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India

Management in an Ancient and Modern Civilization

India, the seventh largest country in the world, is also among the most ancient. The nation has had a continuous and documented history from about 2000 B.C. when the Aryans, a pastoral and nomadic tribe from central Asia entered the region. In the centuries that followed, successive waves of invaders and immigrants settled in India, bringing with them their distinct cultures and religions. The richness and diversity of Indian society, as it evolved through the ages, is readily apparent in its literature, architecture, music, and art.

The history of modern India begins in 1947 when, after a concerted nonviolent freedom movement, it gained its independence from British rule. Today it is a sovereign, socialist, secular, democratic republic comprised of twenty-six states and seven union territories. The country is governed by a constitutional system that closely resembles the British parliamentary model. With an estimated 844 million inhabitants (1991 census), India is second only to China in population, and it is considered to be the world's largest democracy.

Approximately the size of Europe, India is strategically located in Asia and shares its borders with Burma, Bhutan, Bangladesh, China, Nepal, and Pakistan. Situated north of the equator, it is bounded by the Arabian

sea in the southwest and by the Bay of Bengal in the southeast. The Himalayan mountain ranges frame the northern frontiers of the country.

Since its independence, India has achieved remarkable progress. Per-capita domestic savings and investments have doubled, and life expectancy has increased from thirty-two years (1950) to fifty-nine years (1991). Today, the Indian economy is among the fifteen largest in the world. After decades of protectionist policies, the new government has recently begun a program of structural adjustment that has resulted in the relaxation of licensing requirements, liberalization of policies guiding the importation of capital goods, and the easing of other regulatory controls. These changes and the potential of a huge, untapped market have spurred the interest of foreign investors, as evidenced by the formation of many new collaborative ventures. In combination, these factors make India a promising site for business research in a growing and developing country.

Background research information

Specific information needed to undertake research

Anyone contemplating field research in India must be prepared to encounter a land of indescribable complexity and contrast. The country's size and diversity defy simplistic categorization. Geographically, India encompasses the legendary Himalayan mountains, fertile plains, arid deserts, and tropical beaches. While much of the country is impoverished, India also has an elite and a powerful class of millionaire industrialists. Although half the population is illiterate, the nation has one of the world's largest education systems which provides it with thousands of highly qualified doctors, lawyers, scientists, and engineers each year. Seventy percent of the population derives its income from agriculture, yet India has a rapidly growing industrial sector. This diversity makes it impossible to classify anything or anyone as "typically Indian." Thus, the primary objective of this report is to introduce some of the salient cultural and economic characteristics that influence the business environment.

Language

The diversity of India is clearly illustrated by its linguistic patterns. Over 200 different languages and 500 dialects are spoken in India

(*Countries of the World and their Leaders*, 1992). Of these, fifteen languages representing four dominant linguistic groups are recognized by the Constitution. The Indo-European languages include Hindi, Assamese, Bengali, Gujarati, Kashmiri, Punjabi, and Urdu, which are spoken mainly in the northern parts of the country. The Dravidian languages, Tamil, Telegu, Malayalam, and Kannada, are spoken primarily in the South. Sino-Tibetan and Austro-Asiatic languages are generally found in small isolated regions (*Countries*, 1992). Some of these language patterns also reflect India's colonial history. For example, the people of Pondicherry, a city in the southern part of the country, speak French. Similarly, Portuguese-speaking people can be found in a few western regions. The linguistic diversity of the country is clearly illustrated by the 2,150 daily newspapers that are published in 92 different languages.

Although Hindi is the official language, it is only spoken by 30 percent of the population, and it has failed to gain widespread acceptance, especially in the south (*Countries*, 1992). English continues to be used for the conduct of commerce and trade in the modern business sector. The executives of large firms and senior government officials generally have a good command of the language as many universities and institutions of higher education use English as their primary medium of instruction. In this context, assistance with translation and interpretation will not be necessary.

We must note, however, that the business arena also encompasses several traditional communities that conduct business in local languages and adhere to age-old patterns of behavior and custom. Studies of these organizations would require the assistance of translators and interpreters. Access to individuals who provide these services can usually be arranged through universities or language schools in major metropolitan areas. Since the state boundaries are drawn along linguistic lines, research efforts are somewhat facilitated by the fact that each state has large concentrations of people speaking the same language. Nonetheless, researchers traveling to India for the first time should restrict the geographic scope of their studies as assistance with interpretation and translation on a national scale will be a major obstacle.

The government and management education and research

Since independence, the Indian government has made a concerted effort to develop a strong core of well-trained, professional managers.

Toward this end, it has encouraged, promoted, and financed a network of management-education institutions to infuse professionalism in all segments of economic enterprise. Over the last four decades, these institutions have grown in prominence and prestige, fueling the establishment of smaller enterprises for management education. Today, over seventy-five university departments and autonomous centers conduct full-time and part-time education in business and management (Sheth, 1991). Since the government is supportive of research, India has developed a sound academic infrastructure that facilitates the conduct and management of ongoing research programs.

