



The Journal of Sri Krishna Research & Educational Consortium
**INTERNATIONAL JOURNAL OF
BUSINESS ECONOMICS AND
MANAGEMENT RESEARCH**
Internationally Indexed & Listed Referred e-Journal



HUMAN RESOURCE PRACTICES & PERFORMANCES IN CHINESE AUTOMOBILE INDUSTRY : A CASE STUDY

RAJESH SINGH*

*Vice President, Engineering & Business Development,
JNS Instruments Ltd., Manesar, Gurgaon.

ABSTRACT

Motor bike industry is the biggest not only in China but also in the world. This is inferred due to its rapid growth rate during past decades. Statistics shows, the remarkable motorbike production during 2002-03 in China was approximately 14 million amounting to almost half of the world's motorcycles production. The Chinese motorbike manufacturers penetrated Indian Market around 2002 due to improved Indo-Chinese relationship. Indian automobile industry has always been lucrative for the Chinese manufacturers. Most of the Chinese manufacturers focussed on the quality as well as low cost. When one compares the price of the Chinese motorbike with others, he will find that they are comparatively cheaper than the motorcycles produced in other part of the world. In India also, the price of the Chinese motorcycles are cheaper than Indian products of similar types. For example, Chongqing Lifan and Hongda Industry (Group) Co. Ltd. launched Cosmo Blaster, a 100cc bike. This bike had many features which were otherwise not available in Indian bikes. They are even cheaper than Indian bikes. In spite of these qualities, initial response of the Indian customers towards Chinese motor bike was not very satisfactory. Major reason for this may be the doubts created over the durability of the bikes. Now things are fast changing, Chinese manufacturers are making all out effort to spread their network all throughout the country. In fact, many Chinese manufacturers, have penetrated to the markets of many developing countries in Africa, Asiaeast asia and Middle East. Their products are popular in these countries. They are popular because of two reasons i.e. quality products and low cost. Some of the facts about Chinese Motorcycle industry are as follows:

- 1. There are more than 130 motorcycle manufacturers in China*
- 2. Chongqing-based manufacturers produced 10 million units*
- 3. Twenty-three Chinese OEMs each produce more than 100,000 units annually*
- 4. Twelve manufacturers produce more than 500,000 units a year*

5. *At least five manufacturers produce more than 1 million units a year (four are based in Chongqing)*
6. *China produced 27.5 million bikes in 2008, nearly half the world's production*
7. *China has passed Japan as the number-one motorcycle producer*
8. *More than 15 million motorcycles are sold annually in China*
9. *Less than 20% of China's production goes to foreign markets*
10. *Chinese bikes sold in export markets like America are often marketed by independent companies operating under different names*
11. *ZHEJIANG QIANJIANG MOTORCYCLE CO., LTD is the largest Motorcycle manufacturer among all Chinese Motorcycle manufactures.*

The reasons for astounding success of Chinese motorcycle industry are many. One of the most important reasons is the excellent human performance. Their higher productivity may be influenced by the variant skill of the human resources, higher motivational level, imitativeness, team culture, multi-task skills, positive attitudes towards the work, formal training and work ethics. The present case study has been undertaken to understand human resource practices and their performance in ZHEJIANG QIANJIANG MOTORCYCLE CO., LTD, a leading Chinese motor cycle industry.