
Hu Xueyan, the God of Management Success or Failure, Whatever You Say

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Abstract: Hu Xueyan, a famous businessman with red roofs in modern China, is a legendary figure who has experienced great winds and waves. From a small apprentice in a bank, he became the “chief office of the public Treasury of four provinces with two official residences, wearing a red top and a yellow mandarin jacket, and holding tens of millions of taels of silver”. Hu Xueyan was instantly richer than the country. Zuo Zongtang called him “a man of business and Qi”, and the folk called him “the God of Living Wealth” and “the Warrior of Southeast”. Hu Xueyan’s legendary life, because of his shrewd business sense, made him a great fortune in the business world and ranked second in the political circle. But at the peak of his life, he was attacked by his political opponents for illegally embezzling money from the government and eventually lost everything. His life can bring countless enlightenment to future generations, just as the saying goes, “To be a man, we should learn from Zeng Guofan, and to do things, we should learn from Hu Xueyan.” We don’t judge Hu Xueyan’s fortune and right and wrong in his life. We only analyze the reasons for his success and failure to deeply understand the life thinking and guiding significance that his life can bring to us.

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1. The Reason for Success

1.1 Choose the Right Platform

Hu Xueyan did not have any capital at the beginning of his business, nor did he have any background. It is very important for Hu Xueyan to choose a suitable backer to develop his career. He had three choices before him. One is the group headed by Li Hongzhang, who appreciates Hu Xueyan’s talent very much and wants to woo him. Second, the group headed by Zuo Zongtang, but also discerning, thinks that Hu Xueyan is a person who does great things. Third, the forces of the Taiping Heavenly Kingdom, which ruled the army strictly, loved the people, and fought against the foreigners, dealt a very big blow to the Qing government at that time, and Zuo Zongtang was very difficult to deal with them. At this stage of entrepreneurship, Hu Xueyan hardly knew or asked about politics, and his original intention was just to make money using a good platform. After careful consideration, he believed that the Taiping Heavenly Kingdom was being strangled

by the Qing government and the foreigners with great risk. Li Hongzhang should not associate with officials who are treacherous. And Zuo Zongtang for the official path, deeply respected by the court, is the most suitable for their career development of the backer platform. Facts prove that later Hu Xueyan’s success, become a “red top businessman”, and Zuo Zongtang is the driving force behind ^[1].

1.2 Strategic Investment

During the Xianfeng period, the Qing government was corrupt and incompetent, and the country was in the midst of internal and external troubles. The Taiping Heavenly Kingdom Movement was rife with wars, the eight-nation allied forces invaded China, foreigners ran amok, and the common people were miserable. Although Hu Xueyan was not rich at that time, it seems that he spent a lot of money to help refugees, often giving porridge to relieve disasters and alleviate social conflicts. In fact, this behavior is the embodiment of a big pattern. Because he not

only won the hearts of the people, but also alleviated the social problems of the government, and his backer Zuo Zongtang was a local official at that time, so this was also his performance and measures to share the worries of the leadership, so that Zuo Zongtang more highly regarded him, which played a crucial role in his ability to win Zuo Zongtang's trust. In order to thank Hu Xueyan for his efforts, Zuo asked him to buy rice at a low price and sell it at a high price (the government recycled it), so that Hu Xueyan made a pot full of money. It is based on such a bit of strategic investment and serious management, so that Hu Xueyan can establish a good strategic cooperative relationship with Zuo Zongtang. Therefore, in the battle of receiving Hangzhou, Hu Xueyan also helped Zuo Zongtang actively form a Chang Jie army, buy arms, and finally beat the Taiping Army and recaptured Hangzhou. Moreover, the establishment of his own business empire has laid a solid foundation. This strategic investment with corresponding efforts and high returns can be said to help Hu Xueyan gain fame and fortune. Strategic investments, including later opening banks and pharmaceutical factories, can also be more easily successful.

1.3 Training Talents

With the gradual expansion of enterprises and the co-existence of multiple operations, the demand for talents is very urgent. Hu Xueyan is also deeply aware of this point, so the selection and training of talents attaches great importance, spares no effort, and spends enough money, more energy to identify people, educate people, and employ people. Especially during the opening of a bank and the founding of a pharmaceutical factory, it not only cultivates shareholders to become right-hand men, but also hires outside professionals with high salaries, and truly uses talents in an eclectic manner, putting the right people in the right positions to create the greatest value. Even if senior managers make mistakes, they will be given a chance to correct themselves. All these can fully explain Hu Xueyan's lofty pattern and mind in managing talents ^[2].

1.4 Being Tactful

In the operation, Hu Xueyan is very flexible and flexible. In the face of many sudden and difficult things, Hu Xueyan always thinks carefully and uses the right method, so he can generally solve the problem skillfully and pass smoothly. This was evident when he started his business. Hu Xueyan to deliver a shipment of rice to the Taiping army in Hangzhou city, the result is discovered

by Zuo Zongtang's army, the situation is very urgent, and once discovered, there is a risk of losing his head, in a hurry to say that the rice is given to the government army, and the danger is averted. In the price difference of rice, it also gained the trust of Zuo Zongtang. And he followed the principle of "heavy gifts do not send noble people, not noble people will send heavy gifts", and the west Empress dowmother's confidant Li Lianying had a good relationship, when Hu Xueyan was unfavorable, Li Lianying said a lot of good words for him in the West Queen, of which the four provincial public library "general office" position is a large part of Li Lianying's credit. The above cases are the concrete performance of Hu Xueyan's smooth life.

