

# Our Good Government Relationship Fosters BPO Enterprises



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# Different Government Environments

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**A**

- **Suspicion of capitalism**
- **Wealth is a target**
- **Control is a Governmental necessity**

**B**

- **Seeks to encourage profitable activity**
- **Views corporate success as a positive**
- **Sees Government as a partner and facilitator**

# Guess what?

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- The U.S. is where corporate motivations and individual wealth are a target of suspicion.
- In China we have discovered a relationship with government that we had not expected.



## Why we need to build good government relationship?

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- A good relationship helps communication between the enterprise and the government.
- A good relationship promotes the brand of the enterprise.
- Incentive policies and assistance from the government solve problems related to development.

# How to Build a Strong Partnership

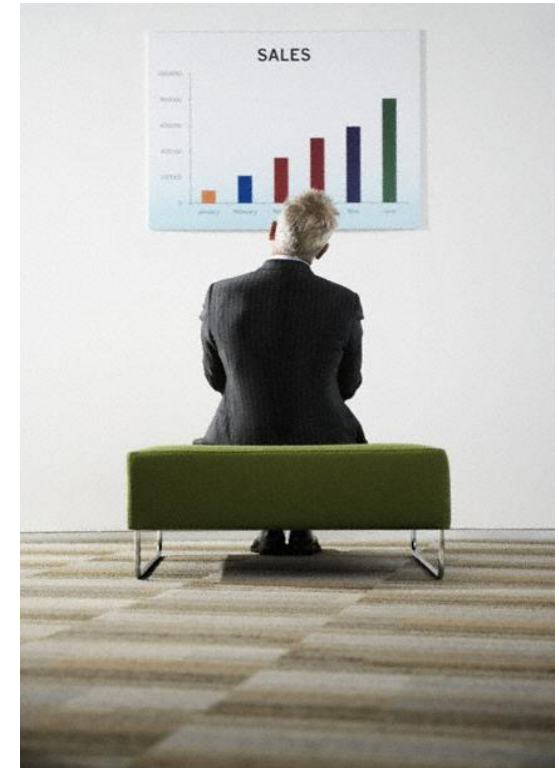
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- Establish a good relationship with government officials.
- Introduce the government's relationship management to the enterprise's strategy management.
- Learn government policies, especially those related to the BPO industry.
- Organize activities, meetings, and visits with the government.
- Work with a government affairs manager to build the relationship.

## Benefits of a Successful Relationship

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- **Financial support to support hiring and training employees**
- **Financial support for strategic investments in your business**
- **Practical support for facilities and hiring programs**



# The Local Government Relationship

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- **Seldom provincial, and does not operate at all central government levels.**
- **Major strategies are developed with the central government; action items are dispersed to local departments and bureaus, and the programs are administered by local entities.**
  - These local entities have a fair degree of autonomy and flexibility in their interpretations and facilitation of the broad strategic objectives.

## The First TAKE AWAY

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*If you want to be successful, you must establish and maintain a close working relationship with a variety of local departments who have responsibility for aspects of your operations.*



