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Contemporary Indian Management Practices in the Dynamic Emerging Market Economy

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The paper deals with successful Indian management practices in the rapidly growing Indian emerging economy. The focus is on the connection between culture, management, business and information and communication technologies (ICT). Specific aspects and challenges of Indian management are analysed in the context of comparative management, in a complex global environment. There is also a focus on the roots of success and business performance of prominent Indian companies. The analysis is based on relevant new data. The importance of identifying business opportunities by managers and developing innovative business models is explained from the aspect of the predicted rapid growth and sustainable development of the globally oriented Indian economy in the future period.

Keywords: Indian management thoughts; emerging market economy; managerial practices; Indian culture; contemporary Indian business; economic growth; emerging companies.

*We have no time to lose, and having no time, we must scramble for our chances.
We are too poor to be late.*

Rabindranath Tagore (Gitanjali, 82)

1. Introduction

From the managerial perspective it is important to keep in mind that India has had a successful international trade since ancient times. Today, at the start of the 21st century, India is a successful emerging market economy. India has a huge population of over 1.2 billion (in 2014) which is growing and hence great cultural pluralism and diversity. Key economic indicators show high gross domestic product (GDP) of US\$ 1870.7 billion and at the same time a relatively low GDP per capita of just US\$ 1504.54 (World Economic Forum, 2015). Although the GDP per capita is currently low compared to advanced economies of the world, it has shown a constant significant improvement trend in the last thirty years. An insight into the general state of contemporary Indian economy is given in the Global Competitiveness Index for India provided by the World Economic Forum (World Economic Forum, 2015). The Indian economy is ranked 55th out of 140 world economies. This overall economic ranking according to the Global Competitiveness Index is a significant improvement as India has climbed 16 places in comparison with its previous ranking. Dynamics of many indicators are positive, but for some areas need improving. Very positive trends have been recorded in areas of institutions where ranking is improved by 10 places, and infrastructure has gone up 6 places.

On the other hand, there is a long tradition in Indian culture that should be approached having in mind all its specific aspects. Using opportunities linked to modern Indian business is possible with a competitive advantage of a rapidly growing large domestic market and world-class talents. Specifics of management are reflected through today's India's way of doing business.

India is becoming more and more attractive for foreign direct investments, as a location for production, especially in the "knowledge" industries, but also in the sphere of higher-value-added services, where India's emerging advantages are present. From the aspect of demand, the existence of an unsaturated consumer market is significant. The country receives increased attention of multinational companies while acknowl-

edging the fact that the Indian subcontinent was associated with the British East India Company as one of the earliest multinationals known in the domain of the East Indian spice trade.

There are many business challenges and opportunities in the changing Indian economy along with new horizons emerging in Indian management. Planned economic development of the country is oriented towards achieving sustainable and inclusive development. Today, India is globally recognized as an economic power. The dramatic rise of India in the global economy has been attributed to many factors, the major one being the focus on economic reforms (Mathur et al., 2010). A large pool of human capital, in particular a young talented well-educated work-force, is one of the major drivers of its economic growth.

Indian managers are now recognized as world class managers by many companies (Mathur et al., 2010). They exhibit a global mindset. Rapid strides in knowledge-based industries, especially information technology (IT), biotechnology, and pharmaceuticals, rejuvenation of the manufacturing sector, changes in the agriculture sector have contributed to making India one of the fastest growing economies in the modern world. Managers are aware of the advantages of an adopted market-oriented approach to development, opening of the economy, realizing economies of scale and scope in Indian enterprises, as well as of the importance of modern technologies, especially information and communications technologies. Export orientation is evident, along with increasing the share of services.

2. Implications of Culture for Indian Management Thoughts

From the aspect of management, culture can be determined as acquired knowledge that people use to interpret experience and generate social behaviour (Luthans & Doh, 2009). This knowledge forms values, creates attitudes, and influences behaviour. In order to understand the complex and multidimensional nature of culture, it is necessary to study elements such as: language, religion, preferred behaviour, customs, material products, aesthetic criteria, education and social institutions. Special variables of culture determine basic attitudes towards the phenomena of time and materialism, as well as attitudes towards change, individualism and work experience. Culture can influence the way in which managers think and behave, but also their attitudes, approaches, decision-making, along with technology transfer and business-government relations.