How to distinguish between tactness and tactness?

Tactful: Through procrastination, so that the work can not be carried out smoothly, or not committed to do things wrong, but do not want to take responsibility, at this time to find loopholes in the system, and then find someone or subordinates to back the pot, so that they are free from punishment, but also able to turn around, not guilty, this is the specific performance of tactful.

YTO: Through procrastination, shelving disputes, to find a better way to gain time, on the basis of not violating the principle, ultimately doing things better, solving contradictions, and handling the relationship between colleagues, departments, superiors and subordinates, this is the specific performance of YTO.

1.5 Establish Brand

From the beginning of the business, selling rice to earn the price difference, buying arms to earn commission, opening a bank to obtain interest and other businesses are basically speculative operations, which is difficult to do for a long time. Later, the founding of Huqing Yu Tang and the establishment of a pharmaceutical factory really opened a great cause. In order to ensure the quality of Huqing Yutang drug efficacy, put forward the concept of true price, never cheat on the raw materials of medicinal materials, never cut corners on the drug production process, fully protect the quality of drugs, recognized by the people, from now on established a reputation, created Huqing Yutang brand until today is still trusted and welcomed, this is the power of the brand ^[3].

1.6 Refrain from Cheating Culture

In Huqing Yu Tang internal control management, pay close attention to the ideological education of employees, and advocate employees: honesty, faith first. Wealth is

false and real, real, false, the gentleman loves money, take the integrity of the style. In the external business to advocate the business that is humane, honest to customers, truly do the work of self-honesty, benefit from the cultural concept of righteousness. Hu Xueyan himself not only personally for the store to write “caution deception” word plaque, and often warned employees “pharmaceutical industry relationship life, especially can not be deceived”, “procurement is true, repair and fine”. Because of Hu Xueyan’s spirit of honesty and truth-seeking, the scale of Huqing Yu Tang developed into the medicine number of Tongrentang, a century-old brand second only to Beijing at that time. Hu Xueyan was originally a person who was not familiar with the pharmaceutical industry, but with a realistic and pragmatic strength, heavily hired famous doctors in Zhejiang, collected ancient prescriptions, summarized experience, and selected more than 400 prescriptions such as pills, powders, creams, and Dan, refined and prepared medicines. These medicines are very popular among the people. It can be said that Hu Xueyan has played an important role in promoting the development of Chinese medicine.

1.7 Put People First

As Hu Qingyu’s business grew, so did the number of employees. Through measures such as appeasing old employees and improving employee welfare benefits, the employees are very stable and their income is increased. They work hard and diligently, and everyone has feelings for Huqing Yutang, and they have a sense of accomplishment and belonging here. This is a very valuable thing for both past and present enterprises. Because only by putting people first, can the company achieve long-term development. Only by putting the interests of employees and customers first can a company make profits. To the dream of employees first, realize the dream of employees, and realize the dream of enterprises.

2. Lessons from Failure

Hu Xueyan failed to have a good death, the business empire he had worked so hard to build was wiped out in three years, and he was sacked from his post and robbed of his home. He died soon after, at the age of only 62, amid a mix of poverty and hatred. How did Hu Xueyan, once the richest man in the world, go bankrupt?

2.1 Choosing the Wrong Platform

The combination of government and business is a dou-

ble-edged sword, which can both make you successful and make you fail. Hu Xueyan became rich and completely took the government line and relied on Zuo Zongtang to do business, but Zuo Zongtang was also a person with character defects, who made too many enemies in the official field and despised those who thought they were inferior to him, especially the number one political enemy Li Hongzhang Group. They had been the underdog in the usual political struggle, but finally seized the opportunity to make a move against the enemy. In addition a small thing also offended the hands of the real power of the royal family Ronglu. In the corrupt Qing Dynasty at that time, the gentleman can not fight the villain, it is a very realistic and common thing, so Zuo Zongtang’s lofty pride in the political defeat is inevitable. When Hu Xueyan’s backstage collapsed, bad luck began to set in. Zuo Zongtang was also a good official in history, but he also had to protect himself, and Hu Xueyan was the “scapegoat” and became the back pot man.

When Hu Xueyan was successful in his career and rich, he should have developed more political connections in time, and could have sought political asylum at a critical time. At the same time, to maintain a moderate distance from Zuo Zongtang, in order to have enough strength to protect themselves in the turbulent environment at that time. Later, when Hu Xueyan’s disaster came, Zuo Zongtang did not help him, in fact, the reason is very simple. First, Zuo Zongtang and Hu Xueyan have very few personal contacts, except for business cooperation, basically no exchanges. Second, Hu Xueyan was constantly under the pressure of Li Hongzhang Group, the so-called “to the left first to the Hu”. Third, Hu Xueyan was a businessman, not an important role, and Zuo Zongtang was politically defeated and could not protect him. Fourth, Hu Xueyan embezzled money from the government and violated the government’s bottom line.

