



## Change orientation

**Marc Lamure** of Bain & Company on prospects for the consulting sector in China  
By **Pete Sweeney**

### So what is Bain doing in China?

Bain works for change-oriented executives and owners, people who want to get results. We work with multinational and Chinese companies on strategy, performance improvement, M&A and organisational issues. I focus on industrial goods and services; I've worked with Bain for 14 years and I am now in our Beijing office. We serve clients all over China and have offices in three locations here: Shanghai, Beijing and Hong Kong.

### Has there been any consolidation of your offices caused by the global downturn?

Bain has continued to grow strongly in the past few years and we've actually continued to open offices in new geographies. As an example, last year we opened offices in Copenhagen, Dubai and Frankfurt. In 2009 we have plans to open offices in other cities, including in Asia.

### How long has Bain been here?

Bain has been serving clients in China for more than 20 years. Our first office in mainland China was opened in Beijing in 1992. Now we have more than 200 people across our three locations. We focus on working with clients in primarily industrial goods and services, financial services, consumer goods and retail, technology, media and telecom (TMT) and private equity. What we do in China is pretty much the same as what Bain does globally.

### What kind of clients are you serving here?

We serve a mix of Chinese and multinational companies (MNCs), usually large or mid-size companies and investors. With the MNCs we focus on the whole spectrum, companies that have been in China for many years as well as companies that are just now looking to expand in China.

**How has business been in terms of multinationals expanding in China these days?**

A lot of our clients are concerned with growth in 2009, so there is some concern with the recent economic slow-down, but when they compare their Chinese operations to their global operations, they still have positive growth in China. If you think about industrial companies, for example, maybe growth will decline from double to single digits, but they are still happy with 6 or 7 percent growth in the next year. This means at Bain we are relatively optimistic for our own practice in 2009. We continue to invest and recruit, we still have significant growth plans and China remains a priority for contributing to that growth.

**We've heard elsewhere that Western consultancies have trouble attracting and retaining Chinese customers. How does Bain handle this?**

The consulting market in China is not yet as mature as it would be in the US or Germany, and Chinese managers are not as familiar with using consultants and getting the best benefits from consulting companies. This is changing pretty fast, like many things in China, and we are seeing an increased demand from local Chinese companies on domestic issues or global expansion topics.

**How do you handle attracting and retaining Chinese clients' business?**

Already quite a few mature Chinese companies send requests for proposals to consulting companies. Also, we are actively networking and participating in lectures and breakfast seminars to reach out to Chinese companies. Bain can also leverage its global network since we operate in 39 offices: Chinese companies may have questions on their Chinese business but increasingly they are looking abroad to do some international acquisitions, and then they would turn to consultants like us to assess the quality of the asset.

**What proportion of your staff are Chinese nationals?**

Ninety percent or more are Chinese. To do consulting in China you have to be able to engage Chinese managers, do interviews, read reports, so we recruit a lot locally from the best universities in China. We also recruit from international business schools because there are a lot of Chinese students abroad with an MBA who want to come back to China and work.

**So what are the remaining 10 percent of foreigners at your offices doing?**

The foreigners here are mostly the partners. The partner group consists of people from China, US, Europe, or other parts of Asia. This is to share Bain's experience with other countries with our Chinese staff and to accelerate our development in China. We have a good mix of Chinese and international partners. ■