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# Applied Management Training – Characteristics of Action Learning in the Public Sector of China: A Case Study

*Paper presented at the 2007 EFMD Conference on Public Sector Management Development, Brussels, 21st June, 2007*

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# 1 Introduction

The Institute for Public Services and Tourism at the University of St.Gallen (IDT-HSG) has several years of experience in implementing action learning programmes in the public sector of China. Insofar since the beginning more than 350 Chinese officials and public managers participated in tailor-made programmes in China and in Switzerland. During the co-operation with the Chinese implementing partner action learning as know-how transfer method has become a major training concept for Chinese officials. This process has also been influenced by the conceptual framework that the IDT-HSG is applying in various Chinese provinces.

# 2 Combining Theoretical and Practical Approaches

## 2.1 Cultural Disparities and Characteristics

The following section gives only a brief introduction and an idea of the most important cultural dimensions, values and concepts in China. When interacting with Chinese it is important to have at least a basic understanding of the various cultural characteristics which determine the thinking and acting of the Chinese (action learning participants).

Primarily, the cultural dimensions that Hofstede (2001) has defined are of high relevance and have to be taken into account. Based on theoretical considerations and statistical methods with the data selected in 1980, when working for IBM, he defined four value dimensions: Individualism-Collectivism, Power Distance, Masculinity, Uncertainty Avoidance, and Long-term Orientation.

*Collectivism-Individualism*: According to Hofstede (2001) the great majority of the world's societies are collectivists – the interests of the group are more important than those of the individual. A minority of societies, especially western, are individualistic. Individuals in collectivist societies do define themselves through their peer group whereas members of individualist societies strongly focus on themselves.

*Power Distance*: Power distance has been defined as the degree of acceptance of unequal distribution of power; and the power distance also reflects the degree of equality of the society members. Moreover, this dimension shows the acceptance of powerful and less

powerful persons to the fact, that access to resources is limited. The social disparity and hierarchy is also anchored in the Chinese language – an example shall be expressed by the terms for brothers: *gege* 哥哥(older brother) and *didi* 弟弟 (younger brother).

People from Confucian societies are said to accept inequality more easily but they also tend to think that the use of power has to be limited by a sense of obligation. Basically in Asian states great power distance can be found, also in China. But in China between powerful and less powerful people harmony and confidence prevails – what is absolutely not typical for countries with great power distance.

*Masculinity*: China has ever since been a country with patriarchal structures. Nevertheless Chinese women, since the era of Mao Zedong, have gained more influence and could to a great extent emancipate. But, masculinity is not a dimension that characterizes the Chinese society sufficiently, even though China seems to be a rather masculine country.

*Uncertainty Avoidance*: The dimension uncertainty avoidance shows to what extent members of a society feel threatened by ambiguity and uncertainty in daily situations. Asian countries, except Japan, tend to be highly uncertainty avoiding countries such as Switzerland or Germany are somewhere in the middle field. Greeks and Portuguese have low uncertainty avoidance. Nevertheless this dimension is also not quite suitable to characterize the Chinese society.

*Long-term orientation*: The factor long-term orientation itself is according to Hofstede (2001) uncovering one of the most fundamental differences between eastern and western thinking. The dimension has important implications for the concept of guanxi 关系 (relationship) as it is a reciprocal obligation and an assurance for a sustainable long-term relationship that shall boost private and business life. Insofar, the conception of guanxi is very important to the Chinese because it is essential for establishing, fostering and promoting a personal network. Luo (2000) stated: "*Guanxi* is therefore more than a

friendship or simple interpersonal relationship; it includes reciprocal obligations to respond to requests for assistance."[1]

According to Theile (1995) knowledge of Asian religions and philosophies can be a crucial asset when dealing with Asians. Therefore a basic knowledge of Confucian and Daoist values, both sources of Chinese core values, seems to be essential.

## 2.2 Confucianism and Daoism

Confucianism was not only in the past very influential on the structures of China's society. The concept itself is relatively rudimentary and is based on a strictly hierarchical and patriarchal system of power, which is still relevant from top government to the family. Initially it was intended as guidelines for an emperor in good governance.

In Confucianism individuals have to behave morally upright, dutiful and with a sense of honour. The society is dominated by five basic hierarchical relationships: father and son, ruler and subordinate, husband and wife, elder and younger brothers, elder and younger friends. It is evident that egalitarian relationships are not possible under these premises.