2.2 Enriching Oneself

In order to borrow money, he colluded with foreigners, and reported the interest of four percent to the government, nine percent of which was half shared with foreigners, enriching his own pockets, this behavior is absolutely fatal, Hu Xueyan also knows the seriousness of the problem, but the matter has already happened, it is too late to regret, he has to make up in other aspects, but it is useless, and finally was seized by competitors, giving Hu Xueyan a fatal blow.

2.3 Backyard Fire

Hu Xueyan had a lot of wives and concubines throughout his life, but many of them were women who were not really invested in their feelings, and took the initiative to ask them to use beauty and often contact with senior political and business officials to obtain business intelligence. This behavior was very difficult to accept for ordinary men, but Hu Xueyan felt that there was nothing, it was just a play. Hu Xueyan married them to facilitate business operation. But did not do a good job of balance and powerful relationship guidance. The most fatal blow is one of the concubine jade Hui inadvertently leaked the bank loan kickback, for the future of the east window buried the foreshadowing. In addition, wives and concubines compete for status at home, do not unite, compete with each other, and make Hu Xueyan anxious, consuming a lot of energy.

On the contrary, Rui Jin is a respectable woman, and Hu Xueyan really pays his feelings and sincerity, but they have not been together. Rui Jin does not bow for money material, feelings single-minded, self-respecting, adhere to principles, correct outlook on life and values of Hu Xueyan's wife concubine is the biggest irony.

2.4 Strike a Stone with an Egg

To compete with foreigners for silk business, patriotism is not enough as a businessman. At that time, in the Qing government era, his behavior not only did not get the support of the government, but political opponents and foreigners colluded to fight against Hu Xueyan, resulting in serious losses in his silk business, heavy losses and vitality. Hu Xueyan feeling: integrity is not living. "Do not be greedy for an official, do not commit adultery for a businessman, if you want to do good, you must first have money in your hand." During the corrupt and incompetent Qing Dynasty, how could the problem be solved by recycling silk from silkworm farmers at a high price? It's just "hitting the stone with the egg".

2.5 Acting Arbitrarily

Since the career became bigger and bigger, I basically did not listen to the advice of others, especially after becoming a second-grade official. Shareholders constantly remind him not to fight with foreigners (foreigners behind the support of the government), when it is good, it is good, and the country is so, let alone we are weak, and the result is a big loss. Taking kickbacks from the state, someone constantly reminded him to be vigilant and

take good precautions, Hu Xueyan did not take heed, but also righteously said that "I was a businessman, interests should be heavy, and I took kickbacks not for myself, but to buy military supplies for the country, but the political enemy did not think so, its behavior is to enrich the pockets of the government, corruption must be traced". Only in the serious situation, Hu Xueyan was unable to argue, it was too late to regret, in fact, his behavior and his kickbacks are one thing, the pot calling the kettle black, the essence is not different ^[4].

2.6 There is no Distinction between Government and Business

Hu Xueyan is well versed in the business road and deserves to be a "business sage". But he was a man, not a god, not well versed in all fields, especially in politics, and he was an absolute loser. To tread carefully and subserviently before government officials for fear of offending them. Although these officials are villains or traitors, they all hold the power in the core positions, and Li Hongzhang Group and Zuo Zongtang are opposite in the official field, the more Hu Xueyan helps Zuo Zongtang, the more they hate each other, the more they seek opportunities to retaliate, and the more they fight against foreigners by their own strength. It is far from enough to rely on Zuo Zongtang to follow this time, and Zuo Zongtang in his old age can hardly protect himself. The result was the loss of office, the confiscation of all family property, and only the end of poverty.

2.7 Bank Runs

Due to the acquisition of silk at a high price, it was jointly suppressed by political enemies and foreigners, and was eventually forced to sell at a low price, with a loss of 10 million taels of silver, half of the family's assets, and a bad turnover. Local bureaucrats compete to raise deposits, gang extortion, and other depositors also came to withdraw money after hearing the news, local banks and firms quickly closed down, family property was sold, Hu Qing Yu Tang changed owners, Hu Xueyan painstakingly managed business empire declared bankruptcy ^[5].

3. Summary

As a businessman, Hu Xueyan was a very successful operator. He could do things that others could not do, and he could do things that others could not do. Later, his career became bigger and bigger, and he was worthy of be-

ing called the “God of business”. But the political investment was a loser, and a big loser. In any case, life is still about hard work, and living is about creating value. Hu Xueyan did it. Death is inevitable, and what is the meaning of such a life if we only value the result? Therefore, although Hu Qing Yu Tang was taken away by others, the spirit of Hu Qing Yu Tang’s “corporate culture” is still Hu Xueyan’s, and people will still remember his historical contribution 100 years after his death, which is enough!

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