India has a very long history of continuous culture and tradition in an international setting. Hindi is the dominant language, but, in fact, India is a multilingual nation. The knowledge of English is relevant from the aspect of business. There are a large number of highly educated people, especially in the sphere of engineering, computer science, management and medicine. From the standpoint of companies wanting to successfully do business in India, knowing and understanding Indian culture and local customs is very significant. It is good to keep in mind that Indians are very tolerant of outsiders.

Some researchers examined the dimensions of culture. There was a famous study done by G. Hofstede which identified four, i.e., later five dimensions of culture (Hofstede, 1991). Particularly important from the aspect of the Indian culture is the dimension of "power distance", which refers to the extent to which less powerful members of an organization accept that power is distributed unequally, and India is an example of a society with high power distance. An illustrative example from the results of this research based on the power distance index is that India scores 77 in the power distance which is higher than the world average of 56.5, which indicates the hierarchical Indian society (Boopathi, 2014). Also original is a study of cultural dimensions done by F. Trompenaars who introduced, among other things, the time dimension (Trompenaars, 1994). It is particularly relevant in the Indian culture and management.

The GLOBE (Global Leadership and Organizational Behaviour Effectiveness) is a multicountry study and evaluation of cultural attributes and leadership behaviours among managers from organizations throughout the world, operationalized by a multicultural team of researchers that identified nine cultural dimensions (Luthans & Doh, 2009). The GLOBE measures both cultural practice and values at the organizational and social levels of analysis (Boopathi, 2014). They proposed 10 cultural clusters, and India belongs to the South Asia cluster characterized by valuing collective goals, futuristic orientation and rule-based structure (Gupta, Hanges & Dorfman, 2002). The cluster also prefers charismatic, team oriented, and humane leadership. Cultural acumen can help foster human and social capital to improve organizational performance (Gupta et al., 2002).

The Indian culture can be interpreted in different ways depending on the individual perception. In this context certain analytical frameworks that contribute to a better understanding can be used. A genuine multidimensional approach to the Indian culture is presented through an analytical framework where the Indian culture is considered from the viewpoint of the “ideal-real” axis and “radical-practical” axis. On the one hand, many writers point to the ideal in the Indian culture, and, on the other hand, thinkers point to the reality. When these two views are combined, the outcome is a “grounded praxis” view of the Indian culture (Sharma, 2005). Its diversity should also be pointed out.

The Hindu belief system embraces rationality and emotionality that play simultaneous roles in the thinking process; it induces individuals to behave both individualistically and “collectivistically” at the same time; it also induces context sensitive patterns of behaviour. Intellect is a highly valued attribute in India. All the above mentioned has implications for managerial decisions in contemporary Indian business (Kumar & Kumar, 2012).

The origins of the Indian software industry are linked to Vedic mathematics (Kumar & Kumar, 2012). Relevant is the stress on abstract, logical, and rational thinking in ancient Indian text *Vedas*, as well as the numerous mathematical contributions of India, including squares and square roots and the origin of trigonometry. The history of ideas in the world connected to the concept of “zero” is an interesting form of a modern perspective (Kaplan, 2000). The Indian concept of “zero” and the decimal place-value system as a contribution to the world are integral concepts in software and calculations.

Buddhism is important from the aspect of business ethics. It concerns the Noble Eightfold Path that should be followed in order to lead an ethical life, which includes: right faith, right resolve, right speech, right action, right living, right effort, right thought, and right concentration. Its impact on management stems from this. This means that, according to the Buddhist philosophy, the founder of an institution – corporate organization, is responsible not only for the consequences intended or unintended to come out of the activities of the organization, but also for all the intended or unintended later consequences resulting from the activities of the institution (Chattopadhyay, 2012). This is close to the strategic approach of contemporary management and orientation towards the future. In a more recent period, from the aspect of management, also evident is the relevance of East Asian Zen Buddhism whose roots are linked to India.

According to many authors, also important for Buddhist thought is the ancient text *Avatamsaka sutra*, whose central topic is the unity and the interconnectedness of all things and events. This understanding not only is at the heart of the Eastern world view (as this *Mahajana sutra* has impacted East Asian Buddhism), but also represents one of the basic elements of a world view originating from modern physics (Capra, 1989). The implications for a holistic approach to management are significant.