Religion

India is a secular country without an official state religion. However, Indians have always been deeply spiritual and religion plays an important role in everyday life. Roughly 85 percent of the population is Hindu, and 10 percent Moslem. The other major religions of the country include Christianity, Sikhism, Jainism, Zoroastrianism, Buddhism, and Judaism. Due to this diversity of religion and the importance of spiritualism in Indian society, religious holidays and celebrations are observed year round in one part of the country or another. In addition to New Year's Day, Republic Day (January 26), Independence Day (August 15), Mahatma Gandhi's birthday (October 2), and Christmas Day, there are forty-nine other national, religious, and regional holidays. Since most Indian festivals are based on lunar or religious calendars, the dates of their occurrence vary from year to year. While not all holidays are observed nationally, a certain number are declared central government holidays at the beginning of each year. Others may only be observed by a particular religious community. The governments of each state also announce their own holiday lists. Thus, researchers should find out ahead of time whether their trip will coincide with any major holiday or festival in the region that they plan to visit, and should schedule their itinerary accordingly.

Given the vast majority of Hindus in the population, the religio-philosophical traditions of Hinduism have had a significant influence on Indian society and culture, and have become an intrinsic component of the Indian identity. This identity is intricately intertwined with assumptions about society, community, and the nature of interpersonal relationships. Many Western researchers (e.g., Carstairs, 1957) have attributed

India's economic woes to the dominance of these religious beliefs and values. For example, McClelland (1961) suggested that Hinduism, which deemphasizes the importance of material possessions, also discourages the need for achievement, a vital factor in the entrepreneurial success of individuals. Similarly, Taylor (1948) noted that the joint family system, a critical component of India's social and economic fabric, promoted dependence on family and community at the cost of individuality and innovativeness. However, recent studies (e.g., Sinha, 1988) have questioned the uncritical transfer of Western models to the Indian framework where the concepts of work and life are far different. Thus, the challenge for future research is to recognize the importance of religion as a major determinant of organizational functioning, and to develop models that incorporate this reality in arriving at conclusions about institution building and management in India.

Travel and accommodations

Researchers who wish to conduct field studies in India must plan their trip carefully, and well in advance to maximize its benefit. All non-Indian citizens are required to obtain a visa from the closest Indian embassy or consulate in order to gain entry into the country. Several types of visas are available; which visa is most appropriate will depend on the purpose and duration of the visit. Visitors' visas are the easiest to obtain for trips that will last less than six months. Research scholar and business visas are valid from one to three years but require extensive documentation and involve longer processing times.

Travel to India is expensive. A round-trip economy ticket from New York or Los Angeles to India begins at about $2,000. However, some travel agents or airlines may offer discounts if tickets are purchased well in advance of travel. Most international carriers fly to Delhi, the capital of India, or Bombay, the largest city and the hub of commercial activity. India is ten and a half hours ahead of eastern standard time and five and a half hours ahead of Greenwich mean time, so the "jet lag" associated with the extreme time difference affects most travelers. Thus, it is advisable either to break journey en route, or to allow a few days for the effects of the jet lag to wear off.

Travel in India is fairly convenient. The major cities are serviced by Indian Airlines, the national carrier, and a few other private companies. India also has the world's largest network of railways, which include

the more remote, rural areas in their destinations. Plane and train reservations need to be made in advance and schedules should be flexible in order to compensate for the delays that inevitably occur. It is possible to travel anywhere by road during the dry season. However, outside urban areas, the roads can be narrow, overcrowded, and especially difficult to navigate during the monsoons. Accommodations in the cities and tourist areas are varied and plentiful, and the favorable exchange rate makes luxurious accommodations affordable. Personal appliances and electronic equipment from the United States will not work in India without a transformer. Domestic electric current is 220 volts, 50 cycles alternating current. It is also important to be aware that India uses the metric systems of weights and measures.

Once in India, the process of gaining access to sources of data, libraries, and businesses may be daunting without some form of local support and assistance. The government has a reputation of being extremely bureaucratic and, therefore, speedy responses to inquiries and other communications should not be expected. Thus, one of the most valuable resources to a foreign researcher would be a contact with a colleague at an Indian institution or business, who could provide assistance with research-related activities. International conferences held in India and the membership directories of international business organizations such as the Academy of International Business and the Academy of Management, or Indian scholars at various colleges and universities around the world would be a useful starting point in the search for a research collaborator.

Pros and cons of research in India

Attractive country characteristics

India provides a promising setting for a wide variety of cross-national and cross-cultural comparative studies. The country has a mixed (private and public) economy, with the public sector playing an important role. Since the government guides development through five-year plans, issues relating to the influence of macro policies on business can be investigated. The recent growth in foreign investment and strategic alliances offer opportunities for examining the impact of a traditional culture on cross-national communication. The expansion of financial markets and the related growth in domestic industries have great po-

tential for studies of consumer behavior and industry evolution. Finally, the rapid industrialization, the migration of people to urban areas, and the inherent conflict between Western organizational structures and deeply ingrained sociocultural norms offer attractive possibilities for investigations of changes in values, motivation, and behavior. In the following paragraphs, some of the significant trends in the economic and societal environments are illustrated with examples.

