

The Development Needs of Personnel in a Selected Chinese State-owned Enterprise For the Growth in the Greater Mekong Subregion

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Abstract: *The purposes of this study were to investigate the vision and mission of a Chinese State-owned Company regarding the development of employees and managers for Greater Mekong SubRegion economy leading to the year 2020 and to explore the perception of the personnel related to their career growth ,and company achievement. The participants were 8 managers and 108 employees of the Yunnan Tin Company Group Limited. The study revealed that the mission of the company as perceived by the managers was to create more products or services for GMS. Finding from this study indicated that the vision of the company leading to the year 2020 as recommended by managers was to become a world-renowned metals producer, expanding markets to overseas. The employee survey indicated that they were satisfied, but expected promotion. They did not expect change in the GMS market, but they recognized project managers and human resource managers to be trained them about cross-cultural management.*

Keywords: State-owned enterprises, Vision, Professional development, International expansion, GMS

Introduction

The world economies have become increasingly interdependent. As China's economic growth accelerates, the role of Chinese companies in the global media technology market is becoming even more important. State-owned enterprises (SOE) in China are those that are wholly or mainly owned by the central, provincial or city governments (Wang, 2008). SOEs used to be the most important part of the economy, accounting for ten percent of the output in 1980 and employing the majority of the urban work force, but since the reform in the 1980s, their importance has declined very dramatically. In 2003, the output of the state sector only contributed less than 1/3 of the total output (Woetzel, 2008). Management development of SOEs has been an important reform measure taken by the government since the mid-1990s, with the goal of building modern enterprises with a management training system (Tenev, Zhang & Brefort, 2002). Recently, SOE profitability took a hit: in the first quarter of 2013, SOEs reported 5.3 percent growth, compared to 2012's first quarter growth figure of 7.7 percent (Bahl, Linn, & Wetzels, 2013). Facing the new competitive environment, State-owned enterprises managers are faced with new challenges. (MacMurray & Woetzel, 1994). In recent years, more and more attention has been paid to the importance of development



of Chinese state-owned company managers (Hay, Morris, Liu & Yao, 1994). Increasingly, Chinese state-owned companies have used of human resource management practices for manager development and are exposed to more sophisticated management systems and expertise (Warner, 2008).

One regional economic development system is the existing Greater Mekong Subregion with 5 countries in South-East Asia and 2 provinces of Chinese Yunnan and Guangxi Province. The Asia Development Bank (ADB) has been playing challenging roles in human resource development (Gillett & Lightfoot, 2002). Therefore, the SOE study was also one main alternative management for the GMS economic development system, focused on economic growth in Southern China with import to other GMS member countries.

Purposes of the study

1. To investigate the vision and mission of the Company regarding the development growth in GMS.
2. To explore the perception of the personnel related to their career growth and company achievement in the GMS.

Research questions

1. What are the vision and mission of the Company regarding the development of employee and managers for GMS economy?
2. What do the managers and employees need for their career growth and satisfaction to be promoted in the Company leading to the year 2020?
3. What are the perceptions of the personnel related to their career growth and company achievement?

The Yunnan Tin Company Group Limited (YTC) is a state-owned enterprises in Gejiu, Yunnan, China, specializing in tin production, which integrates with mining, construction & building materials, machinery manufacturing, storage and logistics. YTC owns two Listed Companies which are Yunnan Tin Co., Ltd and Sino-Platinum Metals Co., Ltd. The total assets of YTC is nearly ten billion RMB, and annual sales revenue is about nine hundred million USD. A vision is a realistic, credible and attractive future for the top of the organization. For Levin (2000), vision is a picture or view of the future, something not yet real, but imaged. What the organization could and should look like, partly analytical and partly emotional. Although YTC is an state-owned enterprises, it plans to operate as an independent corporation. As such a vision and mission statement should be available to guide future operations.

A vision statement is sometimes called a picture of an organization in the future but it's so much more than that. The vision statement is the inspiration, the framework for all strategic planning (Bryson, 2011). A vision statement may be suitable for an entire company or to a single division of that company (Carbonell, Harman, Hovy, Maiorano, Prange & Sparck-Jones, 2000). The vision statement answers the question is "Where do we want to go?" (Gyenes, 1991).

The mission statement should guide the actions of the organization, spell out its overall goals, provide a path, and guide decision-making. It provides "the framework or context within which the company's strategies are formulated." It's like a goal for what the company



wants to do for the world (Hill & Jones, 2008, p. 46). Awamleh and Gardner (1999), posit that an effective vision must possess both external and internal dimensions. The external dimension is a shared view within the organization of what are the market, customers, competitors, industry and likely macroeconomic impacts on the market. While the internal dimension is the shared organizational beliefs and values. It is through this that meaning is created throughout the organization about what it is that the organization does—and from here other strategic actions are taken such as the development of the mission, plans, objectives and budgets.

