

Closing the soft skills gap

Local staff with solid multinational experience is hard to come by in China these days. Remedy-ing the problem requires a top to bottom human resources strategy

By Warwick John Fahy

Soft skills have never been in greater demand. As China upgrades from low-cost manufacturing to R&D and service centres, technical staff is needed to cope with new challenges of time-to-market, cross functional work groups and sales cycles. At the same time, companies are growing rapidly and this requires managers to maintain productivity with an increasing workforce.

Soft skills, like project management, delegation, teaming, communication, motivation, and coaching, are needed to maintain fast growth. The Cultural Revolution, a somewhat lacking education system and sticky cultural issues are all contributing factors to the existing shortage. Closing this gap requires a top to bottom human resources strategy.

Read any survey on senior management trends in China and you can clearly see the need for qualified senior managers to lead ambitious growth plans. Faced with a market talent shortage, spiraling compensation packages and high turnover, companies are looking inside for future leaders.

The next generation of leaders is allowed to have their say and hold a stake in the future; the proposition is compelling: stay and build the future you envisioned. Holding on to talent is the first step in closing the soft skills gap in your company.

Developing the talent

Optimism can only travel so far. Without solid management skills, a sales manager may not be able to transition to a general manager position, which carries a wider remit and the need for stronger people skills. MNCs are now bringing in mentors and coaches to nurture their brightest management talent. Using their experience has a double benefit; it rewards the talent with development opportunities – a strong incentive in China

– and also increases the effectiveness of the management pool.

But coaching programs with senior coaches or former C-level executives don't come cheap and are mainly focused on a limited number of managers. Companies are finding more creative ways to leverage their in-house experience. Quarterly and regional meetings are common for MNCs, and after a day of business meetings, many take a day to focus on training and development. For larger groups, treasure hunts and teambuilding activities are common to bond colleagues who rarely get face time with each other.

Some also use the time to refresh their top managers on basic sales skills and challenge them to coach and train their team. A recent meeting in Shanghai for a world-leading lumber firm featured general managers from key Asian markets sharing cultural and market differences while brainstorming new ways to sell added value to customers. Learning from regional colleagues is an effective way to share knowledge.

The final step in knowledge sharing is when the senior managers coach their teams.

However, star managers are often reluctant to train possible future rivals, or lack the skills to develop their team. While expatriate management positions now often come with succession planning built in, more focus is needed once senior management positions have been localised. Coaching skills and facilitation skills are now becoming a required part of the senior manager's toolkit.

Developing leaders from middle management

Managers often complain about the lack of initiative taken by their team, especially when it comes to seeking assistance. This forces leaders into micro-management –



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having to constantly follow up and problem solve small project details to ensure the team is staying on track.

Some low risk leadership building opportunities are available to turn team members into proactive leaders. For example, using charity and non-profit organizations as a way to cut their teeth on leadership projects. Once soft skills, like good communication skills, have been developed they can be used in a variety of different situations.

CSR tests a leader's abilities

Corporate Social Responsibility (CSR) has become popular as companies strive to satisfy a triple bottom line of profits, community and environment.

When companies commit both money and manpower to supporting charities, the opportunity to sharpen fresh talent appears. When the Marriott Hotels supported Safe Kids China in Shanghai, a team was needed to run the charity nights. This allowed the team to undergo a "boot camp" in event management without significant cost or po-

tential downside to the company. Responsibilities included organising logistics, putting together high-quality brochures and running the show on the night with a charity auctioneer and guest appearances from chefs.

This presents an opportunity to test the skills of young managers while supporting a good cause and positive brand association. These skills are then applicable to their every day role.

Adapt to local culture

Although much is made of the soft skills gap for Chinese managers, expatriates and overseas returnees could also refine their management style to the local culture. As many organizational development consultants and coaches will testify, poor management skills are universal. The management by numbers system is an effective tool. However, the direct communication style that is expected in the West can cause embarrassment in China when confrontations get too direct and “public dressing-downs” or shout downs in public lead Chinese staff to “lose face”. Staff quickly disengage and look around for other opportunities.

Professional sales skills

MNCs have been keen to bring in professional selling skills to avoid reliance on key sales people’s guanxi networks, which could at any moment walk out the door. One business software company puts its sales team through strategic selling courses as well as tactical skill training. Widening the focus for sales teams is relatively new in China where sales revenue can be generated by one or two key rainmakers and a team of order takers. By bringing in a sales system and process, companies are creating an environment that is more focused on process and also makes for more predictable sales numbers.

Corporate Universities

Training and development is now seen as a core part of retention strategy. Companies like GE, Motorola, and Procter & Gamble have set up corporate universities to combine the need to offer programs that boost technical and soft skills while at the same time exposing staff to the corporate culture and international colleagues. Such sharing fosters loyalty and commitment. It also offers opportunities for senior managers to share their know how by becoming mentors.

Job rotation

Job rotation has been used to give employees a wider view of the business while building their skills. This helps avoid “silo” mentality – a common complaint – when staff remain too focused on their department or business unit without seeing the big picture. Most MNCs offer this opportunity to their high performers, often combined with work experience abroad. It rewards good performance and also exposes future senior management to Western business practice and working styles.

While overcoming the soft skills gap is a long-term commitment, forward looking companies are tackling the problems at all levels of their organization to ensure they have a supply of skilled future leaders.

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