

Chinese Business Networks and Management Challenges

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Chinese Business Networks and Organizational Structure

In the business world, there are policies that always govern the operation of a business and its structure. A good business that has visions of thriving and succeeding in the competitive corporate world needs to have a good organization for proper management and also a good marketing network. However, there are some businesses that thrive even without these complex procedures since they are not a necessity for one to run. Therefore, in this essay, I am going to discuss the motion that says Chinese businesses are often thought to be 'strong' at building networks but 'weak' at the organization. Additionally, I am going to look into the details of how these networks help the Chinese to thrive in their businesses. Lastly, I will discuss and give a personal opinion on whether the networks are rational and useful in business.

Market Expansion and Family Networks

To begin with, Chinese businesses are often thought to be strong and full of potential for building strong marketing networks because Chinese business persons always consider dealing with similar products of all social class levels and consider everyone in the market but especially in different regions that have not been earlier explored by other business persons so as to maximize on the business opportunity at hand. This means that most Chinese businesses explore different places and deal with products at different prices, from cheap to expensive, even though some varieties of products are never classic. Therefore, from this feature, in order that they may achieve their target goal, they have to connect to many people, more so family people, to help in achieving their goal as a business, but in different regions since almost all of the target market can be accommodated in that business.

Relationship Building and Business Connections

Furthermore, Chinese businesses are strong at building networks simply because they register and become members of other business partners' organizations. Furthermore, they attend many business-oriented events where there stands a higher possibility of meeting new successful business people who can train and expose them to many pitfalls and failures of other great business persons; hence,

they become open-minded and build many connections that promise a great reward when the business runs. Additionally, the Chinese people are good at creating rapport with their customers and ensure they invest in building resourceful relationships with other business people; hence, they always prepare and organize plenty of meetings with potential business persons, spend time together and ensure they establish trust before striking a business deal.

Weaknesses in Formal Business Organization

On the other hand, however, even though most Chinese business people know how to build business networks and relationships, they are weak at building business organizations, and this usually affects the business in one way or another. Many Chinese business people usually prefer the one-man management technique simply because, as a sole manager, one enjoys an uncontested dominance over the entire enterprise. However, it is presumed that the most important positions in the company are normally occupied by family members, and this always brings about underperformance and fraud in the business. Besides that, the Chinese managers are poor at management since they tend to treat the management team as a family entity yet demand much from them, and this will not make sense. The management method that is being employed and put into practice is the collectivistic method of management, and this method makes it difficult for the manager and his team to work, Hence poor organization and management of the company. Additionally, Chinese business persons are weak when it comes to business organization because each executive officer who takes over the company is not willing to maintain the already existing ecosystem, and therefore, they prefer to develop their own comfortable ecosystems that include suppliers and new government ties, basic skills of recruits and many more. (Luo, 2007)

Evaluation of Chinese Business Networks

In conclusion, from the above-discussed reasons, we are able to define that the thesis statement is true that Chinese business people are strong when it comes to the formation of business networks and weak when it comes to the management and organization of the business. As a result, we can conclude that this ideology of coming up with strong business networks is rational and very useful in business simply because it comes along with a number of benefits, some of which are stated below. First and foremost, with a strong business network, you can contact them for any type of assistance, advice or support since they all understand you and know you in depth. Additionally, through your well-established business network, you can establish an established distance from those in your network and, at the same time, extend your area of influence meeting network.

Benefits of Strong Business Networks

Moreover, due to the well-established network, you can increase and strengthen your business

confidence when planning and meeting new business people. Also, through that network, as a business, you can build your reputation by virtue of being knowledgeable and experienced in your field as more and more people continue to know you. This is important since it helps in strengthening your business profile. Consequently, the usefulness of having a strong business network as a business person is that it helps since, while in the process of meeting and linking with many people in the business world, you might have an encounter with new products that, as a business, you had no idea if it existed and also through that you can spot a potential business ground that will be of great importance to your business. Another great importance that arises as a benefit of having a strong business network is that your business's sources of information will be vast; hence, you can access any details of anything as far as the business is concerned. Last but not least, a strong business network is important because it also helps your business earn trust in the corporate world since it is well known by many important people, hence the high chances of winning contracts from many places. (Redding, 1990)

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