Research methodology

To study the vision and mission of YTC based on the plan for development in GMS a structured Interview for Executives and Managers was one more method to collect data. Then a quantitative method was to investigate the development needs of personnel in YTC. The participants of this study were employees and managers in YTC. The samples was 108 employees who answered the questionnaire and 8 managers who were interviewed.

Instrument

The instruments for collecting data in this study are a question guide for structured interviews and a self administered questionnaire for employees in order to gain the in-depth understanding of the case. For this research, the questionnaire is written based on the information from the literature review and related research and structure interviews with experts. Then the questionnaire was used to obtain information from the employees in December of 2013.

Date analysis

The rank order scores of individual items were employed to determine their relative importance as perceived by the participants, based on levels of agreement or disagreement.

The data in Table 4-1 shows that the employees of the company needed to work in other Asian countries in challenging jobs. They also needed more skills and English study for their career growth.

Table 4-1 Means, Standard deviation and level of agreement on needs for career growth by employees of the company

Needs for career growth	Mean	S.D.	Level of agreement	Rank
Q1 I am happy to work only in my country	3.58	1.31	agree	5
Q2 It is important to study English or other languages	4.1	.86	agree	2
Q3 My dream is to be promoted as department manager or CEO	3.94	.97	agree	4
Q4 It is my challenging career to work in other Asian countries	4.25	.96	Strongly agree	1



Needs for career growth	Mean	S.D.	Level of agreement	Rank
Q5 I am satisfied with my personal current jobs	2.33	.97	disagree	6
Q6 I need more skills for my career growth	4.04	.92	agree	3
Total average	3.71	0.99	agree	

From the analysis of data as shown in Table 4-2 it can be seen that the employees had a high level of agreement about needs for company achievement. The mean scores for items Q7 and Q10 need to be reversed in order to see agreement with a global vision for the company. Employees perceived strong agreement to the mission and vision in the two aspects: Trade today is a global business, So the company has to open the gates for world trade (Q-8). Quality management is very important for competitiveness (Q-9). Employees showed agreement to the mission and vision in two aspects: It was necessary to plan for new products and services of any company for marketing in the next decade (Q-11), and consumer behaviours of ASEAN customers would be the same in the year 2020 (Q-12). They had strong disagreement for mission and vision of YTC with the following two aspects: There is a big market in China, so it is not necessary to do any more international trade in other countries (Q-7) and it is not necessary to compete with other companies (Q-10).

Table 4-2 Means, Standard deviation of agreement on needs for company achievement as perceived by employees of a Chinese state-owned enterprises

Needs for company achievement	Mean	S.D.	Level of agreement	Rank
Q7 There is a big market in China.It is not necessary to do any more international trade in other countries	3.45	.97	Strongly disagree	6
Q8 The trade today is a global business.The company has to open the gates for world trade.	4.46	.66	Strongly agree	1
Q9 Quality management is very important for competitiveness	4.21	.72	Strongly agree	2
Q10 It is not necessary to compete with other companies	3.66	.71	Strongly disagree	5
Q11 It is necessary to plan for new products and services of any company for marketing in the next decade	4.14	.88	agree	3
Q12 Consumer behaviours of ASEAN customers will be the same in the year 2020	4.13	.73	agree	4
Total average	3.31	0.78	uncertain	

Table 4-3 reveals that employees' perception on needs for personnel development, show strong agreement to the mission and vision in the two aspects: Project managers should be developed to create more work in the ASEAN community (Q-14); and most department managers cannot perform any jobs without clear policy (Q-15). They had a slight disagreement for mission and vision about YTC with the following aspect: Managers may be rotated to work in other departments (Q-17). They had strong disagreement for mission and vision about YTC with the following two aspects: The response to Q-13 means that managers support developing company personnel to be able to work in other countries (Q-13); However, managers do not believe that anyone can be trained and coached on cross-cultural management (Q-16).

Table 4-3 Means, Standard deviation and level of agreement on needs for personnel development by employee of Chinese state-owned enterprises

Needs for personnel development	Mean	S.D.	Level of agreement	Rank
Q13 To save money, it is not necessary to develop our personnel to be able to work in other countries	3.59	.61	Strongly disagree	4
Q14 Project managers should be developed to create more work in the ASEAN community	4.30	.71	Strongly agree	2
Q15 Most department managers can not perform any jobs without clear policy	4.49	.70	Strongly agree	1
Q16 Anyone can be trained and coached on cross-cultural management	3.33	.83	Strongly disagree	5
Q17 Managers may be rotated to work in other departments	4.18	.83	agree	3
Total average	3.21	0.7384	uncertain	

The findings after interviewing 8 participants who were department managers and executives in the Yunnan Tin Company Group Limited, Gejiu, Yunnan province are used to make conclusion about the data. The study provides formative explanations below according to the purpose of this study that are: (1) To investigate the proposal by executive and department manager goals with vision and mission of the Yunnan Tin Company Group Limited (YTC) leading to the year 2020 and (2) To investigate the needs of the executives and department managers for their career growth in the company leading to 2020.