During 1988–92, the Indian economy experienced steady growth. The gross domestic product of the country has increased at a real rate of 5.6 percent for this period. Although economic gains are largely offset by inflation and population growth, the recent policy reforms introduced by the government have prompted the interest of many foreign investors. This is evidenced by the dramatic increase in the number of joint ventures with partners from North America, Europe, and Japan (U.S. Department of Commerce documents). These range from cooperative arrangements between the state of Maharashtra and Coca-Cola, between British Petroleum and an Indian conglomerate to build photovoltaic cells, and between John Brown Engineering of England and a private sector firm to design engineering for offshore facilities (Basu and Narayan, 1992). In addition, companies such as Texas Instruments, IBM, Citicorp, and Digital Equipment Company are taking advantage of the relatively large pool of highly skilled engineers, and are exporting software from India (Sikri, 1992). This proliferation of alliances between firms in a traditional developing country and partners from the industrialized West provides an interesting setting for inquiry into a wide range of topics. For example, the identification of the profiles of companies entering into such agreements with Indian partners could offer insight about their strategic postures in the global arena. The cooperative relationship between members of different cultures may provide the opportunity to observe the influence of customs and tradition on the negotiation and implementation of governance structures. Such ventures may also offer useful sites for the examination of other issues such as the importance of tangible and intangible assets in their success or failure.

The growing economy and the government's continuing willingness to encourage competition and to attract foreign investment has stimulated the financial markets and sparked parallel trends in many indigenous industries. Since India has an estimated middle class of between 100 and 350 million people, and the highest savings rate in the world

(estimated at approximately 21 percent), consumer expenditures are also expected to rise with the increasing availability of affordable durable goods. This is reflected in the dramatic increase in Indian advertising expenditures which have jumped from $300 million in 1985 to $800 million in 1990. These trends provide a suitable climate for comparative examinations of issues such as the relative importance of country and industry norms of capital structure, the development of consumer buying behavior, and the influence of the government and foreign investment on the evolution and growth of different industries.

This transformation of Indian society toward greater industrialization has inevitably resulted in conflict between the agrarian traditions of Indian culture and corporate management practices originating in the West. This tension is a fascinating backdrop for the study of issues such as the transferability and relevance of Western management practices and models to settings that are entirely different. As Parikh and Garg note (1990), in the agrarian society each individual had a distinct role encompassing both the social and work settings. Relatedness was defined by the bonds of caste, community, and neighborhood. Authority was anchored in social position, and the entire system reinforced psychological and social belonging, an intricate component of each person's self-identity. In contrast, the complex structures of modern organizations promote the differentiation of social and work settings as relationships are organized on the basis of tasks, within the framework of a formal hierarchy. The contradictions between the two systems have resulted in inefficient organizations, value dilemmas among managers, and the suboptimization of human resources. For example, the familial structure of the traditional system involves the protection and support of the members of one's own community. In the modern corporation, this has often translated into ad hoc selection and recruitment criteria and the promotion of friends and relatives. This practice was illustrated by Negandhi, who found that a large proportion of local Indian firms in his sample had unwritten selection processes. For example, when a personnel manager was asked about his selection criteria, he replied: "I call the prospective employee into my office, ask him to sit down across from my desk, and look straight into his eyes . . . If his eyes wink frequently, I will not give him a job; if his eyes are steady, he will be employed" (Negandhi, 1975, p. 155).

Thus, it is apparent that there is a great practical need for the identification and adaptation of theories and models to the Indian work

setting. In addition, the tensions between traditional customs and modern structures seem to be an interesting backdrop for intercountry comparisons of leadership, motivation, job satisfaction, and other types of behavioral studies. In fact, Khandwalla observed that Third World organizations, especially those charged with strategic development, "offer exceptional sites for socially relevant OB [organizational behavior] research . . . and given their complexity and distinctiveness vis-à-vis the Western corporate organization, they also offer rich sites for research that can lead to paradigm shifts in OB" (Khandwalla, 1990, p. 37).

Difficult country characteristics

India faces many of the problems that plague developing countries. A growing population and limited resources have resulted in a heavily burdened infrastructure. Telephone and telegraph services to and within India can sometimes be irregular and unreliable. Power shortages result in relatively frequent outages in some parts of the country. A large proportion of the population lives in poverty, with little access to adequate health facilities and basic social services. In addition to complicating the logistics of conducting a research study, these harsh economic realities also impact industrial productivity by influencing employee morale, absenteeism, turnover, and labor unrest.

The oversupply of labor places a ceiling on wage rates, which, combined with inflation, reduces purchasing power. Indian firms have much greater levels of absenteeism than their U.S. counterparts because of poor working conditions and lower standards of living, which are negatively associated with overall health and well-being (Negandhi, 1975). Further, chronic underemployment creates a great deal of anxiety about job security. Negandhi (1975) reported that industrial workers in his sample refused to cooperate in his research for fear that any statements they made would be relayed to their superiors and result in punitive actions or loss of employment. Thus, gaining the cooperation of certain segments of the labor force may be a significant challenge to the researcher.