# BPO in China

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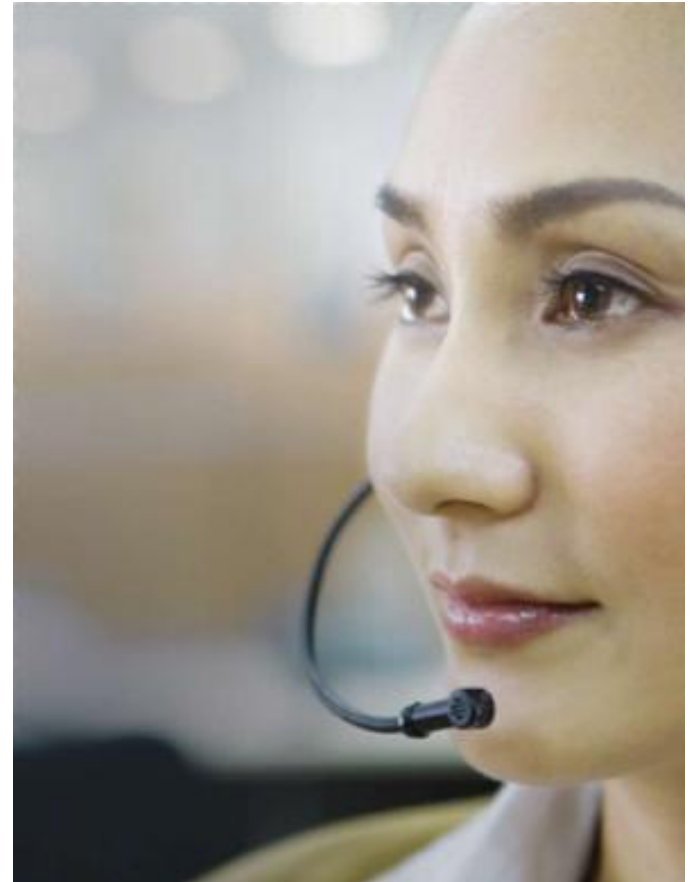
- **China's government has decided that developing outsourcing is an important strategy.**
  
- **BPO advantages in Chinese government policies:**
  - A talent-intensive modern industry.
  - Information technology with high added value
  - Low resource consumption
  - Less environmental pollution
  - A strong ability to absorb employment of university students with an internationally high level of education

# Chinese government's policy

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## 1000-100-10 Project

- The project seeks to:
  - **Establish 1,000** internationally accredited outsourcing providers nationwide
  - **Attract 100** multinational corporations and persuade them to transfer their outsourcing needs to China
  - **Support 10** outsourcing centers in metro areas that rival the world's best outsourcing hubs.



## Strategic Value of the Industry to the Government

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- **Outsourcing = new jobs for China**
- **More specifically for my company, we help solve the “College new graduate problem”**
  - There are approximately 6 million new college graduates every year in China and recently only 50% of them have found suitable employment upon graduation.
  - We hire mainly newly graduated college students, so we are a piece in the puzzle the country is trying to solve.

# Interaction Between Enterprises and Government

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- **Both sides need to be performing:**
  - **Governmental financial and practical assistance depends on us keeping our side of the bargain: developing and hiring new college graduates**
  - **Government assistance requires a strong fundamental business strategy We must continue to expand.**

## *The Second TAKE AWAY*

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If you are successful, the government will help you to become even more successful, but don't look to them to help carry a flawed or troubled business.

## Where could we get the incentive policies?

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- There is no central reference source that will give you a list of all of the incentives you might consider applying for; it just doesn't exist. Nor is it clear which bodies will provide which incentives.



## *The Third TAKE AWAY*

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If you can identify a specific investment that will make your company more competitive or grow your company more rapidly, it is entirely possible that the government may help pay for that investment. However, it may not be obvious who to contact.

# RSP Experience Sharing

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- When we first moved into a software park we received concessionary rent and were assured that additional space would be reserved for us as we needed it.
- We then received financial subsidies for a portion of the cost of training new college graduates. This subsidy came from [WHO??]

# RSP Experience Sharing

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- To improve our new employee retention rate, we began training and evaluating staff members while they were still at college. With the Qingdao City Bureau and Qingdao University, we were given space at Qingdao University to hold classes for new staff before they graduated.
- We were made aware by a District department that we would be eligible for an additional subsidy to offset the cost of an Internationally recognized quality certification, ISO 27001 .

## Partnerships Between the Government and Enterprises

- **Meeting with the government's top management.**
  - **Decide what could help us grow rapidly in advance.**
  - **Express appreciation to the governor and show your blueprint of the enterprise and the hiring rate progress, then discuss what kind of assistance you could receive.**



# Thank you!