In contrast to the Confucian believe that the world is hierarchically organized, Daoists such as *Lao Zi* and *Zhuang Zi* introduced the idea of „totalitarian equality". The wheel stands symbolically for this idea: all points on the cap of tire have the same distance to the driving collar. All aspects of life are seen to happen cyclic and not linear. Nevertheless there are some parallels between Confucianism and Daoism. Both philosophies inheres the ambition for harmony, peace and tranquillity – still important values in present time China. Moreover endurance and the face keeping concept are important Confucian influences, too.

## 2.3 Learning and Teaching in China

The role of the Chinese learner is determined by a Confucian role model: the learner is expected to behave respectfully and polite, decent and compliable, self-possessed and tolerant. More characteristics of Chinese learning are:

[1] Luo 2000, p.2

- Individual exercising and or repetition are clearly preferred.
- Learning techniques such as memorizing are common.
- Comprehensive theoretical know-how is more important to the Chinese than the ability to transfer theoretical knowledge into practice.
- Collective and critical reflection is not much appreciated.
- Presentations are more preferred than group working, especially by elderly people.
- The younger generation is more open to innovative learning techniques.

Nevertheless in regard of the underlying Collectivism of the Chinese society one could come to the conclusion that Chinese are more eager to learn mostly in groups – but this is only partially true.[2]

According to Hanisch (2003) the teachers in China have much more power than those in Europe. The learning situation is strongly hierarchical and the teacher/lecturer has great authority. On the one hand he is the one who has the expertise and on the other hand he has great executive authority. Again this means that the teacher decides the content and the presentation techniques – the students have no right to question that. These statements have been mainly verified also in the context of the IDT-HSG activities.

## 2.4 Action Learning by Revans

In theory the concept of action learning appears to be strongly contradictory to the traditional learning and teaching methods in China. The assumption that a collectivist society, as the Chinese was, is generally open to new learning concepts, which are based on group work and depend on social interactions, seems to be obvious but basically is not applicable. Having a centuries-old tradition of ex-cathedra teaching, mainly middle-aged and elderly Chinese participants of modern management training courses are not used to interactive learning methods. Although the Chinese education system is about to be reformed, learning and teaching is still principally based on a behaviour-

[2] cp. Wind 2006, p.101-103

istic approach, teachers still have great authority and the main learning methods are drill and constant practice. Nevertheless, various practitioners, including the IDT-HSG, made positive experience applying the action learning method in China.

Although action learning has been primarily linked with adult learning theories, but it has never been scientifically examined relative to the five learning schools (cognitivist, behaviourist, humanist, social learning, and constructivist).[3] According to Revans (1998) learning consists of two major elements which combine different approaches of learning theories:

**L***earning* = **P***rogrammed learning* + **Q***uestioning insight*

Marquardt/Waddill (2004), too, stated that action learning is incorporating all of the five learning schools. This fact seems to be the key strength of the tool. Applied to the above quoted formula and in regard of the Chinese context…

a) …behaviourism is the basis of *programmed learning* which itself reflects the traditional style of learning in China; and…

b) …constructivism is reflected by the transformational element of *questioning insight*; an active process where people are being enabled to solve their specific problems. This element is relatively new to Chinese trainees.

The objective of the action learning concept is largely to solve real problems by an intensive exchange of experiences. Reginald Revans, mental father of the concept, has developed his model based on the assumption that knowledge is the product of action and common reflection – comparable with the learning-by-doing-principle.

## 2.5 Eligibility of Action Learning in China

In fact, the concept of action learning seems to be quite contradictory to the traditional Chinese teaching and learning habits; the more so as action learning groups can be heterogeneous or even be democratically constituted. This attributes compete with the

[3] Marquardt/Waddill 2004, p.188

culturally linked values such as strongly hierarchical thinking and acting combined with the aspiration for harmony.

Furthermore, the executives that take part in action learning activities will be confronted with situations where they will get to the limits of their knowledge. Especially for Chinese these situations need to be avoided in order not to endanger anyone to loose his or her face. (cp. Chapter 2.2)

Considering these facts one might assume that the method is not suitable for further training in the Chinese context. Nevertheless, the tension between the requirements of action learning and the culturally determined learning preferences of the Chinese seem not to be too irreconcilable.[4]