Indian organizations also exhibit variety in ownership and technology. While most industries are dominated by state-owned enterprises or very large private sector firms, there are also a great many joint sector companies (jointly owned by the government and private sector), family-owned conglomerates, foreign-owned subsidiaries, multi-

national corporations, and small businesses. The technological sophis-tication of these organizations range from wholly automated produc-tion processes to those that depend on unskilled manual labor for their throughput. There are also wide disparities among the people who work within the corporations. Senior executives and government offi-cials are college-educated and come from vastly different socioeco-nomic backgrounds than the blue-collar employees who have much lower levels of education and literacy. A recent United Nations study (Whitefield, 1992) estimated that India has a 48.2 percent literacy rate (compared with 99 percent in the United States), with a mean of 2.4 years of education (compared with 12.3 years in the United States). Disparities such as these could threaten the validity of field studies and therefore the researcher must collect background data on many aspects of the organization and its environment in order to be able to control for such factors.

The role of women in India could also have significant implica-tions for female researchers. India is among the few countries in the world to have had a female head of state in Mrs. Indira Gandhi. Today, important positions in government and industry are held by women. The tradition and culture of India emphasize recognition and respect for women, and constitutionally they are guaranteed equal opportunity and employment. However, despite all these fac-tors, Devi (1991) found that educated women continue to gravitate toward the "feminine" professions of teaching and nursing. The pro-portion of women administrators and managers was "negligible." She attributes this finding to the fact that women have always been assigned the nurturing role in Indian society. Thus, while it is un-likely that female researchers will experience any overt barriers to conducting research, it is certainly possible that culturally ingrained role expectations might influence their interactions in the business environment.

Most of the difficulties confronting foreign researchers in India are likely to be associated with the tremendous diversity of the country and the significance of tradition and culture in society. While there are no easy ways of addressing the impact of these factors on research studies, they can be overcome if the researcher has the willingness and the patience to understand the subtleties of the Indian context.

Specific research issues

Previous research

Western scholars from fields as diverse as anthropology, psychology, sociology, economics, and management have been conducting research in India for many decades, if one includes the British research experience. This literature has also been enhanced by a significant body of serious work originating at Indian universities and institutions. Excluding investigations of macro-level phenomena, most prior empirical research can be classified into one of two basic categories: (1) studies comparing the characteristics, behaviors, and values of Indian managers with their counterparts in other countries, and (2) studies examining organizational-level phenomena within and between different cultural settings, including India. The range and variety of prior research preclude a comprehensive review. Thus, the main purpose of this section is to illustrate the above themes by briefly reviewing a few studies.

A large proportion of previous research has focused on making cross-cultural comparisons between Indian managers and their counterparts in other countries. For example, England (1978) studied the similarities and differences of the personal value systems of managers in India, Australia, Japan, Korea, and the United States. Using a stratified random sample, he administered a questionnaire to a total of 2,500 managers selected from directories of corporate executives in each country. He found that Indian managers were more moralistic and status-conscious than their counterparts in Western countries. These results were consistent with Hofstede's (1980) study of employees of one large multinational (IBM) in forty different countries. Indian managers exhibited high power-distance, indicating inequalities in status and roles that were formalized in boss–subordinate relationships. They had low levels of uncertainty avoidance, or little anxiety about future events, reflecting the spiritual Hindu values that emphasize an acceptance of existing conditions and the belief of a better lot in a future life. Indian managers also showed low individualism and medium levels of masculinity, underscoring the importance of collectivism and community in Indian society. Together, these and other studies provide insight into the orientations of Indian managers, an important factor in cross-cultural communication and collaboration.

Investigations of cross-national differences at the organizational

level are less numerous. However, they exhibit some distinct patterns. Several researchers have suggested that organizations in developing countries face similar problems and constraints from the economic and political environments in which they operate. For example, Negandhi's (1975) comprehensive analysis of the systems and practices of 126 organizations in seven developing countries concluded (among other things) that economic conditions in these countries were significant determinants of planning and decision-making practices. The fluid political situations, unavailability of raw materials, and government control of prices were all found to inhibit long-term planning in these contexts. However, there were also intracountry variations in planning behavior. For instance, in the Indian sample, which consisted of seventeen locally owned firms and seventeen U.S. subsidiaries, the U.S. subsidiaries exhibited a greater propensity to undertake the systematic formulation of long-range plans, which was attributed to the impact of management beliefs and policies imposed by the parent company.

As illustrated above, the samples and methods used by prior research varied with the objectives of the study. In general, studies conducted in India have used samples comprised of large public and private organizations, multinational corporations, or foreign subsidiaries. Small entrepreneurial enterprises, joint ventures, and nontraditional entities such as cooperatives and tribal organizations have not been included. The primary reason for this is the difficulty of gaining access to these organizations. Thus, although the representativeness of samples used in prior research can be questioned, large-scale studies on a representative sample of Indian organizations are not yet feasible.

