Stefan Kracht

Company: Fiducia Management Consultants
Job Title/Position: Managing Director
Year of Foundation: 1982
HQ: Hong Kong
Main Business: China Consulting and Outsourcing Services
Number of Employees: 100

Tell us a little about your company and activities in China.

Fiducia supports German companies to set up and expand their businesses in China. Our three offices are strategically located in Hong Kong, Shanghai, and Shenzhen to provide nationwide coverage. With a team of 100 dedicated professionals, we specialise in helping clients to obtain research and advice, grow strategically, set up China and Hong Kong operations, recruit talent, trade products and services and outsource accounting. We recently celebrated our 30th anniversary with special events in Hong Kong, Shanghai and Munich. As part of this, we produced a short film to show who we really are as a company. Photos and videos can be found on our website (www.fiducia-china.com).

What is your personal and business background?

My career is focused on consulting and trade support in China, for the last seven years as a Director of Fiducia and Head of the China Consulting Team. Born in Hong Kong, I gained my Abitur in Germany before my apprenticeship in 1993 at OTTO in Hamburg and HK and then continued with an internship in Shanghai. I then graduated from the London School of Economics and worked as a Management Consultant at Bain & Co. In 2001 I set up a components and materials trading business in Shanghai which I sold in 2005 before joining Fiducia. In 2010 I extended my academic basis and network by taking a joint MBA from HKUST and Kellogg School of Management.

What advice can you give for doing business in China?

Product customisation is rapidly becoming a must-do for international businesses expanding in China. These companies must not only offer products and services at the international level but also customise them to the idiosyncrasies of the Chinese market. In our view, the three most important reasons for customisation/localisation are: development differences between China and the West, consumers' lower sophistication/higher practicality and the regional differences within China. The guiding principle for success is to regard China not as one but a multitude of markets where development progresses at different speeds and with individual characteristics. Some products may need full localisation (daily use articles), some may need less (luxury fashion items) but each company should go through the process of establishing its target customers and catering to their needs, while pricing adequately in competition with domestic manufacturers. We help clients to do this in order to build a replicable platform for success - too many sellers are one-trick ponies who don't take into account the long-term horsepower of the market. Ultimately, a company's speed of change to cope with China's diversity and new markets is the determining success factor.

What is Fiducia's growth strategy?

We have sought to retain characteristics which we call the "Fiducia Way". Our priority has been the continuity of family and values from parents to son, from senior managers to new managers, facilitated via a two-year succession programme that encompasses the entire company and our employees. Not only do we bring talented individuals onboard who can provide fresh ideas, but our most senior staff continue to guide the team to achieve our goals with wise advice and support. There will continue to be risks and challenges, yet we are constantly reviewing, reinforcing and improving our organisation systematically by setting performance goals for the company and staff. Our 30-year foundation continues to give our clients and team confidence in our long-term strategy, which is to focus on China and provide consulting and outsourcing services together with state-of-the-art technology that clients need.

How does Fiducia contribute to its 'neighbourhood'?

Throughout the years, we have donated to charities and participated in activities to help those less fortunate. We now have established a structured and dedicated corporate social responsibility programme – "Fidu-Share" – where we give back to our communities and our environment. For example, as part of our 30th anniversary, our staff decided to raise money to support an autistic young man with his university education fees. We also spent some time helping to distribute goods to charities around the world, and repainted a school so that students can enjoy their 'working' environment too. Participating in many charitable events has strengthened the bond between fellow colleagues and also makes Fiducia a fun and meaningful workplace.

What are your aims and hopes for the future?

For the future, we are not looking to be the world's tallest skyscraper, but rather to be a firm, reliable cornerstone of our environment. The emphasis is on self-improvements based on client feedback, market changes and technology upgrades. We continuously develop new solutions tailored to clients' needs, such as our new supply chain management platform "Order-to-Cash" or OTC. This approach combined with a great team forms the basis of clients' success - and ours.

"Supply Chain Management Made Easy"

The Order-to-Cash Platform, or **OTC**, is an online supply chain management tool which enables you to exchange informationand facilitates communication between trade partners.

Empower your China business through **OTC** with the full support of Fiducia's Trade Services Team.

To view the benefits **OTC** can bring to your supply chain, visit:

www.fiducia-china.com/OTC

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