

## Analysis of Development Dilemmas and Countermeasures for Chinese Corporate Think Tanks: Post-Print

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### Abstract

Enterprise think tanks refer to independent social organizations that primarily serve the construction and development of the market economy, possess a public welfare nature, and do not take profit-making as their entire (or primary) purpose. Currently, the development situation of enterprise think tanks is not optimistic, with both external and internal factors. [Methods/Process] Through field research, this study analyzes the bottleneck problems existing in the development and innovation of China's enterprise think tanks. [Conclusion/Results] It proposes effective pathways for enterprise think tanks to participate in decision-making consultation, and indicates that the development of enterprise think tanks requires improvement and innovation in three aspects: funding foundation, planning and design, and research capacity.

### Full Text

## Analysis of the Dilemma of the Development of Chinese Enterprise Think Tanks and Countermeasures

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### Abstract

[Purpose] Enterprise think tanks are independent social organizations that primarily serve the construction and development of the market economy, possess a public welfare nature, and do not aim for profit as their sole (or primary) objective. At present, the development prospects for enterprise think tanks are not optimistic, constrained by both external and internal factors.

[**Method/Process**] Through field research, this paper analyzes the bottleneck issues hindering the development and innovation of China's enterprise think tanks. [**Conclusion/Results**] The paper proposes effective pathways for enterprise think tanks to participate in decision-making consultation, arguing that their development requires improvement and innovation across three dimensions: capital foundation, planning and design, and research capacity.

**Keywords:** Enterprise think tank, Industry model, Dilemma, Breakthrough strategy

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## 1. Current Development Status of Chinese Enterprise Think Tanks

Factors influencing the development of Chinese think tanks include two dimensions: external environmental factors and internal environmental factors. External factors primarily encompass policy orientation and social cognition. Currently, policy guidance explicitly encourages and supports think tank development, and as China's economy enters the "new normal" of transformation and upgrading, various industries' awareness of and reliance on think tanks has gradually deepened. From a social cognition perspective, enterprise think tanks already enjoy "favorable timing" –this is precisely the moment to seize the momentum.

However, the foundation of Chinese enterprise think tanks remains weak. China has long been the "world's factory," with a vast number of small and medium-sized enterprises now undergoing inevitable transformation and upgrading. As the economy shifts from resource-based to innovation-driven, technology-intensive, talent-oriented, and knowledge-based models, demand for think tanks is expanding rapidly. Under economic globalization, it is inevitable that powerful foreign think tanks will enter the Chinese market. How China's relatively weak enterprise think tanks can compete against these stronger rivals presents a significant challenge.

Enterprise think tanks must leverage "geographical advantages." McKinsey's repeated setbacks in China were not due to insufficient capabilities but rather to failure to adapt to local conditions—its inability to secure China's "geographical advantage." Only by capitalizing on their native position can Chinese enterprise think tanks compete with powerful foreign counterparts. Yet geographical advantage is not a permanent solution; over time, this advantage gap will inevitably narrow. The optimal window for Chinese think tanks to rise is while this advantage gap still exists. Therefore, enterprise think tank construction must be pursued urgently to avoid missing this critical opportunity.

## 2. Problems in the Development of Chinese Enterprise Think Tanks

The development of Chinese think tanks already benefits from favorable timing and external conditions, but opportunities and capabilities must develop in balance. For enterprise think tanks to rise, they must diligently cultivate internal strengths: establishing a solid capital foundation, developing long-term planning and design, and focusing on enhancing their own research capacity.

### 2.1 Funding Shortages

Funding constitutes the basic capital supporting normal think tank operations. In reality, numerous organizations bear the name of think tanks, yet fewer than ten or twenty percent can operate normally. The fundamental reason is the lack of sufficient funding sources to sustain their operations. These organizations typically begin with advocacy from a few individuals who then invite scholars to form loose, alliance-like structures. Although they claim to have various experts and scholars on staff, these are in fact nominal positions rather than substantive roles.

Without initial fixed capital injection, research collaboration among these think tanks is difficult to establish. Moreover, funding constraints inevitably slow output of research 成果, causing invited experts and scholars to gradually marginalize the think tanks and eroding their cohesion. Without talent, the core competitiveness of enterprise think tanks ceases to exist, ultimately reducing them to empty shells.

Therefore, establishing an enterprise think tank involves far more than simply uniting experts and scholars; its developmental foundation cannot rely solely on the expected value realization from intellectual aggregation.