Thus, prior research has mostly focused on distinguishing the behavioral attributes and orientations of Indian managers and linking them to organizational effectiveness. This literature provides a platform for more comprehensive studies of the impact of societal, technological, political-legal, and market forces on organizational behavior and performance. The constraints faced by firms in a mixed economy, the effective utilization of large labor pools in light of increasingly capital-intensive production processes, the impact of competition from new multinational organizations, and the formation and management of joint ventures in a culturally diverse society are a few of the many topics that are yet to be investigated in the Indian context.

Data collection

General statistical information on India, including aggregate data on levels of employment, literacy, birth and death rates, and so on, are easily available from a number of sources, facilitating the cross-validation of data, to enhance accuracy. In addition to the *Statistical Abstracts* published by the Indian Census Bureau, these data are also easily accessible in standardized format from the publications of international organizations such as the World Bank and the United Nations. More specific information can be obtained from the relevant ministries of the government of India and specialized branches of various international organizations. For example, data on industrial labor disputes, work stoppages, and strikes are available from publications such as the *Pocketbook of Labor Statistics* published by the Ministry of Labor or the *Yearbook of Labor Statistics* available from the International Labor Organization (ILO). Indices and data on economic development can be obtained from sources such as the Center for Monitoring the Indian Economy in New Delhi. Similarly, data on international investments including foreign direct investment and the like can be obtained from the Ministry of External Affairs or sources such as the International Monetary Fund (IMF).

Although regional variations do exist in employment, literacy, standard of living, and so on, their impact on field studies and experiments would depend on the type of issue and topic being investigated. There are bound to be differences in the attitudes and demographic characteristics of people in urban and rural areas. The impact of India's agrarian heritage and tradition will inevitably be more pronounced in the villages than in the cities where social structures and mores are moderated by the influences of mass communication, technology, and the formal relationships that define interaction in modern industrial corporations. Further, regional differences in language, tradition, and religion may also impact the validity of the research results. Nonetheless, psychologists and sociologists (e.g., Sinha, 1988) have commented on the existence of a common Indian identity. As Jawaharlal Nehru observed, despite differences in physical attributes, mental habits, and traits of Indians hailing from different regions of the country, "all of them have still more the distinctive mark of India ... with the same national heritage and the same set of moral and mental qualities" (Nehru, 1946/1981, pp. 61–62).

Research instruments and methods

Questionnaires

In the past researchers have typically administered instruments and questionnaires developed in the West to managers at Indian firms. Mail questionnaires have usually experienced low response rates (0–25 percent). The reliability of the postal system, the expense of mailing the survey to another country, and the motivation of subjects to oblige an unknown source have all been cited as contributors to nonresponse. Further, surveys utilizing open-ended questions are generally less successful, as managers are unwilling to spend the time required to formulate answers to satisfy a researcher with whom they have had no prior contact or experience. However, response rates for mail questionnaires are likely to differ in urban and rural areas. In urban areas, where the pace of life is more frenetic, a manager might very well assign a low priority to the task of responding to a questionnaire. While a rural respondent might be more apt to complete a questionnaire, translation and language equivalence could impede response validity. Further, since there are hardly any directories that provide the names and addresses of managers in villages and rural areas, such a sample may not be a viable option.

Researchers have had the greatest success eliciting questionnaire responses from senior executives and high-level government officials in India (England, 1978; Negandhi, 1975). These respondents are generally comfortable with questionnaires administered in English, and have a better understanding and tolerance for research-related activities. Although questionnaires comprised of five-, seven-, and nine-point scales have all been successfully utilized, researchers familiar with the process suggest that surveys are most effective when they are followed by interviews. This method also serves as a check on the reliability of the information collected. Finally, managers are also more likely to cooperate in the research project if they have the opportunity to speak directly with the researcher and are guaranteed anonymity.

Interviews

Interviews that involve face-to-face interaction and open-ended questions elicit the richest information. The Indian manager's preference for informal, personalized relationships has also been supported by

empirical investigation (Hofstede, 1980; Negandhi, 1975). As subjects become comfortable with the researcher, they draw upon their experiences and articulate opinions illustrated by examples, thus providing valuable insight into their backgrounds and orientations.

Successful interviews are dependent on access to organizations and their principal actors. In India, access can be a formidable obstacle to field studies by a foreign researcher. Thus, it is important that investigators establish contacts and formulate specific data collection strategies well before their arrival in India. If the study requires access to the personnel of multinational corporations or the subsidiaries of foreign organizations, then contact can be initiated by writing to senior executives at corporate headquarters. A letter of introduction or a phone call encouraging local cooperation can go a long way in establishing a researcher's credibility. If the project demands participation of indigenous firms, then direct contact with the chief executive or general manager might be productive.

The preferred mode of many researchers of gaining access to Indian organizations and to the personnel of multinational corporations located in India is to establish an intermediate source of contact. A senior executive directly involved in the administration of a local subsidiary, a research colleague, or a consultant familiar with the protocol and business environment of the country are often the most successful vehicles for establishing an initial relationship. One of the advantages of using India as a research site is the number of well-known and prestigious management institutes and universities with graduate programs in management and international business. Many of the faculty at such institutions have been trained in the United States and Great Britain, have established research records, and are familiar with the processes and rigors of conducting field research. Making contact with them at professional meetings and through Indian graduate students and colleagues can prove to be very helpful to the researcher contemplating field studies in India.