## 2.6 Conceptual Framework of the IDT-HSG

Action learning is a concept, which aims at working efficiently in small groups on concrete projects. Working in interdisciplinary groups is a pre-condition for effective know-how transfer. Solutions shall be found even across the boarders of one's own knowledge.[5] There are multiple variations of the concept, however, all forms of action learning share the elements of real people resolving and taking action on real problems in real time, and learning through questioning and reflection while doing so. Action learning has never been operationalized by Revans, but over the years a number of people have developed approaches that tried to make action learning successful.[6]

Hanisch (2003), an experienced practitioner in the Chinese context, defined five elements of successful action learning programmes for Chinese managers:

1. *a defined, urgent project*
2. *a project team*
3. *an action learning facilitator*
4. *a client*

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4 Hanisch 2003, p.90

5 McGill/Beaty 2001, pp.11-19

6 Marquardt/Waddill 2004, p.186

5. *a rational problem-solving and decision-making method*

These elements can also be found in the projects of the IDT-HSG. The parallels and the characteristics shall be discussed below.

### 2.6.1 A Defined, Urgent Project

The contents of the programmes have been defined before the roll-out of the programmes which usually last three years – which is in line with Zuber-Skerritt (2002) who claims: "We distinguish between an action learning program and an action learning project. A program consists of several projects."[7] Basically the topics have strong ties with the latest Five Year Plan of the Chinese Central Government. The action learning projects the IDT-HSG is involved have a regional focus on the provinces of Sichuan and Qinghai as well as Inner Mongolia Autonomous Region. Each programme is divided into several sub-projects which are linked with a problem of a specific region of the province.

### 2.6.2 The Project Team

Normally, 26 participants are selected by the Chinese project facilitator to build a project team. The size of the group is indeed contradictory to Pedler et.al. (2005) or Marquardt/Waddill (2004) who suggested groups consisting of six to eight persons. Yet, the selection procedure is also highly political because after completion of a programme the participants have good chances for promotion. The project teams always consist of public managers from various departments, very rarely managers from state-owned enterprises (SOE) are involved, too. Typically a participant's profile within the action learning groups for Western Provinces is as follows: official from Western China in charge of human resources, tourism, environmental protection, enterprise management, public services, economic development, agriculture or animal husbandry. Independent from their professional background, they all have a specific problem[8] to solve, which is linked with the defined overarching project. (cp. Chapter 4 Case Study: Action Learning in Qinghai)

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[7] Zuber- Skerritt 2002, p.119

[8] cp. Pedler et.al 2005, p.54

### 2.6.3 The Action Learning Facilitator

To coordinate and organize the projects there are two local facilitators: one in Switzerland and one in Beijing. Normally the facilitators' job is to accompany the project team during the project. As long as the projects are in China the Chinese team is responsible for the implementation and vice versa when the participants visit Switzerland it is the Swiss team that takes the lead. The IDT-HSG is also responsible for a) the search of the lecturers for in-house seminars and b) organizing study visits to private and public institutions (*programmed learning*). To instruct the lecturers is a crucial task especially for those who go to China. Normally there is not much time for briefings and the experts holding seminars either in China or in Switzerland are normally not familiar with Chinese customs, cultural values and conventions. But the practitioners and scientist need at least a basic understanding of the Chinese clients way of thinking and perception of content in order to communicate their expertise effectively.

The Chinese partner organisation always provides an action learning coach who is accompanying the team to Europe. Together with a local project coordinator the coach is responsible e.g. for the effective know-how transfer especially back in China.[9]

### 2.6.4 The Client

The client is mainly a governmental institution or rather seldom a state owned enterprise. The problems and projects raised are always of strategical significance for China, the province and/or the specific region. "Ideally, the action learners' vision aligns with the organisation's mission and goals. This facilitates transformation and integration of personal/group learning and organisational development or change, leading to the creation of a learning organisation."[10] Therefore the main client behind every project is the Chinese Government which is highly interested in getting the most profit out of the programmes as for instance when it comes to the topic of sustainable development and its implications. As a result of the success of action learning programmes the method has become the official training instrument for Chinese officials.

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[9] Marquardt/Waddill 2004, p.198

[10] Zuber-Skerritt 2002, p.115

### 2.6.5 A Rational Problem-solving and Decision-making Method

For the Chinese Government it is clear that today's challenges such as protecting social harmony and handling environmental issues can not easily be solved. A multi-stakeholder approach is necessary to tackle the complex problems. But, decision making on this level is obviously highly political and new insights and contents are not straightforwardly put into practice. Insofar the outcomes of the two elements *programmed learning* and *questioning insight* are collected and written down in comprehensive reports. Those reports again are assessed by the Chinese project partners before they are presented to the clients – the relevant governmental departments and divisions. This is also to protect the programme participants; because subordinates who raise and promote new ideas and concepts in Chinese organisations are not only welcome, their advance might be interpreted by the superiors as threat. Insofar one has to be aware that the immediate outcomes and the impacts of action learning programmes in the Public Sector of China might be limited. As a matter of fact action learning itself has become the leading rational problem solving method in the public sector of China.

