

DURING HIS SIX YEARS AT THE HELM of GE HealthCare's China business, Yihao Zhang has created a blueprint for long-term growth by redefining the company's localization, innovation and partnership strategies. He has increased innovation investment and expanded the group's manufacturing footprint in China, helping it navigate a fast-changing, highly competitive market.

At the end of June, he handed over the reins, having steered GE HealthCare China through a tumultuous period that included the disruption of the COVID-19 pandemic, the rapid rise of local competition, accelerating advances in Chinese technology and growing geopolitical tensions. The global distribution of rapid-access CT scans for patients—innovated in China and labeled “CT-in-a-box”—was just one advancement to come out of this period.

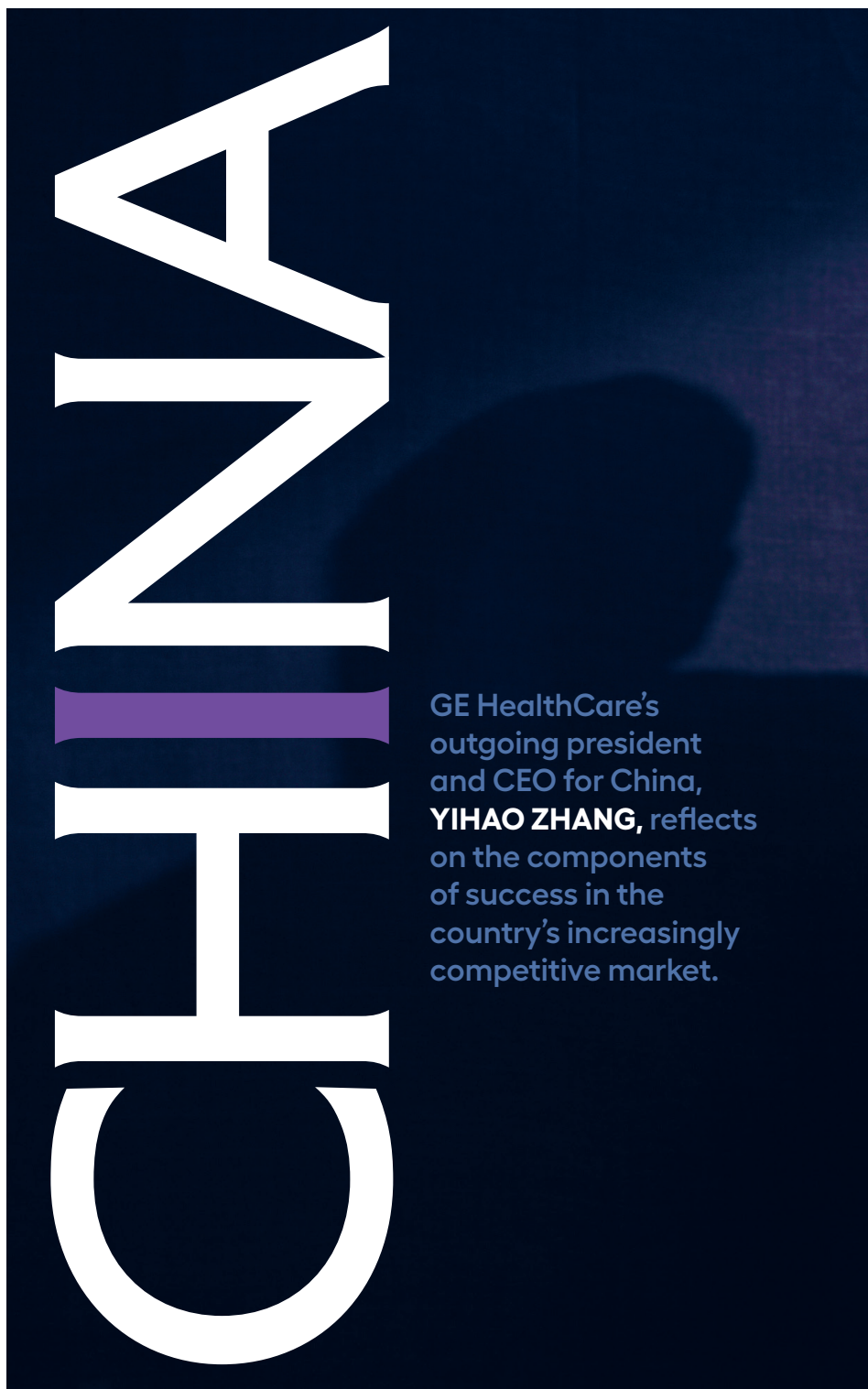
In an interview for *Brunswick Review*, Zhang sets out how the market in China is evolving—and dispels some misconceptions about doing business in the country.

You spent a long time studying and working in the US before returning to China. Looking back, how do you feel that experience has shaped you professionally?

I consider myself very fortunate. It was pretty rare for young people from China to go to college in the United States in the early 1990s—there were only three Chinese students in the entire school. If I had stayed in China, I would probably have become a physicist or a research professor.

But studying liberal arts in the US in the 1990s was transformative—it broadened my perspective and steered me from academia to business. Exposure to diverse fields like art, literature and religion prepared me for today's multifaceted challenges.

Later, working across functions (finance, R&D, supply chain and marketing) and in different countries (the US, Canada and China) honed my ability to bridge cultures and systems. I'm a great believer in a liberal arts education for business leaders, for



GE HealthCare's outgoing president and CEO for China, **YIHAO ZHANG**, reflects on the components of success in the country's increasingly competitive market.

CHECKUP



general managers and for CEOs. I really believe in the importance of a well-rounded person. It is critical in today's interconnected world, and so different from 45 years ago when China opened up.