The Indian culture intertwines several philosophical viewpoints and thus represents a collection of human values such as: *nishtha* (sincerity), *samarpana* (commitment), *kartavya-parayanta* (responsibility), *jigyasa* (curiosity to learn), *kauslam* (efficiency), *vividha* (innovation), etc. that are relevant for corporate governance, productivity and corporate social responsibility (Chattopadhyay, 2012). Acknowledging the holistic approach to modern management, one can also consider the holistic approach of Indian wisdom from the aspect of integrating matter and spirit; skills and values; object and subject. Also, there is focus on developing the inner mind. The unique contribution of the Indian ethos can be expressed through the position that management with a proper combination of values and skills can assure harmony and progress of the organization, as well as of the society (Chattopadhyay, 2012).

An original approach to the Indian culture and management stemming from differentiating three sets of values was proposed by S.Sharma (Sharma, 2005). He stresses that in the conditions of globalization, profit, competition and self-interest are driving forces that promote the culture of individualism and a transactional view of life; culture related to justice, rights and duties is transformational in nature, and for compassion and devotion transcendental in nature. It is believed that attaining a balance between the transactional, transformational and transcendent views of life lies the essence of the Indian culture. Its important characteristics are integration and synthesis. Besides these, also present is the exchange of ideas in the process of interaction with other cultures. There is an illustrative metaphor “from street market to stock market” which relates to a spectrum of market institutions from the street economy to subaltern economy to corporate economy whose performance is reflected in the stock market (Sharma, 2005).

Today there is talk about corporate spirituality in India. An illustrative example of a successful company is Excel Industries Ltd., one of India's first domestic chemical manufacturers, one that stresses the importance of guiding thoughts, corporate philosophy, continuous learning as a way of life with core values of "People, Planet, Profit" (www.excelind.co.in/aboutUs.html). Phrases from the Indian philosophy, especially from ancient Hindu texts such as the *Bhagwat Gita* and *Upanishads* are popping up in the management tones and on the sites of consultants (Mohan Mathur, Kumar, Shubghang Mathur, Narayan Mathur, 2010). Prominent are traits important for business success – concentration, consistency, cooperation and a holistic art of living.

R.Gupta stressed the need to move beyond American and Japanese management models (Gupta, 1991). It is useful to consider in parallel the results of research of J.B.P.Sinha who attempted to indigenize organizational behaviour research in India (Sinha, 1992). He concludes that the results of research of other authors are focused in three directions. The first leads to a psycho-spiritual model of idealized human beings who strive to self-realize by seeking purity and peace of mind. The second accentuates the strategic role of organizations from the aspect of the macro level. The third considers what people in an organization actually do and how they relate to each other. Sinha concludes that all three approaches overlap and views them together, which leads him to the concept of integrative indigenization which is open to new ideas.

S.Sharma compares three management paradigms: American, Japanese and Indian based on the Indian culture, related to new concerns such as environmental issues, sustainability and well-being in the conditions of a knowledge-driven economy (Sharma, 2013). In this context, Indian management with its philosophical foundations is important from the aspect of the need for corporations to be concerned about ecology and acknowledge a society-centric approach. In this there is a focus on achieving a competitive advantage based on knowledge and talent (Sharma, 2013). The idea of "harmonic globalization" is connected to where four forces are in harmony: (1) force of market, (2) force of state, (3) force of people/community, and (4) force of self. They focus on holistic development and management along with a dynamic interaction between them.

In this context it is important to consider the perspective of the Vedantic ethical vision and its application to managerial and corporate ethical morality. It is necessary to keep in mind what modern managers can learn from great thinkers such as R.Tagore and M.Gandhi regarding leadership, motivation, inspiration, transformation of the work ethics, Indian heritage and productivity (Chakraborty, 1995). An original approach enables integration of Western managerial and technical skills with a holistic cultural ethos and system of values.

In the conditions of accelerated development of information and communication technologies and a knowledge-based economy, many Indian companies have been affirmed as world class companies (Sharma, 2005). Viewed historically, the first phase of Indian management was to a large extent based on the transfer of technology and application of managerial methods and techniques from abroad. The starting point for the second phase was the fact that the cultural context is of crucial importance for the successful application of management techniques. It is characteristic of the third phase that specific traits of Indian management are prominent, the management that, in the scope of comparative management, focuses on knowledge. S.Sharma stresses that there is a pronounced tendency for a new blend of Western and Eastern ideas on management in order to take into consideration ground realities, which has resulted in a "grounded praxis" approach as a new approach to Indian management which incorporates understanding from the previous two phases. The ever more pronounced tendency towards soft skills in business in the world places the practice of Indian management on a centre stage. As part of stress management, the influence of the Indian culture at the global level through recognizing the effectiveness of yoga is evident. Also important is the contribution of Indian management in the area of social sensitivity and social concerns, i.e., in the sphere of corporate social responsibility and environmental concerns. The current understanding focuses on the fact that in the area of management in the fourth phase a new body of original knowledge was developed, that leads to a globalization of Indian thought and Indian ideas in management (Sharma, 2015). Very illustrative is the empirical research which was conducted in the manufacturing company in India (Adhia, Nagendra & Mahadevan, 2010). The results illustrated the impact of the yoga way of life on the emotional intelligence of managers.