When the obstacle of access is overcome, the researcher should be aware of the possibly contaminating influence of several variables. If the researcher is perceived to have a relationship with the subject's superior, then the responses are likely to be consistent with company policy or reflect what the subordinate thinks his or her superior might like to hear. It must also be noted that Indians in general feel uncomfortable contradicting another person. Therefore, if they perceive a bias

or particular preferred response, they will provide it in order to avoid the discomfort of disagreeing with the investigator. Often, the manager will begin a response in very positive terms and gently disagree in a subtle way that is meant to avoid offense. A researcher unfamiliar with this characteristic might very well miss the nuance. Investigators should also be aware of the Indian characteristic of placing great faith in words. As the Indian sociologist Dhirendra Narain observed:

> Indians exhibit a peculiar faith in the efficacy and power of words. With others, language is employed to define issues; we use language to solve issues. Effort, sacrifice, postponement of immediate gratification recede into the background, and the words fill our pages and minds . . . . Lofty announcements are made from public platforms, not with a view of implementing them ... but in the naive belief that this is somehow solving the problems and not a mere prelude to the solution. [Narain, 1971, p. 253]

Thus, respondents might provide answers that they believe to be representative of what "should be" rather than of what actually "is."

Indian culture and tradition revolve around the home and family. The people are extremely hospitable by nature and will make every effort to make an outsider feel comfortable in their domain. Since business is conducted at a much more leisurely pace than in the West, the interview will usually begin with a cup of hot, sweet tea and the exchange of pleasantries. At the very outset, the respondent will attempt to establish a personalized relationship with the interviewer. If a researcher reciprocates and shows an interest in the personal aspects of the interviewee's life, it is likely that the questions will be answered with greater enthusiasm. However, the researcher should also be aware that, because of the informal nature of relationships at the work place, the interviewee is likely to share his or her experiences with subordinates and peers, possibly influencing other subjects in the same organization.

Indians also tend to regard time as an abstract phenomenon. Deadlines are always flexible and punctuality is the exception rather than the norm. Thus, researchers should allow ample time for interviews as they will generally exceed the preset time limit. Interrupting an interaction to remind the interviewee of time constraints will be considered rude and offensive and will undoubtedly bias the respondent against the researcher.

Organizational documents

The availability of published documents depends on whether the company is classified as public or private under the regulations of the Indian Companies Act of 1956. A company is considered private when the right to share transfer is restricted, the number of shareholders does not exceed fifty, less than 25 percent of the shares are held by public companies, and the public is not invited to subscribe to the shares. A company not conforming to any of these rules is deemed public. Public companies are required to publish annual reports summarizing the activities of each fiscal year, while most private ones are exempt from this requirement. Since the accounting practices in India closely resemble those used in the United States and Great Britain, annual reports and other organizational documents are fairly easy to interpret. Government-owned entities also follow rigorous documentation procedures and publish extensive reports that are considered to be extremely reliable. Public companies, almost without exception, publish their annual reports in English, and English versions of government documents are also available. Data on private companies is difficult to obtain without direct access to individuals within the organization. However, the larger private organizations follow meticulous accounting procedures and, once available, their documents are fairly easy to decipher.

Organizational and industry data are also available from the library of the Indo-American Chamber of Commerce (IACC) in Bombay. This organization, which was established in 1968 to promote the development of Indo–U.S. trade and joint ventures, makes its facilities available to research scholars. In addition to a large selection of books, journals, and magazines, the library also contains manufacturers' directories, trade directories, handbooks, manuals, statistical reports, and other Indian and American publications. Regional offices of the IACC are located in Ahmedabad, Bangalore, Calcutta, New Delhi, Madras, and Hyderabad. Other chambers of commerce and trade associations are also excellent sources of secondary data. Through their membership, these organizations may also be able to assist with the establishment of local contacts and facilitate access to domestic organizations. Finally, the commercial sections of the U.S. embassy and consulates occasionally conduct market research studies in India. These can be good sources of industry-specific information as they include data on

market dimensions, current and projected demand, profiles of local manufacturers, and the like. They are available for a nominal charge from the National Technical Information Service, U.S. Department of Commerce, 5285 Port Royal Road, Springfield, VA 22161.

Participant observation

The practicality of direct observation depends on the type of contacts that the researcher can establish in India. Assuming that permission can be obtained, direct observation at various organizations can provide several benefits. The opportunity to observe the normal routines of an organization will sensitize the researcher to the culture of the country and the organization, and facilitate the development of boundaries and parameters for experimental research. However, it must be noted that the presence of a foreign observer of another race will draw the attention and interest of those being observed. Thus, if members of the organization are not apprised of the reasons for the researcher's presence, they will develop their own explanations and behave accordingly.