Facing these Chinese characteristics of action learning one might certainly question the efficiency of the method. But as experiences showed at the IDT-HSG the programmes can be very fruitful; and the results are as surprising as creative. This shall be illustrated in the following section.

# 3 Action Learning Programmes at the IDT-HSG

Since 2004 the IDT-HSG accomplishes in co-operation with a Chinese Partner Organisation action learning programmes for Chinese Public Officials in Switzerland and China. Concurrently with the training courses, that are aiming at training more than 600 Officials, the programme became an important bridge between the eastern and western cultures. During the three years between 2004 and 2006 programmes for a total of 17 groups with 386 participants were arranged, involving 85 advisers and nearly 100 hosting institution. Moreover more than 40 seminars were held by Swiss experts in China.

In the context of the reform and transition towards a socialist market economy, the People's Republic of China is engaging in efforts to modernise its public administration system. One of the main tasks of this reform process is the reform of the personnel management system, with the introduction of a civil service system. Another key factor is the management and development of human resources, taking the strengthening of human resources and the necessity to encourage the development of talents into account. Beyond that for selected provinces with large development deficits special training programmes for decision-makers from the public sector are accomplished. These, on specific provinces focused programmes, dedicate themselves to development issues such as ecological tourism, work and social security or water -, waste and forest management. In this way Switzerland makes a considerable contribution to the balanced, stable and sustainable development of China, which encounters, in particular in China, extremely positive resonance. Not only various organisational and cultural constraints but also the manifold social, economic and ecological challenges of contemporary China have strongly determined the topics of the programmes.

## 3.1 Conceptual Framework and Training Structures

An exemplary design of such training programmes foresees the constitution of a group of 26 public managers who presently work on a project that is related to the overarching topic (cp. 2.6.2 The Project Team). Because the requirements of the participants differ greatly, it is important to take all the specific needs into account when designing the courses. The requirements are being transferred into the programmes that consist of three three-day lectures in China and a study visit to Switzerland, lasting approximately three weeks. In the first half of the year lectures in China are conducted by Swiss experts. In the second half of the year the group is travelling to Europe. While their stay in Switzerland the Chinese officials enjoy a dense programme that includes in-house seminars at the University of St.Gallen and visits to companies, public institutions and NGO's. Between the trainings in China and Europe the participants try to apply the content in their daily work. Insofar they will raise new questions before travelling to Europe. Therefore the content of the programme sometimes has to be slightly adapted. After the completion of a one year cycle, a final project meeting evaluates the

programme and is delivering valuable inputs for the upcoming year. This adapted framework has also been successfully been implemented by Yiu & Saner (1998)[11].

