

## ICS-IIM Indore workshop on “Doing Business in China”

27 April 2015, Indore



### A REPORT

Institute of Chinese Studies and the Indian Institute of Management (IIM), Indore organized a one-day workshop in Indore on 27 April 2015. The theme of the workshop was “Doing Business in China”. The workshop was primarily aimed at offering understanding of China and its political economy and an informed perspective on business development approaches to China. The workshop also aimed at examining key business topics covering political landscape, legal and other complexities while doing business in China etc.

The workshop was a mix of presentations by researchers and practitioners both from China and India. The list of speakers included:

- 1) Prof. Rishiksha T. Krishnan, Director, IIM Indore
- 2) Prof. Alka Acharya, Director, Institute of Chinese Studies
- 3) Prof. Yin Xiangshuo of Fudan School of Economics, Fudan University, Shanghai
- 4) Mr. Aneesh Sen, Vice President, DigiValet
- 5) Mr. Jayant J Shrikhande, former country head of China operations, Larsen & Toubro
- 6) Prof. G. Venkat Raman, Faculty, IIM Indore
- 7) Mr. Ravi Kethana, former head of China operations, Tata Consultancy Services
- 8) Prof. Ni Shoubin, Dean, School of Law, Shanghai University of International Business and Economics, Shanghai
- 9) Dr. Aravind Yelery, Associate Fellow, Institute of Chinese Studies, Delhi.

Professor Rishiksha T. Krishnan, Director, IIM Indore inaugurated the workshop. In his inaugural address, Prof. Krishnan highlighted the importance of gaining a global perspective for the success of programs like ‘Make in India’. He noted that too much of internal focus may hamper the development of the country.

In her speech, Professor Alka Acharya, Director, Institute of Chinese Studies, explained how in the last 30 years, China has reached to the second position in the global economy overtaking all other developing as well as major countries in the world. She further emphasized that the Chinese have now started believing in slower and sustainable growth rate. Her presentation was a backgrounder to the workshop and also provided insights into where the Chinese political economy is heading and the challenges and opportunities that it faces going forward.

The main session of the workshop started with a lecture delivered by Professor Yin Xiangshuo of Fudan School of Economics, Fudan University, Shanghai. His presentation was based on the question of whether the Chinese economy is slowing down. And where it is heading towards. As an answer to these questions, Prof. Yin elaborated the reasons behind the slowing down and the emergence of new normal growth rate of 7%. He mentioned that the innovations on technological front will become the driving force of Chinese economic growth.

Mr. Aneesh Sen, Vice President, DigiValet, delivered his lecture on the theme of ‘Foraying into China: Strategies to Pivot the entry with a Niche Technology’. He noted that, contrary to general

perception, the Chinese favor expensive and cutting edge technology. Chinese companies look forward to partnering with the firms who are willing to go beyond the last line.

The next speaker of the workshop Mr. Jayant J Shrikhande, former country head of China operations, Larsen & Toubro brought into light the issue of 'Chinese Advantage in Manufacturing'. He highlighted the Chinese manufacturing advantages through illustration of practical experiences. He explicitly mentioned that India needs to learn cost innovation through process flexibility and come out of its 'analysis paralysis'. He also cited China's action & result orientation as a suitable model for India's economic growth.

The session was followed by a presentation on the 'Cultural determinants of Chinese Negotiation Behavior' by Professor G. Venkat Raman, Faculty, IIM Indore. Professor Raman discussed actors, structure and strategies associated with the negotiation process. He illustrated the point that for the Chinese, negotiation means both, discussing and judging. He also stressed on the fact that India needs to be prepared for a long journey while entraining into negotiation with the Chinese.

Mr. Ravi Kethana, former head of China operations, Tata Consultancy Services, presentation was based on an interesting topic of 'Doing business in China in Chinese way'. In his lecture, he argued that the Chinese and Indians have differences in perceptions, while it comes to doing business. The speaker from his own experience explained the audience how he gained success only after he let go of his perceptions about China and began exploring the real China.

The next presentation of the session was delivered by Professor Ni Shoubin, Dean, School of Law, Shanghai University of International Business and Economics, Shanghai. Prof. Shoubin spoke on the topic 'Legal and Financial safety/ risk aspects while doing business in China'. He highlighted the legal and financial risk aspects of China. He also emphasized on pro-business environment provided in China in terms of taxation, single window clearance and ease of foreign capital access.

The last lecture of the workshop was delivered by Dr. Aravind Yelery, Associate Fellow, Institute of Chinese Studies, Delhi. His topic of discussion was 'Sub-national Economics: Soft targets and hard surfaces for Indian Businesses in China'. The speaker mainly emphasized on two key points regarding doing business in China. First, we have to consider the prominence of the sub-economics, for which we have to explore and study the role of states and provinces and local political-economic landscapes. He asked the business community to make a preliminary research before taking a decision to do business in China. He also accentuated the importance of global value chain, global trade and global production network.

The workshop concluded with a panel discussion.

Almost 150 participants attended the event. The workshop was attended by the students and faculty of IIM Indore, along with various policy makers, industry chieftains and academicians.