

# PREFACE

*Zhao Chunjun*

*Emeritus Dean of Tsinghua School of Economics and Management  
Vice Chairman of China Academy of Management*

Since launching reform and opening up the country, China has experienced sustained rapid economic development, and many Chinese enterprises have gradually begun to increase the pace of their internationalization. “Going overseas,” so as to seize greater market share, more resources, and richer and advanced management experiences, has become a common undertaking of many Chinese enterprises. Thanks to China’s access to the World Trade Organization (WTO) in 2001, the internationalization process of Chinese enterprises though still in its initial stage, has developed with great dynamism and diversity. This is yet another “long march” for the growth of Chinese entrepreneurs and China’s economic development. There are both successful experiences as well as bitter lessons. *Chinese Multinationals*, a book jointly written by professors of HEC Paris, professors of the Tsinghua SEM, and other Chinese scholars, offers a snapshot of this process.

Economic globalization is an irreversible process. The year-on-year increase of the total global trade volume, foreign direct investments (FDI) international flows of financial capital, social, political, cultural, scientific and technological exchange and integration, all serve as the best proof of the growing trend of globalization.

China has only opened up to the rest of the world for less than 30 years. Undoubtedly, a Chinese company will find making a leap to a transnational enterprise arduous and formidable. There are far-reaching challenges to investing in an unfamiliar market and establishing a presence. At the strategic level, it has an impact on growth alternatives, international marketing, technological transfer and competition, intellectual property rights, potential strategic partnerships, access to the international capital market, M&A etc. At the same time, the impact of social, cultural and political factors on the corporate strategy and policies have to be dealt with actively by senior management. At the operational level, almost all traditional management functions and processes need to change in order to adapt to the

requirements of internationalization especially. This is true organizational structural adjustments and cross-cultural management — topics of great novelty for many Chinese corporate leaders. Though we cannot say yet that China's multinational enterprises have already acquired a complete set of experiences or success models, the diverse cases of Chinese enterprises at different stages of internationalization presented in this book offer a rich appraisal to help the reader to acquire a better understanding of the current phase of internationalization of some major Chinese enterprises.

We acknowledge the pioneering work undertaken by the Chinese and French authors of this book. We also extend our gratitude to Professor J-P Larçon of HEC for his hardwork and endurance in conceptualizing, organizing, editing and publishing this book. His enthusiasm and persistence are laudable. I hope that scholars of both countries will continue this endeavor and further their collaboration significantly in researching into the internationalization of Chinese enterprises.