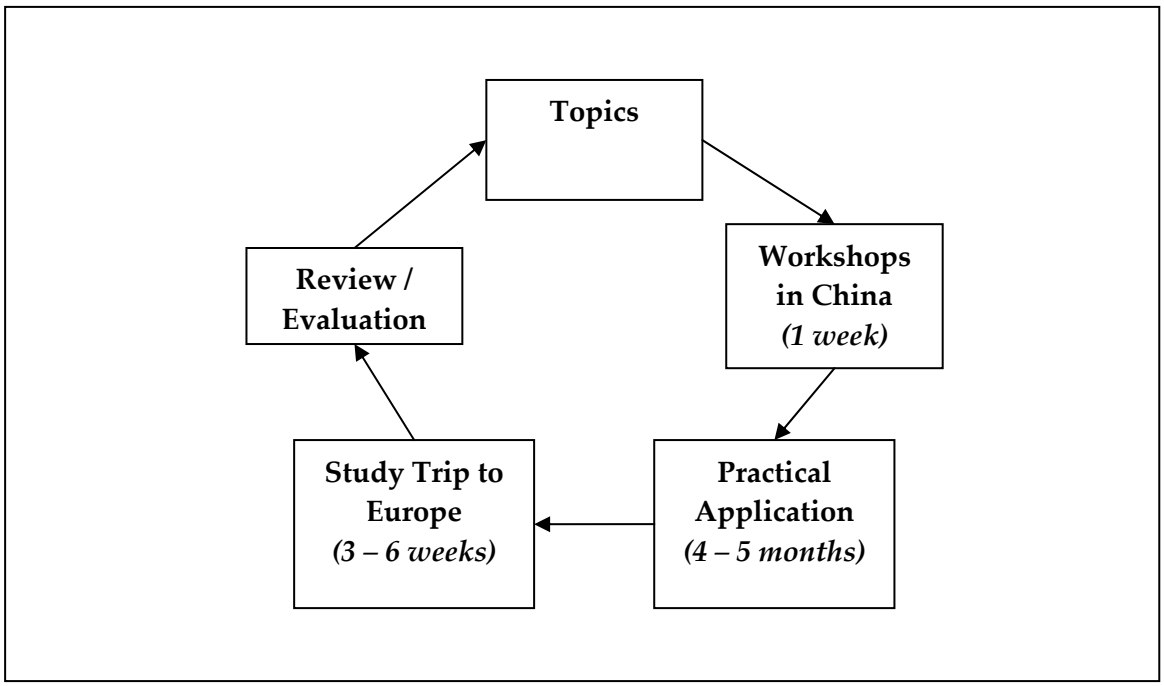



**Fig. 1 Conceptual Framework of a 1-Year-Action Learning Programme**

By applying the action learning concept the IDT-HSG project team tries to guarantee a coherent training that is in line with the participants' concrete fields of work. In accordance to this the benefit of the training shall arise on an individual and on an organisational layer. The Chinese partner organisation is responsible fort the preparation and the rework of the programmes. In order to assure the quality all programmes are being evaluated. Moreover some of the projects will be assessed by the Swiss project team in China to track successful implementation.

Meanwhile the IDT-HSG's programmes have become an important pillar of Sino-Swiss relations and enjoy having very good reputation not only in Qinghai but also in other provinces that are involved in the training activities. The whole programme is constantly measured on its effects and impact. Close co-operation with the project partners assures that the Swiss expertise is effectively adapted to the Chinese context. Experience shows that an immense multiplier effect can be achieved by educating and training executives of the public sector. By the lived "enabling-philosophy" problem solving,

[11] Yiu/Saner 1998, pp.129-148

innovation and reform ability of the administration have crucially increased with the objective of bringing the region in on the path of sustainable development.

Exemplarily for the projects in China some of the activities shall be introduced. On the one hand the programmes in this case study focussed on *Human Resources Development* on the other hand *Employment and Social Security* was of particular interest.

Within this range the IDT-HSG supports the transformation processes with tailor-made programmes on the basis of action learning by training key persons from the public administration.

## 3.2 Context: China's Underdeveloped West

China has approximately 1.3 billion inhabitants and is with its 9.6 million square kilometres as large as whole Europe up to the Ural. The topographic and climatic conditions and concomitantly the living conditions in the individual regions of the country differ strongly. East China, economically the most prosperous area of China, is shaped by large, densely populated alluvium.

In contrast West China has a mountainous character with elevated plains. The entire region is on average 4'000 meters above sea level and belongs thereby to the high-altitude areas of the world. The west together with Inner Mongolia in the North is with its pronounced desert climate also the driest region. The geographical conditions affected the cultural, social and economic development of the multi-ethnic state ever since. The economic reforms and there upon the progress of the last years has brought deeply seizing social change. Due to unequal distribution of resources and infrastructure still not all humans can profit from economic growth. Especially in China's Western provinces little can be seen that was equal to the rapid development in the coastal regions. In order to be able to guarantee sustainable social peace and stability, the government and the public administration see themselves confronted with immense challenges. Being aware of this background the training programmes of the IDT-HSG focus on the provinces of Gansu, Sichuan, Qinghai as well as on the Autonomous Region Inner Mongolia.