From a commercial operation perspective, enterprise think tanks must recognize that powerful clients typically already have established advisory support or even their own in-house think tanks. Securing such clients is extremely difficult, as it requires outperforming competitors and demonstrating superior value at a high level—an undoubtedly challenging task. For weaker clients with limited funds, the focus is typically on short-term economic returns. Especially as the resource-based economic era has not yet fully ended (relative to the knowledge economy), attracting these clients is equally difficult.

More importantly, because invited experts and scholars engage only in alliance-based cooperation, the core competitiveness of think tanks remains unstable, creating a crisis-ridden development environment. During development, enterprise think tanks must possess two types of talent structures: first, resident talent—the think tank’s core team. These are researchers who unite and develop within the think tank framework and constitute the core force for its operations. Second, special-contract talent—the think tank’s peripheral network. These are individuals the think tank aims to attract but who cannot easily become

core team members, joining through cooperative arrangements that benefit both parties and selectively undertaking research and development tasks.

The first category of resident talent must continuously expand, emphasizing quality and cohesion. The second category of special-contract talent should be widely recruited and strategically distributed, emphasizing high-level expertise and influence. Achieving this structure undoubtedly requires a solid capital foundation, including stable funding sources, reliable market channels, and reasonable commercial operation models.

## 2.2 Planning and Design Issues

Many enterprise think tanks suffer from strategic deficiencies in planning and design, first evident in their own development plans. According to the definition in the “2013 China Think Tank Report” released by the Shanghai Academy of Social Sciences Think Tank Research Center in February 2014, think tanks primarily refer to professional research institutions that take public policy as their research object, influencing government decision-making as their goal, public interest as their research orientation, and social responsibility as their research criterion.

The need to self-raise funds represents an important characteristic distinguishing enterprise think tanks from official think tanks, bringing a series of changes to development strategies. Enterprise think tanks should be professional research institutions that primarily focus on the market economy as their research object, aim to correct and influence enterprise and government decision-making, orient toward sustainable development, uphold social responsibility as their research criterion, and operate commercially while considering public interest. Focusing on the market economy as the research object requires enterprise think tanks to shift their primary service target to enterprises. Aiming to correct and influence enterprise and government decision-making indicates that think tanks’ role is to explore optimal sustainable development paths, with emphasis still on enterprise development decisions, while policy influence aims to optimize the policy driving force of the market economy. Orienting toward sustainable development requires enterprise think tanks to ensure public interest while guaranteeing benefits. Commercial operation with consideration for public interest demands that enterprise think tanks neither imitate the operation models and development missions of official background think tanks nor become purely profit-driven institutions; they must skillfully find a balance. Think tanks emulating official background models struggle to survive and develop, while those overly focused on profit no longer meet current needs.

Combined with capital foundation requirements, breakthrough development strategies for enterprise think tanks become clear, most importantly the “balanced development strategy” and “cooperative collaboration strategy.” The balanced development strategy should be reflected in organizational structure, requiring enterprise think tanks to possess at least three functional entities: a

“cooperation center,” a “research center,” and a “service center”—a trinity that can support normal operation and development. The cooperation center primarily implements the external special-contract talent expansion strategy, serving as the hub for discovering and recruiting high-end talent from all sectors. The research center undertakes relevant research tasks, while the service center functions as the main commercial operation hub, promoting and providing various paid intellectual services including consulting, research, education and training, as well as public welfare research and recommendations on major or hot issues.

It is worth noting that think tanks should not only undertake theoretical research tasks but also be able to guide practice with theory, rather than merely engaging in armchair strategy.

The cooperative collaboration strategy means that think tank development should not be isolated. Business associations will undertake important missions and play significant roles in future socialist market economy construction and development, as they can effectively integrate industry capital. However, many business associations currently have low service capacity that cannot meet industry development requirements. Enterprise think tanks possess higher service capacity but lack stable market channels to establish rationalized business models, creating obvious complementarity with business associations. Collaborative cooperation will represent a major enhancement for both parties' development.

The significance of the cooperative collaboration strategy lies even more in its ability to effectively support think tank development during the startup phase. With market capital aggregation from business associations, think tank prospects become clearer, investment return cycles shorten, and securing startup funding becomes more feasible. Additionally, win-win cooperation helps think tanks obtain certain stable sources of basic funding.

### 2.3 Research Capacity Issues

Weak research capacity and limited output are fatal flaws for think tanks. This situation arises because many experts and scholars maintain only superficial cooperative relationships with think tanks, which also lack funds to proactively initiate research projects. Furthermore, research 成果 from cooperating experts and scholars are often not published under the think tank' s name, creating the reality of weak research capacity. Solving this problem requires adequate funding to support research and development projects under the enterprise think tank' s name and to build a core team belonging to the think tank.

