

THE "ARGON" CASE

Cross-Cultural Co-operation in China

The Client

The wholly-owned Chinese subsidiary of "ARGON SAS" (leading European commercial aeronautics company), that designs and produces wings for the ARGON aircraft family from two main sites in North Wales and in South-West England.

The Challenge

With the ambitious goal of capturing a 50% share of the Chinese aircraft market by 2013, ARGON made a strategic decision to intensify technology transfer to China. As part of this initiative, the company negotiated its biggest contract to date with an external supplier, signing a deal with the Xian Aircraft Corporation (XAC) to produce the wing box of the ARGON B3200 series starting in 2008.

To help their new colleagues in Xian to deliver wings "the ARGON way", ARGON UK planned to embed British engineers in the Chinese workplace. Lacking experience in some of the "softer" elements of this international HR challenge, ARGON called on ICM to help them identify and prepare expatriates for having to live in a remote foreign location and work in the unfamiliar culture of a state-owned Chinese corporation.

The Process

INCLUDE 'LIVING AND WORKING SUCCESSFULLY IN XIAN' GRAPHIC?

During the first part of the assignment, which took place in the UK, ICM highlighted the opportunities and constraints of living and working in Xian - a less cosmopolitan city than Beijing or Shanghai - to 200 potential candidates who had been attracted by an internal advert placed by ARGON.

The professional and personal aspects of the challenge were presented candidly through a DVD pack and a series of awareness-building workshops so that candidates could make an informed decision about whether or not they wanted to move to China.

80 would-be expatriates remained after this initial process and a final project team was selected among them to attend a 2 ½ day seminar on "Working as a Project Team in a Chinese context". At the same time, the team's counterparts in Xian attended a g seminar focused on working with ARGON.

Upon arrival in China, the members of the British team participated in a 2-day workshop designed to help them adjust to the XAC culture and guide the performance of their Chinese colleagues in a culturally sensitive manner.

This was followed by a critical team-building seminar with the British team and their Chinese counterparts to converge around common project goals, responsibilities and priority actions, as well as to sensitize team members to working together in this bi-cultural team.

Ongoing coaching helped team members ease into their new environment by giving them a platform to air and explore any issues they were facing.

The Outcome

ICM's rigorous preparation process delivered a win-win outcome in China for everyone concerned:

ARGON UK benefited from engineers who were equipped to hit the ground running on arrival in Xian and who were therefore productive on their jobs within an exceptionally short timeframe.

The new expatriates were not only able to cope, but able to thrive in their challenging new environment.

Their Chinese colleagues appreciated the opportunity the process gave them to get to know the "strangers" in their midst and to build trust with them at the very beginning of a project that was of immense significance to both their employers.

By addressing cultural differences upfront, a potential minefield of misunderstanding was avoided.

Perhaps the greatest testimony to the effectiveness of the selection and preparation process is the fact that 19 out of 20 expats renewed their contracts at the end of the first year in Xian, giving ARGON UK the confidence to repeat the process for the many more expatriates they will be sending to China for various projects in the future.

Spurred on in part by the confidence gained from the Xian project, ARGON has now signed a contract for the full assembly of B3200 aircraft in China, its first full production foray outside Europe.

The Success Factors

The process ICM implemented was structured and straightforward. It was extremely candid, painting a realistic picture of personal and professional life in a remote location - warts and all! Potential candidates were not "trapped" by the process and its design allowed plenty of latitude for candidates to change their minds until the final stages.

ICM placed a strong emphasis on first-hand testimonies in the content of workshops. For example, video footage was used of a lone ARGON employee who was living and working in Xian supervising contracts for small parts. Having become immersed in the local society and culture, he was able to paint a vivid, realistic picture of life in this totally different environment.

Giving the candidates the possibility of making their final commitment after this process avoided costly problems down the line for both employer and employee.