

## March of the 'Hai Gui'

Comment By  
AJ Hu



Like a magnet drawing in the pins, the rise of the dragon has led to the massive influx of people from all over the world into China to ride on its phenomenal economic growth. And interestingly, among them, is this special group — those who call the country home.

As China's economic numbers multiply exponentially, more and more Chinese who have left the country previously for postgraduate studies are heading back to the land of opportunities. This is a huge contrast to the situation in the past, here many of these educated professionals, upon completing their studies, preferred to set up a home in developed countries such as the US and UK, where the standard of living and career prospects are much better.

It was reported by the Ministry of Education of China that from 1978 to 2003, more than 700,000 students have went abroad for studies and close to a quarter have returned. In 2003 alone, China saw more than 20,000 returnees, and this figure is expected to rise by 13% annually for the next few years. The trend is so prevalent that there is even a term coined to refer to such returnees — *Hai Gui*, sea turtles returning to shores again after leaving it to grow up in the sea.

Lured by the opportunities of a better future, many of the returnees have assumed critical roles in multinationals or promising Chinese companies. However, has it been all rosy for the *hai guis*?

***“Many hai guis have returned with the perception that an overseas MBA degree will put them in superior positions when compared to the locally-trained talents. They have invested much time and funds, and therefore expect to receive high remunerations and crave for critical roles in organisations”***

### REALITY CHECK

Many *hai guis* have returned with the perception that an overseas MBA degree will put them in superior positions when compared to the locally trained talents. They have invested much time and funds, and therefore expect to receive high remunerations and crave for critical roles in organisations.

The trend that started with enormous enthusiasm in the beginning went through skepticism about returnees' value and capability has entered into today's reasonable welcoming attitude but with reservation. It has to do with both supply and demand with more and more returnees joining the market as well as previous successful and failure cases of employing returnees. Today, while an MBA holder with some relevant work experience can easily command an annual package of \$100,000 (800,000 yuan) in the US, the same candidate may fetch around 300,000 yuan on return to China on average.

It all boils down to experience. Companies are pragmatic and often expect their employees to perform and contribute right from the first day. This may prove difficult for the returnees as their years of absence from China meant that they lack local market knowledge and network. For returnees without multinational experience in a relevant industry, they may find it even more challenging to command a good pay package. Another hurdle that the returnees need to clear is the judgment that their fellow Chinese pass on them. China's rapidly-maturing education system has also nurtured many Chinese managers that have successfully made their way up to management positions, without venturing overseas. Such managers may not appreciate *hai guis* with overseas education but little local market knowledge. They can sometimes be biased against the returnees and prefer to recruit people with similar background as themselves.

In 2003, there were 7,000 Chinese returnees in Shanghai who ended up as “Hai Dai ” — seaweed which floats and does nothing.



## THE ONES WHO MADE IT

So what does it take for a hai gui to succeed?

### 1. **Be Humble.**

This means being realistic when setting expectations and not oversell one's education qualifications.

### 2. **Strategise job search carefully.**

Know one's value and market it appropriately. It goes a long way in career development.

Hint: An internship may sometimes be the way to get hai guis into the right industry and network; and a trainee programme may be best opportunity for those who don't have relevant experience to get in multinational companies.

### 3. **Be Patient.**

Opportunities for one to prove his capabilities will arise at some point. When the time comes, one must remember to put to good use his/her knowledge and experience gained abroad.

### 4. **Talk to the Expert.**

Talking to recruitment consultants or staffing managers will help you understand your market value and get advices as well as job opportunities.

While most companies will recruit locally-trained managers for jobs requiring local market knowledge, such as HR and sales, demand for returnees are growing fast for positions that require specialised skills, such as senior technical positions in the IT or automotive industry. The returnees' experience is also very much valued in industries that require strategic planning or organisational development, such as consulting; these industries are just starting to develop and mature in China.

It is estimated that 75,000 qualified world-class Chinese managers will be required in China over the next 10 to 15 years. Only 5,000 of them are available now.

**“China needs their haiguais to come back, take root and to help the economy grow. A returnee with some relevant experience and good attitude is of immense value to a company.”**

## RETAINING GOOD HAI GUIS

China needs their *hai guis* to come back, take root, and to help the economy grow. A returnee with some relevant experience and good attitude is of immense value to a company. Such talent can serve as a bridge to establish the vital relationship between the East and the West. Their overseas experience adds the international perspective that most locals lack.

Naturally, they are highly sought after and are often the prime targets of poaching. Companies, faced with high recruitment costs, should do their best to retain such talent.

Apart from providing an attractive remuneration package, many organisations will do well to provide training opportunities to these talents, who are always looking to upgrade their skill-sets so as to take on greater responsibilities. Planning and communicating clear and promising career paths to them also helps to nurture loyalty and retain talent.

The future looks bright for returning *hai guis*. With China's soaring economy, and the continual expansion by both MNCs and home-grown enterprises alike, returnees can expect to play a pivotal role in the China Story. If they manage their initial expectations and bid their time, the world will be their oyster.

***Hu is the Partner & Managing Director of The JLJ Group which specialises in corporate formation and tax & accounting, Huijie consulting, recruitment services and outsourcing solutions and services. Hu holds an MBA from Cox School of Business, Southern Methodist University, Texas, US.***