Based on data collected from managers regarding their training needs, the conclusion were (1) The company should respect the individual's personality development and talent quality trait to help him/her make career planning. (2) Companies should develop a sense of competition in business administration personnel and community collaboration capabilities. The development of modern enterprises cannot just rely on personal knowledge of the limitations, and to develop teamwork, enhance employee cohesion in order to win in the market competition; (3) The development of personal connections, to accept the new training opportunities to learn more about the management of knowledge.



Conclusion

The main findings of this study are:

Research objective 1: To investigate the vision and mission of the Company regarding the development of employees and managers for the GMS economy.

There are six main descriptive groups of findings related to the goals that were adopted to answer this research question:

- (1.) Development of the quality of the products , to become the world's most influential tin company was proposed.
- (2.) Based on economic development in the city of Kunming, China, and the surrounding markets, expanding foreign business was the main goal, especially in Southeast Asia market"
- (3.) Tin is a non-renewable resource, so allocation of tin should be optimized to speed up industrial restructuring, and to reach the optimal use for efficient management.
- (4.) It was necessary to pay more attention to the development of personnel for the world market and self-management.
- (5.) Brand awareness was to be strengthened , so that more customers know "YT" as the Tin brand.

It may be summarized that the goals with vision and mission of the company were to expand to world markets with quality of products and qualified personnel resources.

Research objective 2: To investigate the managers needs for their career growth and satisfaction to be promoted in the Company leading to the year 2020

There were also four main descriptive groups of findings that were proposed by manager to answer this research question:

- (1.) The company should respect the individual's personality traits, but develop talent and quality to help them make career plans of continuing education for managers to have a inter-disciplinary talent.
- (2.) The Tin company for the world market should pay attention to the management of the company to develop a sense of competition in business administration personnel, and collaborate with community capabilities. The development of modern enterprises cannot just rely on personal knowledge of the limitations, It is necessary to develop teamwork , to enhance employee cohesion, and to develop personal connections, in order to win in the market competition;
- (3.) Creating systematic training lies in learning to improve managers quality, to develop career potential, and to lay the foundation for further enhancement and to accept the challenging opportunities to learn more about the management of knowledge.
- (4.) The company managers should be aware of in the management of change to create a comprehensive and self-management skills, and enhance the company's overall operational capacity and market competitiveness.

Research objective 3: To explore the perception of the employees related to their career growth, personnel development, and company achievement

The employees agreed with the following practices: (1) They preferred happy work in their own countries. (2) It was important to study English or other languages. (3) They expected to be promoted as department manager or CEO in the future. It is challenging career to work in other Asian countries. (4) They are not satisfied with their current jobs.

(5) They need more skills. For the needs for company achievement they agreed with the following plans: (1) It was necessary to expand to international trade in other countries. (2) Quality management was very important for competitiveness (3) It was necessary to plan for new products and services (4) The consumer behaviours of GMS customers would be the same in the year 2020 (5) Modern enterprise system of human resource management system had to be adapted for modern HR management. The employee had need for personnel development thought the following development programs: (1) It was necessary to develop all personnel to be able to work in other countries, such as sponsoring international training programs to help bring critical production knowledge and vital skills to our facilities in China. (2) Project managers should be developed to create more work in GMS community. (3) Department managers were needed to perform clear policy. (4) It was urgent for managers to be trained and coached on cross-cultural management. (5) All managers had to be rotated to work in other departments.

Recommendation

Recommendation for executives of state-owned enterprises

It is recommended to develop the following for personnel based on the findings:

(1) State-owned enterprises should expand into overseas markets, especially in the southeast Asia market, and provide more opportunities for employees to work in other Asian countries. (2) The enterprises should increase more training opportunities for employees to learn English or other language courses. (3) The enterprises have to open the gates for world trade, set up anew kind of service and management system for foreign economic cooperation. (4) The enterprises should better training for managers and improvement in their skills, strengthen the quality of management. (5) The enterprise should create more work in GMS. (6) The enterprises should set clear policies related to goals, vision, and mission. (The author recommends that the state-owned enterprise should research services and management systems of potential foreign trade partners "item 3" and experiment with systems for training managers for cross-cultural situations.)


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