Experimental research

Experimental research in India is vulnerable to the problems enumerated by Punnett (1988). Since this form of research almost always involves the disruption of daily routines, it has to be scheduled ahead of time. This introduces the possibility that the participants in the experiment will develop expectations and experience anxiety about their role. The selection of subjects to participate in a research project might also be construed as a reward. Since it is unlikely that any member belonging to the organization will have adequate familiarity with the research topic, manipulation will have to be performed by the researcher. Given the informality and personalized nature of relationships at Indian organization, it is likely that the experiment, once performed, will be the subject of extensive discussion in the hallways and at the company cafeteria. Each of these elements has the potential to bias the experiment. While it is possible to minimize this bias, the researcher will have to evaluate the costs and benefits of these factors in devising alternative and innovative approaches of experimenting. For example, researcher bias can be minimized by training a junior colleague or graduate student at a local university to administer the experimental manipulations.

Other issues of interest

Use of Western models to explain managerial behavior

Since the sociocultural and economic environments of organizations in developing countries are far different from those of industrialized countries, the blind application of Western theories and models to the developing-country context has been the subject of recent criticism. As Sinha and Kao (1988) observe, undeveloped countries set out to achieve the prosperity of European and North American countries through "an uncritical emulation and extrapolation from the experiences of the economic growth model of Western countries, grossly disregarding the fundamental differences in socio-cultural constraints and the local conditions and circumstances" (p. 11). In India, the field of organizational behavior in particular abounds with replications of Western research such as Herzberg's (1966) two-factor theory, McClelland's (1961) theory of achievement motivation, and Likert's (1961) model of authoritarian-participative leadership. As Khandwalla noted: "There has been far less emphasis on how such staples of Third World reality such as poverty, scarcity, social stratification, kinship orientation, traditionalism, political interference, corruption and state regulation affect micro-OB and macro-OB behavior" (1990, p. 23). For example, most models of work alienation that derive from the works of Marx (1932) and Weber (1930) may not be relevant in the Indian context. These theories suggest that worker alienation results from a lack of a Protestant ethic and the lack of intrinsic need satisfaction on the job. Since most Indians neither subscribe to the Protestant work ethic nor consider need satisfaction to be the main purpose of work behavior, this would imply that they are forever doomed to suffer from chronic work alienation (Kanungo, 1990). Thus, Jaeger and Kanungo (1990) suggest that the developing-country context demands new inquiry into the theories and paradigms based on local conditions and socioeconomic factors. On the other hand, Sekeran (1983) found that some models and constructs, such as those pertaining to job and organizational climate, successfully transfer to the Indian context. Therefore, it is necessary to test the reliability and validity of models or instruments developed in the West before using them in the Indian or developing-world context.

Feasibility of longitudinal research

The feasibility of longitudinal investigation is a function of the research objectives. Archival data on larger organizations, both government and commercial, should be fairly easy to obtain through public records. Further, as these organizations are relatively stable fixtures of the Indian landscape, the practicality of ongoing research depends on the type of access that the researcher is able to establish. Factors that could hamper the conduct of longitudinal studies in India include the cost of travel to the country and the constantly changing political and economic climate. However, none of these forces pose insurmountable barriers and overcoming them will depend on the tradeoffs the researcher is willing to make.

Comparability with other nations

India is a developing Third World country with a growing economy. As such, it offers many possibilities for comparative research between developing and developed contexts. Although some of the cultural and societal variables that influence the business environment are unique to India, the problems faced by Indian managers—lack of access to economic and technological resources, fluid political conditions, bureaucracy, and corruption—also pervade the business environments of other developing countries in Asia. The value systems of managers in developing countries have also been found to be similar. Hofstede's (1980) forty-country survey indicated that Indian managers grouped with their counterparts in Pakistan, Taiwan, Thailand, Hong Kong, the Philippines, and Singapore. Thus, depending on the objectives of the research, India is similar in many ways to other countries in the developing Asian context.

Opportunities for local participation in research

As mentioned previously, there are a great variety of management-education centers in India. These include public and private universities and degree and diploma-awarding institutions that sponsor short-term programs as well as postgraduate education. As in most other countries, they differ in quality and variety of courses offered, and also in the quantity and type of research they conduct. Thus, while some graduate programs and Ph.D.-granting institutions may welcome the opportunity for collaborative research, other individuals or groups may show

little or no interest. Since there is no formal network that is accessible to foreign scholars, they will need to develop their own contacts and acquaintances to identify a local partner.

Publications dealing with management research

Refereed journals that publish the results of research conducted in India can be divided into three broad categories. The first consists of American and European journals that publish international research. These include journals that are interdisciplinary and those that require that articles be restricted to a particular discipline. Examples of journals in this category are the *Journal of International Business Studies, Management International Review* (MIR), the *Academy of Management Journal, Administrative Science Quarterly,* the *International Journal of Contemporary Sociology, Management of Change through Human Development, International Studies of Management and Organization,* and the *International Review of Administrative Sciences.* In the past, these journals have published single-country studies of India, as well as those that have a cross-cultural or comparative-management emphasis.

Journals in the second category are published by U.S. universities, international organizations, and publishing houses, and have a distinct regional focus on Asia. This category of journals encourages the submission of articles that may be specific to a country in the region or may include analysis of regional trends, and the like. Journals in this category include the *Economic Bulletin for Asia and the Pacific* and the *Economic and Social Survey of Asia and the Pacific,* published by the Economic and Social Commission for Asia and the Pacific (ECAP) of the United Nations. Other journals in this category are listed in Table 1.