# 4 Case Study: Action Learning in Qinghai

## 4.1 Qinghai Province

Qinghai is with its 720'000 square kilometres the forth biggest province in China but with its 5.4 million inhabitants only sparsely populated. As part of the Qinghai-Tibet Plateau, also known as the "roof of the world", the province lies on average on 3'000 meters above sea level, whereas 54% of the whole area lies between 4'000 and 5'000 meters above sea level. In this province live 44 acknowledged minorities (among them are Tibetans, Hui, Tu, Sala, and Mongols), those minorities represent more than 45% of the whole population. Although the province is rich in natural resources the average income per capita of RMB 7'300 (cities) and RMB 2'000 (rural areas) is very low and the province itself is compared to others rather poor. The rough climate, the difficult topography and the peripheral geographical location are also influential to these circumstances.[12]

The development deficits of Qinghai are manifested by problems that can be found in other underdeveloped areas in the World, too: agriculture with low value creation, migration into cities, illiteracy, un(der)employment and environmental damage. The government exceptionally put emphasis on protecting the ecological balance, because the sources of the Yellow River and the Yangtze are in Qinghai. To support provincial government in solving current issues the project team of the IDT-HSG together with its partner organisation in Beijing has identified potential problem areas where Swiss experts could contribute valuable know-how and knowledge in order to help finding solutions. The following topics have been defined: *Human Resources Development and Management* (2004), *Employment and Social Security* (2005) and *Water and Forest Management* (2006). Two sub-projects of the year 2004 and 2005 shall be introduced below.

[12] cp. Eng 2005, p.177-178

## 4.2 Human Resources Development in Qinghai Province

### 4.2.1 Modern Training Methods for Civil Servants in Xining

The first project to introduce is in the field of Human Resource Management. Of particular interest was the development and training of personnel. Several public managers from the Xining Administration College were participating in this action learning programme. As a result of the training in China and Switzerland the existing training and education concepts had been revised and modernised. Much of the know-how and experiences transferred by Swiss experts have influenced the outcomes of this restructuring process.

Besides one of the most important achievements of the efforts to reform the concepts was the adjustment of existing employees' attitude towards a more customer oriented stance. Moreover the needs and requirements of the students are going to be taken much more into account in the future. What has been done in this regard? - The courses have been adjusted according to the systematically evaluated specific needs of the students. To evaluate the requirements some icebreaking-methods were applied in the first days of the new executive training courses. Furthermore to secure the practical relevance of the training the students have been asked to give a short overview of their projects and problems in their daily business. These cases served as basis for practical examples that were handled and discussed in the group. Altogether the training became much more individualized, more interactive and much more practical: teaching techniques such as open discussions, role plays, question and answer sessions as well as team building measures were newly implemented. Whilst the action learning project a new self understanding at the Xining Administration College could be developed. One of the participants stated: "On the one hand the college responds much more than before to the students and on the other hand much more personal engagement is expected. Earlier students have just adopted the training contents without critically reflecting them."

Quality assurance and enhancement of the training was a further intention of the reform process. One step to achieve this objective was to implement and institutionalize

constant learning for the trainers. Additionally a co-operation with the nationally well-known Pudong School of Public Administration in Shanghai was established and nourished a lively professional and personal exchange. To improve the practical relevance of the training, trainers will be sent to the front, which means they shall see the daily business of the administrative staff themselves. And last but not least, the quality assurance includes also a critical appraisal of teachers and trainers. The appraisal itself consists of a 360-degree-feedback where students can judge the quality of the classes. Additionally experts visit lectures and give professional feedback.

The contribution of the IDT-HSG to these reforms is being considered as very valuable. Besides various ideas for selective measures an overarching vision for the peripheral province of Qinghai had been elaborated. The persons in charge decided to pursue the objective to become a nationally recognized pioneer for modern teaching techniques.

In this respect the projects shall be spread in the sense of best practices. One of the alumni stated: "In the past the quantity of qualified employees was the most important indicator in public authorities, but nowadays it's the quality of the education, the benefit for the unit and the individual that is most important." In this particular case the action learning programme made an important contribution to the vocational education system of Qinghai province administration.

### 4.2.2 Quality Control at the Qinghai Provincial People's Hospital

Another project was initiated to improve the management skills of the cadres in charge of managing the Qinghai Provincial People's Hospital. One of the main objectives was to optimize the recruitment of new personnel and the training of the hospital's top management to improve the quality of services and medical treatment. The main challenge was to break with old traditions such as the promotion system that was mainly based on seniority (Within approximately 20 years of service a *graduate* could become *Director of Resident Physicians*). Another issue was the standardization recruitment process that was more or less dependent on interpersonal relations (*guanxi*).

Therefore an objective tendering procedure was implemented to create real competition for the vacant job. Presently the amount of applications from other provinces than

Qinghai is increasing – what is also indicating the hospital's growing asset of reputation. Standards that regulate the necessary soft and hard skills for new jobs had been defined in order to homogenize the recruitment procedure and to improve the quality of the employed personnel. Accordingly, profiles and functional specifications of the existing jobs had been elicited.

