

Jack Perkowski's Top Five Keys to Success in China

By [SAM GUSTIN](#)

For Jack Perkowski, doing business in China is all about trust.

"In China, if you develop mutual trust with your counterpart, everything changes," Perkowski says. "Mutual trust, however, starts with having mutual respect for each other and each other's position -- an attitude that isn't conveyed by constant demands."



Courtesy of JFP Holdings

Perkowski, the son of a Pittsburgh steelworker, has become known as "[Mr. China](#)" for his early, aggressive entrepreneurship in China. He moved to China in 1993 as a pioneer of Western involvement in the Chinese manufacturing sector and has never looked back. From 1994 to 2008, he was chairman and CEO of ASIMCO, the giant Beijing auto-parts supplier.

During the course of an [interview with DailyFinance about doing business in China](#), Perkowski said the biggest challenge Western companies face there is adapting their business models to the realities of the China marketplace. Based on his long experience, Perkowski has compiled five top keys to success for American companies that want to business there (looks like Google missed No. 5). Here they are:

- 1. Develop** a strong local management team, and then truly empower them to make decisions.
- 2. Work** very hard to develop "mutual trust" with your employees and counterparts in China. Once a level of mutual trust is achieved, things get a whole lot easier in the country.
- 3. Learn** to listen very carefully -- things are not always as they first appear. Most problems in China are the result of miscommunication.
- 4. Be patient**, and practice what I call the "cold shower" approach to decision-making. Just when you think you know enough to make a decision, take a cold shower and think again before acting.

5. Resolve to settle any disputes that may arise through friendly negotiation. Going to court, trying to create pressure by making a dispute public and resorting to other such tactics seldom work. The Chinese value stability and harmony, and do not like confrontation and conflict.

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