In the process of transfer of Western managerial practice in India there were certain difficulties. Besides, Japanese management techniques were also used. As part of the tendency to develop an Indian style of management, many supported managerial studies based on ancient Indian philosophy (Virmani, 2007). It is useful to point to five types of organizations in the Indian business practice: the traditional family-type private sector; the public sector; the traditional multinational organizations established during the British rule; the new American-based multinational organizations especially in the IT sector; government ministerial under-

takings which imply management styles and practice in accordance with the circumstances in India (Virmani, 2007). It is important to keep in mind that the Indian culture incorporates a strong sense of value attached to tradition and traditional practices, known as *parampara*. This has impacted the respect of the elderly and the presence of the tradition of the extended family, even in contemporary business organizations.

The impact of culture on the concept of time in management is important, and in India the Hindu concept of the cyclical nature of time is present. As a philosophy, Hinduism views time in a cosmic perspective (Kumar & Kumar, 2012). Indians understand time as an infinite entity.

Regarding change management, it is important to stress that different elements of the Indian culture are not responsive to changes in the circumstances of the modern global environment in the same manner. Paternalism is present in business organizations in India, with the traditional identification with the organization, the sense of belonging and the sense of security (Virmani, 2007). Also important is a strong impact of the personality of the leader. There is a noticeable need for planning in order to realize the long-term business success of a company.

Changes were also brought by many multinational companies present on the emerging market of India, as well as many joint ventures. Modern information and communication technologies facilitate the practice of greater sharing of information in companies, where keeping information confidential was often practiced, above all in order to retain power and control in an environment with considerable red tape. Besides the importance of familial and social networks, more and more present are computer and business networks. India is known for its sophisticated software industry and its excellence in the high-tech service sector. Viewed as a whole, a new vision of economic development for the information age is being realized.

An original approach is the "Business Sutra" or "3B Framework" which links the belief (why), as not measurable (intent); behaviour (how) as measurable (task); and business (what) as measurable (target) (Patanaik, 2013). In this context there is emphasis on *nirguna* as valuing the intangible and immeasurable, which is close to the contemporary understanding of intangible resources in management and the existence of the high intangible component in the total enterprise value in the Indian economy. The Indian way of doing business is associated with subjectivity and diversity. Viewpoints are often indirectly expressed. Abilities of managers to adapt to adverse situations have been expressed and this element of flexibility combined with a sense of purpose is characteristic of the India way.

Also important is the contribution of the individuals considered in the world as management gurus. S.Ghoshal, born in India, was professor of Strategic and International Management at the and the founding of the in . He is considered to be one of the management "gurus" in the world with his original ideas, especially in the sphere of global management, as well as regarding the relationship between the individual and organization, where he stresses that besides the importance of loyalty and commitment to an organization, also present is the profound sense of autonomy (Kennedy, 2002). A management "guru" of Indian origin, C.K.Prahalad, is known in the world for his contributions in the field of corporate strategies. V.Govindrajana is also a management "guru" of Indian origin. All of them have contributed to the development of management theory and practices.

India is intensively integrating into the global economy. New business systems have evolved as a result of foreign influences and globalization (Berger & Herstein 2014). Practice has shown that Indian managers consider that unconditional loyalty to their organization is a highly ethical behaviour, which in this regard is similar to Chinese managers. The Indian business culture often focuses on friendship, favours and clan-ship, especially valuing friendship based on multigenerational family friendships, school friendships or personal friendships, and important in managerial practice are network-based business strategies, connections, social networking, and rich interpersonal relationships (Berger & Herstein 2014).

Contemporary management in India entails an important role of culture in creating the image of the company. Considerable harmonization of the value systems of the company and of the society itself is needed, along with expectations connected to business responsibility, adding to the philanthropic tradition in India and the striving towards a harmonious world.

