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Talent Shanghai Co., Ltd.

Opportunities for Assessment Centers in the Chinese Market



Shanghai, P. R. China

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Contents

- ◆ People Strategies in Planned vs. Market Economy
- ◆ The Need for Valid Assessment
- ◆ The Assessment Techniques in Use
- ◆ The Introduction of AC to China
- ◆ The Cultural Readiness for AC in China
- ◆ Characteristics of Chinese Clients
- ◆ Key Success Factors



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People Strategies in Planned vs. Market Economy

HRM in the Chinese Planned economy

- ◆ Assessment
 - ☞ No assessment
- ◆ Selection
 - ☞ Moral-political criteria over technical expertise
 - ☞ “Average” personality
- ◆ Promotion
 - ☞ Value seniority
 - ☞ Absence of failures over presence of achievements
 - ☞ Interpersonal relationships
 - ☞ Promote the favored
 - ☞ Promote specialist to managerial position
- ◆ Motivation
 - ☞ Non-monetary incentives
 - ☞ Undifferentiated monetary incomes
 - ☞ Welfare by employers
- ◆ Training
 - ☞ Re-education, not specific to position

HRM in the Chinese Market economy

- ◆ Assessment
 - ☞ By hooks and by crooks
- ◆ Selection
 - ☞ Technical expertise over moral-political criteria
 - ☞ Tolerance for “extreme” personality
- ◆ Promotion
 - ☞ Value performance and loyalty while seniority still counts
 - ☞ Tolerance for risks and failures
 - ☞ Stress achievement and change
 - ☞ Favorism is suppressed
 - ☞ An awareness of managerial competency
 - ☞ Value academic degrees
- ◆ Motivation
 - ☞ Monetary incentives as a major means
 - ☞ Polarized monetary incomes
 - ☞ Welfare by the state and insurers
- ◆ Training
 - ☞ Specialized training services mushroom



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The Need for Valid Assessment

- ◆ War for talent
- ◆ Higher unemployment
- ◆ Drawbacks of routine job interviews
- ◆ Division of job positions
- ◆ Need for prediction of performance
- ◆ High turnover rate
- ◆ The WTO factor and the resulting increase in foreign investment



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The Assessment Techniques in Use

- ◆ Casual job interviews
- ◆ Work samples
- ◆ IQ tests (Wechsler, Raven Progressive Matrix, etc.)
- ◆ Personality tests (16PF, MMPI, EPQ, projective tests, etc.)
- ◆ Structured interviews
- ◆ Situational tests (in-basket, group discussion, role-play, presentation, etc.)



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The Introduction of AC to China

◆ Multinationals

- ☞ Use of ACs in China, ACs developed elsewhere.
- ☞ These ACs lack localization. (e.g., translation is a big challenge.)

◆ Local efforts

- ☞ Academic researchers develop AC for local clients.
- ☞ These ACs lack standards.



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The Cultural Readiness for AC in China

- ◆ The Imperial Examinations System since Sui Dynasty (581-618 AD): similar to modern paper-and-pencil tests for logical, analytical, and verbal abilities. The system has been used to select government officials from all social strata.
- ◆ The book *Six Strategies: Selection of Generals* mentioned the use of behavioral exercises. Ancient Chinese believed there are 8 exercises including simulations elicit behaviors that are indicative of 8 corresponding dimensions: verbal ability, argument, integrity, honesty, resistance to monetary temptation, resistance to sexual seduction, bravery, and willpower. Interestingly, they drank with the candidate and made him drunk to see if he remained well mannered. If he did, then perhaps he got a plus on willpower.



Top scorers on the Imperial Examinations were commemorated in the temple of Confucius.
Source: CCTV website



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Characteristics of Chinese Clients

- ◆ Unfamiliarity with consulting
- ◆ Curiosity and try to learn without a fee
- ◆ Believe in exotic expertise
- ◆ Consider their problems endemic
- ◆ Lack concept of time: yours and theirs
- ◆ Effortful definition of problems
- ◆ Unrealistic expectations
- ◆ Hard to shift paradigm
- ◆ Look after fashionable concepts
- ◆ Different business ethics from Western standards



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Key Success Factors

- ◆ A convincing competency model
- ◆ Face validity and assessee acceptance
- ◆ Effective marketing and education campaigns
- ◆ An indigenous business model
 - ↪ Government support
 - ↪ Media influence
 - ↪ Psycho-linguistic barriers
 - ↪ Emic concepts
 - ↪ Chinese social ecology



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