For the purpose of human resources development the hospital's concept of further education had been revised and broadened. For example at the end of the year or at the end of a training module a compulsory exam has to be passed. This measure is at the one hand aiming at improving the quality of the training and on the other hand the exams deliver valuable information for potential promotion. Last but not least an individual bonus malus system is accompanying these measures. Further instruments of the quality assurance are numerous check-lists that should support the daily work of the employees on various management and administrative levels. Illustrative examples for the supportive character of these tools are check-lists for the adequate and customer-oriented handling of patients – these lists are comprehensive: from the reception to the announcement of the diagnosis the whole process is regulated.

New to Chinese patients was the possibility to complain – a new counter was installed which only handles complaints from patients/customers. This customer-oriented approach is one of the most important outcomes of the study trip to Switzerland. Customer-orientation is also the idea behind the evaluation form that is distributed to the patients that leave the hospital. Statistical analysis conducted by using state of the art information technology has become an important leadership instrument. Death rate, prescriptions, capacity utilisation, and many other indicators are collected. The training in Switzerland and China has created an awareness for quality and customer-oriented management that in the end shall be beneficial for both the poor rural and the urban population of the province; because it's them who need easily accessible health care infrastructures.

## 4.3 Employment and Social Security

### 4.3.1 Construction of a Labour Market

One of the biggest challenges for the province of Qinghai is the sustainable creation of jobs that generate high value for the population. In recent years, this problem has become even more accentuated also because of the reform in the public sector that heavily influenced state owned enterprises. Therefore the IDT-HSG accompanied projects to create a new labour market especially for the rural population.

One project team from Xining founded a Human Talents Exchange Centre, referring to the knowledge they have gained in Switzerland. In this centre situated in the heart of the city every weekend a small and every half year a big job and talent fair is about to be organized.

Companies and public administration offices searching for new employees are provided a stand where they can present themselves. Organisations provide information on large posters with job descriptions and vacancies. Job seekers can then look for job descriptions which correspond to their own profiles. This is a pragmatic and practical approach to target at people coming from rural areas that have no computer literacy. Moreover having a public job market that is open and driven by economic forces is a relatively new experience in China.

The idea and implementation of job and talents fairs include several other innovations, which were originated and enhanced with Swiss expertise. The unemployed job seeker can undergo a special assessment procedure. In a first step the candidates' personal profiles and qualifications are electronically collected, interviews conducted and a written test has to be completed. This procedure is intended to make the recruitment process more transparent and comprehensive. One of the participants said: "The value of an integrated assessment became only clear to us in Switzerland." Besides, this new assessments structure with an explicit focus on the interview has turned out to be very promising so that it was also implemented and applied for other recruitment situations in the public sector.

The electronically collected profiles of the job seekers and providers feed a database that can be entered on the *Comprehensive Talents Website.* Currently the website has more than 1'500 hits per day, what is a very high rate as access to the internet is still limited in Qinghai. But, not only locals are interested in this project. The website is a nationwide network that facilitates the placement of personnel across the borders of the province. For instance the city government of Xining is recruiting its employees by integrating the Human Talents Exchange Centre. In Xining more than 400 teachers have been placed and the *Public Security Bureau* has hired 200 former employees of state owned enterprises as *Traffic Assistants*. One of the most important innovations in the Chinese context was the creation of new possibilities such as trial apprenticeships and internships, activities which are coordinated by the Human Talents Exchange Centre.

Special emphasis was put on measures that facilitate access to the labour market for graduates and rural citizens. According to previously made experiences those two groups have more problems entering the job market than others. Therefore potential urban employers are asked to provide jobs for people from rural areas with a less or a non academic profile. Vice versa authorities try to attract qualified urban craftsmen for jobs in rural areas. Graduates for example do automatically receive information about vacancies and job profiles.

Overlooking the variety of measures there is one remarkable characteristic that is overarching all activities of the Human Talents Exchange Centre: a consequent stakeholder approach. The centre has itself well positioned and is fostering contacts with all stakeholders such as: provincial government, city government, social insurance, (state owned) enterprises and educational organisations. This orientation is also reflected in the funding of the centre which is ensured by an Employment Management Fund financed by various key stakeholders. Within a very short timeframe the Human Talents Exchange Centre established good reputation, provides important services to the society and helps to harmonize social stability, one key objective of the Chinese Central Government.