Beyond funding, another important factor contributing to weak research capacity is the lack of a systematic research framework, resulting in difficulty identifying research topics, limited output, and minimal influence. For enterprise think tanks, the typical model involves commissioned project analysis and evaluation or brief commentaries on public hot issues—forms far insufficient to support their development positioning. For enterprise think tanks, establishing

distinctive characteristics and forming a clearly defined “thematic research think tank” is essential.

### 3. Developing Industry Model Research as Core Competitiveness

According to the guidance in the January 2015 “Opinions on Strengthening the Construction of New-Type Think Tanks with Chinese Characteristics” issued by the General Office of the CPC Central Committee and the State Council, enterprise think tank research should focus on industries and sectors, conducting decision-making consultation research around state-owned enterprise reform, industrial structure adjustment, industrial development planning, industrial technology directions, industrial policy formulation, and major engineering projects. Centered on their own development strategies, enterprise think tanks should take market economic development as their primary research object, aim to serve sustainable development across industries, and adopt “industry model” research as their main framework for long-term research topics, while selectively undertaking other R&D tasks. Research on “industry models” represents the core competitiveness of think tank development.

An industry model is a strategic approach to maintaining consistent upward industry trends, ensuring sustainable development capacity, and continuously enhancing international competitiveness. Enterprise think tanks should focus on researching industry development trends, identifying opportunities, creating possibilities, and formulating strategies. They should strengthen research on regional competition, international competition, and industry competition, conduct cost studies, analyze current industry cost structures and average production costs, and research feasible strategies and methods for reducing industry production costs. Think tanks should also propose continuously innovative industry-wide feasible strategies based on analysis and judgment of industry trends combined with current development conditions, aiming to safeguard industry development vitality. Additionally, they should research evolving market value propositions for industry products or services to guide industry product innovation and technology R&D directions. Enterprise think tanks must also conduct classified positioning research on industrial layout and development across different regions based on varying geographical environments to achieve faster and better development by maximizing strengths and minimizing weaknesses, including research on competition and cooperation among regional industries. Most importantly, think tanks must conduct risk research, analyzing any factors that could cause industry development trends to decline, and synthesizing research 成果 to propose directions, strategies, and methods for industry transformation and upgrading.

## 4. Countermeasures for Enterprise Think Tank Construction

The present represents a critical period for Chinese enterprise think tank development, blessed with “favorable timing” and “geographical advantages.” If “human harmony” can be skillfully employed, great achievements will follow. The rise of think tanks must occur now, as delays bring changes—therefore, opportunities must be seized urgently. However, think tank development cannot be overly hasty; what must be seized is the foundation and root system, while superstructure construction requires steady and solid progress. In fact, think tank development from germination to maturity is not accomplished overnight. Think tanks excel through wisdom and triumph through wisdom; their own development must similarly be characterized by and triumph through wisdom.

### 4.1 Foresight in Enterprise Think Tank Research

The responsibility of enterprise think tanks is not to passively respond to events but to anticipate them. The greatest value of enterprise think tanks lies not in remedying problems after they occur but in foresight and preparedness. What China lacks is not those who remedy problems but those who foresee and prepare. Planning for the present to win the future represents both the greatest opportunity for enterprise think tank development and the maximum advantage they should leverage. The wisdom of enterprise think tanks should be more proactive than reactive, more strategic than tactical.

### 4.2 Innovation in Enterprise Think Tank Outputs

The second essential principle of enterprise think tank development lies in innovation. Enterprise think tanks need to shift their thinking, able to find affirmation through negation rather than directly affirming existing theories or viewpoints. As the saying goes, “a leaf before the eye hides Mount Tai; two beans in the ears deafen thunder.” Only by eliminating the false and retaining the true can the essence be revealed, thereby demonstrating the true significance and immense value of enterprise think tanks.

### 4.3 Exploiting Traditional Theoretical Culture

China’s traditional culture is profound and extensive. Exploiting the wisdom within traditional culture enables the promotion of national culture in global competition and facilitates establishing a unique position. Of course, think tanks need not be constrained by this—they can absorb broadly and surpass their sources. In China, as the resource-based economic era recedes, the future will be the era of the knowledge economy, precisely when think tanks can fully display their capabilities.

*Note: Figure translations are in progress. See original paper for figures.*

*Source: ChinaXiv – Machine translation. Verify with original.*