

# 1. Foreword

When you are taking over a management position as a foreigner in China, in addition to the cultural environment and the language, you suddenly have to deal with an environment that works by very different regulations and laws compared to the ones you are used to. Still, similarities might exist.

I created this handbook since I did not find any literature on the market that could give me a quick overview of important aspects to consider in the shape of a book. Information exists in abundance online but often it is distributed amongst different sources. I did not find any crash course for additional aspects to consider when you come to China for business except a lot of cultural guides or very specialized literature. This handbook is intended to give you a rundown of the—in my point of view—most relevant aspects on the regulation side. It by far cannot give you a complete introduction on everything but it should give you the basis for a managerial overview regarding a broad range of topics to smoothen your transition into the Chinese work life.

An additional reason for just giving you an overview instead of drilling very deep into the topics: The regulation in China is fluent and can be highly dependent on the local regulation. While I tried to focus on a detailed-level that should not change that rapidly, please always keep in mind that the information in this book can be (partly) outdated when you start reading it.

No matter if this is the case, it should give you enough input to follow up with your own research or to question whatever your employees might be telling you. It is not only about the information that you read here. One intention of this handbook is to get you motivated and enabled to ask the right questions while at the same time you can avoid the impression that you do not have any clue about that topic in general.

If you are working for the headquarters in an international group outside of China but you have regular contracts with your colleagues there, this book is also intended to give you a bit more understanding about the challenges that your colleagues have to master there.

## 1.1. A few words of warning

While all of this is to the best of my knowledge at the time of writing, China is moving fast and not in every city or even province the circumstances are exactly the same. Take all hints with a grain of salt – including mine. They are to the best of my research and personal experiences but there is probably no one who can give you a generally valid, 100% certain information on any issue in China. And even if he can... maybe the rule changes tomorrow already.

## 1.2. How to use this book

As you might have seen in the Table of Contents, I am trying to cover quite a lot of ground in a very condensed time: You should be able to get a general understanding about each of these topics.

Depending on your goal, you can either jump from chapter to chapter since I tried to keep the chapters independent from each other.

Or, you can read it from the beginning to the back.

Do not be worried though if you cannot remember all of the details. If a chapter has not much relevance to your job, it is just natural that you will forget a lot again. Still, the knowledge might be lurking in the background and when you remember “something”, you can always come back.

Additionally, in the end of the book you will find the Appendix with the “Cheat sheets”: It is an extended version of the Table of contents which includes all of the important headlines within a chapter.

## 1.3. Thanks to

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## **2. General Tips for Operating in the Chinese Market**

While you are reading this book, there is a high probability that you have not grown up in China and that you would appreciate some support in the transition. Most commonly the preparation to go to China is focused on cultural issues; while this is an important part, you will need more to succeed in the business environment. Due to the myriad of cultural guides about China on the market, this chapter will focus more on other aspects that you will require to operate successfully.

An additional cultural guide is highly recommended if you want to make sure that you do not upset the people you come into contact with.

This chapter will give you some information about:

- The business environment;
- How to behave when meeting with officials;

Last, but not least, you should be aware that—by nature—responsible managers will by tendency try to optimize local benefits and/or try to control local risks. They often do not consider the perspective of the group too much; I therefore added a short chapter which hopefully will help to heighten the awareness.