

# Building Internal Capacities for Change

## Two Case Examples of Action Learning in the Public and Private Sectors of China

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China has pursued an “Open Door” policy since 1979 and it is when China started the transformation of its economic system. Foreign companies were invited to invest in China and to participate in the construction of a socialist market economy with “Chinese characteristics” and the Chinese government itself embarked on fundamental reforms of its administration.

In the short time span of twenty years, China has transformed itself from being an isolated underdeveloped country to a country with significant economic prowess. Its GDP has quadrupled since 1979 and China is now enjoying a huge trade surplus with the United States of America and has accumulated approximately 170 billion US dollars foreign exchange reserves. Major Chinese cities from Guanzhou and Shanghai to Tianjin and Beijing have gone through urban renewal and now boast a skyline dotted with skyscrapers forming the backdrop of bustling economic activities. Today, the major companies of the world can no longer afford to be absent from the China market.

This paper reports on some of the fundamental changes which have taken place in the field of management and which are representative examples of how China has changed over the recent years. The authors will present and discuss two case examples where action learning was used as strategic instrument for collective learning and improvement of organisational performance in both the public and private sectors in China.

The first case example describes a change project within China’s public administration where action learning was used to modernise the human resource development function throughout China’s public administration. The second case example describes a management development programme where action learning was used to rapidly develop local management personnel in order to support Motorola’s fast business growth in China.