### 4.3.2 Creation of Employment for Rural Workers

Two joint projects have been initiated to help the un(der)employed and underpaid rural population. In Huzhu, a district town near Xining, a new Vocational School of Technology was set up. Additionally in Douba, another district town, the Qinghai Tibetan Sheep Carpets Group is giving certain prospects to the rural population in terms of professional training and employment. These two initiatives are two other pieces of the puzzle in the development of a harmonious society, which is propagated by the Chinese Central Government. According to the Chinese project participants, in this prospect Switzerland serves as the ideal archetype. Nevertheless the main obstacle that rural workers face when trying to improve their working situation is their poor education respectively their low qualifications. Many have only just attended and graduated from elementary school insofar illiteracy is a major issue, too. For the purpose of improving possibilities on the labour market, raising the incomes or lower the unemployment rate it is indispensable that those people do get (new) professional qualifications and skills. The Qinghai Tibetan Sheep Carpets Group in Douba for instance has founded a Competence and Training Centre for traditional carpet weaving. Within almost no time hundreds of young rural workers have been trained and integrated into the Qinghai Tibetan Sheep Carpets Group. The centralized training meets consistent quality standards. The sheep farming and the production of the carpets is decentralized in dozens of villages.

The project in Huzhu is among the innovative results of the IDT-HSG's activities in China, too. The Vocational School of Technology has been newly installed, and focuses on training in the catering sector. The school offers professional training for those who have graduated from high school but did not manage to enter a university, either because of financial reasons or because they did not pass the entry examinations. The school offers courses that last several weeks and where additional qualifications can be acquired for example as cook, noodle maker or adorner.

The success of this school is truly impressive: 92'000 persons have taken courses, 100% of the graduates have instantly found a job. 13'000 restaurants all over China have hired graduates and the average income has significantly risen (e.g. a noodle maker

earns 50% more than before, monthly approximately RMB 1'200). 500 graduates have been place abroad (Japan, South Korea). In the beginning, the funding of the Vocational School was secured by the tuition fees. But because of the school's great success the fees are now cover by the state.

Lots of inputs for these two projects have been given during the study visit to Switzerland: Not only goal-oriented application of education measures but also the market-oriented content of the training has its roots in Europe.

In this context one participant of the action learning programme stated: "In the past the students only focussed on graduation ceremony." New perceptions were attained in Switzerland for example that employees have to know their talents and qualifications in order to bring themselves to market successfully. The Vocational School's recipe for success seems to be the holistic and cooperative approach. A network had been established where enterprises, university-level institutions or the Centre for Work and Employment in Huzhu were embedded. Trainees are placed in companies even outside of Qinghai province, in rural areas small trade is promoted and at universities the Swiss system of career centres was implemented.

The holistic problem solving approach would not have been made possible without the action learning projected coordinated by the IDT-HSG. Chinese officials that have come into contact with the method usually stress the fact that action learning does not intend to provide quick solutions but shows how complex problems can be approached. In this respect the IDT-HSG's concept of action learning seems to add much broader and more sustainable value to these underdeveloped regions than any other way of direct financial contributions. The participants are not confronted with some standardized prefabricated solutions but the profit from the experiences they have made and the dialogues with experts they had in Switzerland made them open to go new problem-solving paths. These elements enable the Chinese public managers to flexibly cope with their situations, as this statement from an alumnus proves: "After participating in the action learning Programme I was full of ideas; I started to dare more and gained influence in my unit."

# 5 Conclusion

The definition of an action learning project consists of two parts: the definition of the target province and the evaluation of the relevant topics. As the projects with its sub-projects normally last three years the initial agreements are being questioned each year by the Chinese side. Nevertheless the schedules have to be set up and suitable lecturers have to be found according to the initial agreements. After that the project team in China will be informed about the arrangements, so that they can continue with the preparation (e.g. inviting and informing the participants).

Basically the action learning concept is a very fruitful training method for the Chinese context. The potential to initiate change is tremendous and the impact of the programmes/projects is partly very impressive.

Due to the fact that minor changes and requests are always announced at short notice, on the one hand the European team has to be very flexible but on the other hand extra costs have to be taken into account (e.g. cancellations, re-bookings).

Over the years the quality of the participants in terms of their motivation and their expertise has constantly increased.

Cultural sensitivity of the Chinese participants is generally very low. In order to prevent critical situations, the European team has to be aware of this fact. A good understanding of specific Chinese behaviour is a must. That includes the ability to understand the indirect mode of communication. And, last but not least a good sense of humour is always indispensable.

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