Asia at e-commerce epicenter

By LURONG CHEN

This region more than any other is benefiting from the new trade dynamics brought by technology and digitalization.

Talent should be put to better use

Second-tier cities seeking professionals can gain an edge by improving conditions for staff development

By CHEN YONGWEI

T o attract talent, some second-tier cities are competing not only with each other, but also with first-tier cities. The governments of some second-tier cities are offering professionals local hukou (household registration), which is linked to all social welfare benefits, residential accommodation and cash subsidies.

Due to the economic growth and industrial upgrading of such cities, they are now more capable and confident of competing with metropolises. Therefore, by drawing professionals, these cities will help narrow the regional economic gap and promote more balanced economic growth.

The governments of these cities should realize that welfare, housing and money can attract some people in the short term, but that may not necessarily be sustainable in the long run. Although the money and housing offered to professionals reflect the local governments’ respect for their needs — especially given the exorbitant housing prices in some cities — that might not be enough to make them settle down in a particular city. The reason: Professionals seek the right prospects for career building rather than just benefits.

If the competition transforms into a contest among cities to attract talent, most of the second-tier cities will stand no chance against their first-tier counterparts. Shenzhen, which has developed from a fishing village into one of China’s most robust growth engines, offers second-tier contenders valuable lessons on how to market talent.

The southern city has created a more equitable, inclusive and efficient policy and business environment for entrepreneurs, researchers and people striving to improve the quality of life through their industriousness, knowledge and innovative capacity. Shenzhen has become a synonym for opportunity and dreams, attracting talent from different walks of life within a short time.

Moreover, the second-tier cities trying to attract talent should not offer the benefits together with harsh terms, such as requiring talent to not seek a job in another city before the end of 10 years, because that would make the benefits seem more like bait.

Improving a 10-year minimum working period as a condition for the benefits provided is not rare. In fact, many local governments’ work contracts have clauses saying that if a beneficiary leaves the city before 10 years, he or she will be required to pay a daunting amount as “liquidation” damages.

Good employers do not seek eternal loyalty from their employees. Instead, they seek to form a type of alliance with employees and create better conditions for the latter’s development so that they can work to their fullest capacity, and in many cases maintain a harmonious relationship with the employer even after quitting their job.

The governments of second-tier cities seeking to attract talent would do good to follow this rule. The flows and exchanges of talent are normal phenomena. What a city government should care about most is not lifelong loyalty, but creating the right atmosphere to allow professionals to use their talent to the fullest and, in doing so, contribute to the development of the city. That is what a talent hunt should be about.

The author is a researcher in market and Internet economy at Peking University. The article was first published in Beijing News.