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Billionaire profile: Wei Jianjun, Great Wall Motors

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Chairman Wei Jianjun has pushed his mainland carmaker to new heights, partly through the military precision with which he runs his factories

Outside the headquarters of one of the mainland's largest carmakers stand two engraved pillars, one listing the company's failures, the other employees who gave in to corruption.

This dedication to learning from past mistakes and strict discipline is emblematic of Great Wall Motor, China's biggest manufacturer of SUVs and pickup trucks, and its chairman, Wei Jianjun.

Now the sixth-richest person in China according to *Forbes*, Wei was born in Beijing in 1964, but moved to Baoding, a city of 11 million people in Hebei province.

After Wei's father left the People's Liberation Army to start his own business making industrial equipment, Wei dropped out of university to join him.

In the late 1980s, Great Wall, then a collective or township enterprise specialising in vehicle modification and repair, was struggling. Business was bad, and in 1990, the company posted losses of more than 1 million yuan and was teetering on the edge of bankruptcy.

Enter 26-year-old Wei Jianjun. That year he signed a deal to take over the company, agreeing to hand over a percentage of profits to the collective owners but keeping the majority for himself. Wei switched the firm's focus from car modification to production, and the company launched a cut-price saloon in 1993.

Wei's takeover of Great Wall, at least in spirit, was complete, said Bill Russo, a former Chrysler executive and managing director of consultant firm Gao Feng Advisory.

"He's the entrepreneur, it's his family's business, and I think from the standpoint of its structure, its design, the whole concept of Great Wall is very much his creation," Russo told the *South China Morning Post*.

Wei's genius was on show in 1994, when a new government policy banned carmakers outside of "national catalogue" from producing saloons. Realising that the market for pickup trucks was neglected in China, and having noticed the vehicles' popularity during a business trip to Thailand, Wei pivoted. Great Wall launched its first pickup in 1996, and by 1998 its Deer brand was a market leader.

As head of Great Wall, Wei set "an overall tone of attention to quality and constant

improvement. I think that has a lot to do with their success, even though he didn't have much auto-specific experience before plunging into the auto business," said Greg Anderson, the author of *Designated Drivers: How China Plans to Dominate the Global Auto Industry*.

"Great Wall is a different kind of company when it comes to Chinese automotive enterprise," said Russo.



Bloomberg

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Unlike most of its competitors, Great Wall is not state-owned, nor has it partnered with a foreign brand for a joint venture. "From that standpoint, their DNA, their mode of operation is quite different. They have to raise their own capital. They don't have as much coming out of the state-owned banks in terms of support."

Wei was keen to emphasise this independence when the company went public on the Hong Kong stock exchange in 2003. "I bear unlimited responsibility for Great Wall," he told prospective investors. And indeed, between his becoming general manager in 1990 and the company's listing, Wei and his family consolidated and cemented control of the carmaker.

Ironically, despite the company's much-vaunted independence, insiders describe a management style reminiscent of "Red Scare" descriptions of Communist factories staffed by faceless automatons.

A researcher at the company told Bloomberg last year all new hires were expected to endure a month of military drills with PLA instructors, to be repeated if they were promoted to a senior rank.

"We have high expectations of our staff because we provide them with intensive training," Wei told the *Post* in 2003.

"Discipline is instilled in the workers from the time they are hired and it is embodied in the way

that you see them work," said Russo.

The training ensured an attention to detail and quality uncommon in many Chinese factories, he said. "You just have to drive a Great Wall vehicle and then drive another Chinese-branded vehicle and you'll feel the difference."

"One of the things that struck me when I went there is the way the workers on the assembly line, when they break for lunch, or when they break for the day, they basically walk in single file military style in and out of the building," Russo said.

High expectations come with high reward. Wang Fengying was promoted to general manager and chief executive in 2002 after more than 13 years with the firm. To date, Wang is the only female chief executive of a Chinese carmaker.

"In terms of day to day, she's the one who keeps the business focused on achieving its results," Russo said, but Wei remained "the mastermind".

"It's his company, make no doubt about it."

Topics: Great Wall Motors

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