies, however.

In July this year, GMC began its fifth semester in Wuhan. It also now offers similar lectures in Beijing, Xian and Guangzhou.

One unusual aspect of the course is that it does not cost the students any money. GMC instead relies on contributions of 5 million yen to 10 million yen per student from the Japanese companies that are eager to hire qualified GMC graduates.

That amount seems exorbitant, given the low cost of living in China. GMC officials respond that it's peanuts compared to the cost of finding qualified workers among university graduates in Japan.

Zhang Kai, 22, was one of the graduates of GMC's first semester. He graduated from the WHU Business School this past summer and now works for a Japanese material manufacturer's subsidiary in Hangzhou, near Shanghai.

In fact, Zhang has been a vice president at the firm since December 2005, when he was still a student at WHU. He oversees 120 employees.

Several years ago, the Japanese firm set up its Chinese subsidiary in Hangzhou, the capital of Zhejiang province, at the urging of many of its Japanese clients. They were moving some of their operations from Japan to China, and needed reliable suppliers.

At first, the materials company was unfamiliar with Chinese business practices, which led to a serious problem with low morale among its Chinese workers. The subsidiary began losing money.

The president consulted Sugiyama, who said what the company needed was a management and



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Businessman Sadahisa Sugiyama, second from right, teaches management skills to Chinese students at his Global Management College in Wuhan, China.

efficiency expert. He introduced Zhang, describing the student as a "person who could see the entire situation."

At the same time, Sugiyama also demanded the firm give Zhang the power to make decisions and implement them. Without that, he would be impotent in his ability to solve their staffing problems, Sugiyama pointed out.

The firm acquiesced, and Zhang was appointed as a vice president.

The first thing Zhang did was to talk with every employee and initiate a workplace clean up inside the factory. He itemized wasteful practices and began eliminating them. As a result, the subsidiary expects to turn a profit within a year of his joining the company.

Sugiyama is succeeding because he knows that Japanese companies opening operations in China need capable factory managers and sales promotion executives who are fa-

miliar with local business practices. Most Japanese firms, however, do not have much experience in hiring Chinese white-collar workers.

Some have been disappointed after hiring Chinese employees who have not lived up to the educational backgrounds and working experience cited on their resumes.

GMC graduates, on the other hand, come with a personal recommendation from Sugiyama.

Kawamura Electric Inc., a switchboard manufacturer based in Seto, Aichi Prefecture, had trouble finding the right people for the job in China. It used to hire only Chinese students who had studied in Japan, but this year, the company plans to hire four GMC graduates.

"The four are strongly motivated and are unlikely to disappoint us. We couldn't decide among them, so we hired more than we had planned," said Yukitoshi Kawamura, the company's president.