The final category of scholarly journals are those published by organizations, institutions, and universities in India. In general they restrict their scope to empirical and theoretical research conducted in and about India. Thus, the articles published through these outlets focus on factors and conditions pertaining to the business and economic climate of India. Some of these, such as the *Indian Journal of Economics,* emphasize a particular discipline, while others, such as the *ASCI Journal of Management,* are interdisciplinary. Table 1 also lists some of the more prominent journals in this category. Thus, researchers should consider the scope and nature of their studies in selecting the most appropriate vehicle for the publication of their research.

Table 1
Major publications dealing with management research

Title	Publisher
Publications with a regional focus on Asia	
Asian Survey	University of California Press
Journal of South Asian and Middle Eastern Studies	Villanova University
Journal of Developmental Economics	Elsevier Science Publishers
Economic Bulletin for Asia and the Pacific	United Nations Press (Thailand)
Economic and Social Survey for Asia and the Pacific	United Nations Press (Thailand)
Indian publications	
ASCI Journal of Management	Administrative Staff College (Hyderabad)
IASSI Quarterly	Indian Association of Social Science Institutes (Delhi)
Decision	Indian Institute of Management (Calcutta)
Defence Management	Institute of Defence Management (Hyderabad)
Indian Economic Journal	Bombay University (Bombay)
Indian Economic Review	Delhi School of Economics (Delhi)
Indian Economic and Social History Review	Sage Publications (India Division: Delhi)
Indian Journal of Agricultural Economics	Indian School of Agriculture (Bombay)
Indian Journal of Economics	Allahabad University (Allahabad)
Indian Journal of Industrial Relations	Xavier Labor Relations Institute (Jamshedpur)
Indian Management	All India Management Association (Delhi)
Management and Labour Studies	Xavier Labour Relations Institute (Jamshedpur) Vikalpa

Conferences, meetings, and academic networks

In addition to the well-publicized international conferences held in India, many universities host large and small local and international meetings in various disciplines. These are usually announced in discipline-specific journals such as the *Indian Economic Journal*, published by Bombay University. Others are promoted through newsletters to various membership groups. Given their number and variety, it is impossible to identify each of these conferences. Researchers are advised to familiarize themselves with the Indian journal or publication that is closest to their interest area. Correspondence with a counterpart at an

Indian university would be an alternative avenue to gaining the pertinent information. As mentioned previously, Indian scholars also attend conferences worldwide. These forums are useful starting points for initiating contacts and gaining access to informal academic and research networks.

India also has a large community of management consultants who have been an integral part of its economic development. While some consulting firms have national reputations and offices in all the major cities, others are essentially small entrepreneurial organizations that focus their efforts in small geographic regions. Consultants are often useful sources of information and data. Lists of consultants can be found in various directories, including the *National Directory of Consultants* published by the Consultancy Development Center, the *Directory of the Members of the Management Consultants of India* published by the Management Consultants Association of India, and the *IDBI Directory of Consultants* published by the Industrial Development Bank of India.

Conclusions

India is a vital part of Asia and a significant presence in the community of developing nations. Its geographic scale and enormous population accord the country an important status in the global economy. Thus, research on and about India is critical to a better understanding of international business and economic development. Research in India offers significant challenges and opportunities. The range and variety of prior studies allow finer-grained investigations of more specific issues in the search for middle-range theories. Although the diversity of the country and regional variations in language and culture could pose obstacles to the conduct of studies on a national scale, the growing economy, the rapid development of the industrial sector, and the evolution of the financial markets provide attractive sites for cross-cultural and comparative-management research.

Businesses operating within the framework of a developing environment such as India face constraints that are far different from those of their counterparts in developed economies. The rapid modernization in light of limited resources evokes coping strategies such as lack of time management, lack of long-range planning, and lack of entrepreneurship, all of which hinder organizational effectiveness (Jaeger and Kanungo,

1990). Cultural characteristics such as authoritarian and paternalistic styles of leadership and the preference for personalized relationships have implications for organizational behavior, development, and training. Thus, comparative-management research between developed and developing countries such as India can provide further insight into the universality of management principles and may facilitate the development of new models.

The growing representation of multinational organizations and strategic alliances in India can also prove to be a fertile ground for management inquiry. Studies of intercultural interactions within work settings (Adler, 1983), could add to existing knowledge about cross-cultural communication. Recommendations relevant to international organizations and managers would be a useful outgrowth from this line of inquiry.

The call for the investigation of indigenous approaches to the management of organizations in developing countries is becoming a recurring theme in the international business literature (Jaeger and Kanungo, 1990). In this context, India offers a particularly attractive site for business research. The existence of internationally recognized management institutes, such as the Indian Institutes of Management, provides unique opportunities for collaborative research. Participation from members of the Indian academic community will also help in overcoming many of the problems associated with cross-cultural and comparative-management studies in a foreign country.

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