To deal with today's economic and geopolitical situation, you need to understand the history, you need to understand the culture and you need to understand where everybody comes from.

Looking back over the last six years, you have achieved a lot. What are you most proud of?

There are three things I'm especially proud of from my time at GE HealthCare. First is contributing to GE's transformation—strengthening its financial foundation by helping reduce debt, focusing on core industrial businesses and supporting lean transformation. It was a pivotal shift that set the stage for long-term growth.

Second is our COVID-19 response. Our global and China teams worked around the clock to save lives worldwide. The experience was a powerful reminder that healthcare has no limits. That's something I'll never forget.

And third, we earned local recognition. In 2024, we were ranked No. 1 in competitiveness among multinational healthcare companies in China by a local research institute and Chinese media. That meant a lot because it validated our localization efforts. We are part of the local community and we have a clear purpose there.

Many leaders will read your story and wonder “How can I have a better strategy in the China market?” What would be your advice to them?

Start with purpose. In 2019, we redefined ours as, “Improving the lives of every patient in China in the moments that matter.” Also, commit fully. China's market demands more than half-hearted efforts. For example, we localized R&D to address unique needs, like high-volume CT scans, to meet the high patient demand.

There's a slogan that gets repeated a lot, “in China, for China.” But real success means going beyond being “for China” to being “of China.” “For China” you still see yourself as an outsider, whereas “of China” means you are acting as a local player. It means creating Chinese-origin products, designed by local teams, using local supply chains, and a strategy that is rooted in priorities like healthcare access or innovation. Localization is not about adapting global products to fit local circumstances. It's about originating locally, with purpose.

As a successful business leader, what would your advice be to the next generation of leaders? What are the key skills they need?

I see myself as a professional manager. I've thought a lot about what that means and looked at what the best CEOs do, and I've decided it's pretty simple. It means blending entrepreneurial spirit with professional discipline. Even non-founders can focus on customers and purpose with a founder's mentality.

Jim Collins' book *Built to Last* introduced the concept "Genius of the AND"—that we can have both A and B, rather than A or B. This inspired me a lot.

How do you see the role of a China General Manager in a multinational company, and how has that changed?

The China market has matured and become a lot more competitive. The old days of easy growth and simply riding up the elevator are over. Nearly all multinational companies underestimate the challenges, the complexities and the requirements of operating in China today. Yes, China is still open—but you have to work for it. You have to do more than just show up.

That means today's China GM must have a broad skillset—not just sales and marketing, but much broader knowledge including supply chain, policy, engineering, finance, business development, et cetera. They also need to be political strategists who can follow domestic and global policy trends, market developments and societal expectations.

You have been a strong advocate for innovating in China. How has global perception of China's innovation evolved?

GE HealthCare was early to invest in China R&D, recognizing that local needs required tailored solutions. Now, local peers have become global innovators. But there's a deeper point: Chinese talent—or talent anywhere—is equally capable of breakthrough innovation. Innovation isn't geography dependent. China's EV (electric vehicle) and pharmaceutical breakthroughs prove this parity. An increasing number of Chinese companies are now formidable global competitors. We are competing against the very best of them. They are successful not because of policy support. They are just good.

You are now passing on the baton at GE HealthCare. Is there anything that is unfinished that you feel your successor needs to address?

We still have tons of potential to continue getting better—from lean management systems to innovation and product launches. And the China market is changing so fast—there's still huge demand, which really pushes us to keep innovating and creating the right products and solutions to meet these evolving needs. We have to continue to out-cost, out-innovate and stay agile. GE HealthCare has built a solid foundation here in China, but sustaining success will demand even greater effort in the years ahead. If we can win in China, we can win in the rest of the world.

"YES, CHINA IS STILL OPEN—BUT YOU HAVE TO WORK FOR IT. YOU HAVE TO DO MORE THAN JUST SHOW UP."

YI ZHOU is a Brunswick Partner and Asia-Pacific Healthcare Lead.

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When you look at the complex world we live in today, what fears do you have for the mission to bring healthcare to all those who need it?

My worst nightmare is that healthcare becomes politicized. That would be one of the saddest things in human history. Saving lives comes above everything. Healthcare can bring people together and by working together we can find cures for cancer, stroke and heart disease, for example, by sharing innovations across companies in China, America and Europe. Healthcare should be one of the first industries where companies work to build bridges.

WANT TO SUCCEED IN CHINA?

1 Don't let geopolitics blind your view of the long-term opportunity: Healthcare should remain above politics—it is ethically imperative and a universal right. China's healthcare market has huge demand that requires a nuanced understanding and long-term view of the market.

2 China still welcomes foreign investors, but is increasingly competitive: Attracting and retaining foreign investment is a top priority for China. While it's a tough, competitive, high-performance market, committed players who are ready to adapt can still thrive.

3 Local competitors win on merit: There is a dangerous myth that local competitors win because of government support. In fact, the best local firms are diligent, innovative and aggressive—and they are building world-class product and R&D capabilities.

4 Beyond "in China, for China": Strong products and brand equity are no longer a guarantee of success given the strong local competition. Multinational companies must also think and act locally, developing products in China, led by Chinese teams, for Chinese customers and patients.

5 China GMs must be equipped with multidisciplinary skills: Multinationals need someone who is a geopolitical strategist, a supply chain expert and an innovator—all at the same time. As the world becomes more intertwined, understanding global and local policies and cultures is crucial. Too often, global headquarters underestimate the importance of China GMs. Headquarters must give the autonomy, status and support they need for a hugely complex job. ♦