The ancient Indian ethos which has stood the test of time can help in creating a more sustainable paradigm for management practice. According to the model presented by A.Bhattacharjee, the practice of manage-

ment starts from managing “self” through moral values and ethical principles, which implies managing desires and senses, and then examples are set for others to follow. This is the essence of leadership. Managing “self” dates back to the *Vedanta* periods (Bhattacharjee, 2011). Important for this concept are relationships with stakeholders – people such as suppliers, distributors, bankers, employees, agents, etc. that constitute “living” stakeholders; the “planet” which constitutes the natural resources and the larger environment, the “non-living” or abiotic component of the stakeholders’ domain. The living and non-living stakeholders are inter-related through the organizational systems and processes. The term “business ecosystem” is used to indicate a web of interrelationships and the level of global management is facilitated by the promotion of free trade both on a trans-national and trans-continental bases. Here in focus are creation, exchange and transfer of knowledge at various levels (Bhattacharjee, 2011).

3. Managerial Practices in the Contemporary Indian Emerging Economy

India’s economy has witnessed a significant economic growth in the recent past, growing by 7.3 percent in fiscal year (FY) 2015 (<http://indiainbusiness.nic.in/newdesign/index.php>). The “Digital India” initiative focuses on three core components: creation of digital infrastructure, delivering services digitally and increasing digital literacy. It is expected that initiatives: “Make in India” and “Digital India” shall play a vital role in driving the Indian economy. Owing to an increased investor confidence, net foreign direct investment (FDI) inflows reached US\$ 34.9 billion in 2015. The overall strength of the Indian market is becoming more prominent.

As an emerging economy India is included in cooperation as part of BRICS (Brazil, Russia, India, China, and South Africa) countries. Today these are the largest emerging markets, accounting for about two-thirds of emerging market GDP.

A study of over 400 senior Indian managers from the public and private sectors found that managers participating in the study viewed their society as being in transition (Chatterjee & Pearson, 2000). Their focus was on how to be successful in a market economy. Questions were being raised about increasing employment, relatively low productivity, rural-urban disparities, nepotism, poverty. The risk-diverse nature of Indian managers contributes to a high level of uncertainty avoidance. In India, inclusive growth by uplifting the poor and people at the bottom of pyramid is a very current topic.

The rapid growth of the information technology sector and deregulation created a new challenge for enterprises in an environment that is changing at an accelerating rate (Kumar & Kumar, 2012). A number of factors indicate the growing integration of India into the world economy. There has been a significant increase in the flow of foreign direct investment in India. The intense competition on the Indian market after the entrance of foreign competitors has led domestic firms to upgrade product quality. While some foreign companies have achieved outstanding results, others floundered. Companies like General Electric, Samsung, LG of Korea, Piaggio, Cadbury, Siemens, ABB, Hyundai and so on were examples of success in India. India has become very attractive for foreign companies seeking to outsource their business operations – General Electric, IBM and others. There are several hundred call centres in India. What attracts them is a large, steady, and rapidly expanding market, skilled manpower, science and technology expertise, a liberalized economic environment, with extensive English language media.

Viewed as a whole, new paradigms, new processes and a new generation of leaders in different fields have been important for the Indian economy in recent times. India is rapidly emerging as a preferred destination for foreign investors, young management students and MNCs (Mathur et al., 2010). On the other hand, many Indian companies are becoming truly multinational in nature. They are often establishing themselves as leaders with global perspective. In addition, considered in the context of the South Asia region, India is the dominant trading partner for the smallest countries - Bhutan and Nepal.

India is very rich in human capital and relevant in the domain of information technologies on a global scale. There are a number of emerging modern Indian corporations with a global mindset and benchmarking with the best in the world oriented towards the global market. Characteristic of this are newly emerging landscapes of Indian business and the emerging new realities in the Indian economy of the 21st century. Coming to the fore are the knowledge industries, particularly the software and IT enabled services industry (Mathur et al., 2010).

Today India is one of the most exciting and vibrant emerging markets in the world (Davis, Chatterjee & Huer, 2006). A distinct advantage of India as a future economic power lies in its large pool of skilled managerial and technical manpower capable of competing with the finest in the world and an economic system which is increasingly becoming investment-friendly. Demographically, India is an extremely young country, which makes it an attractive market for consumer goods and services. Indian banking infrastructure, maturing accounting systems, marketing and management professions, represent factors of distinctive advantage in a global setting. Significant progress has been recorded in industries such as computer software and hardware; automobiles and auto-components; agriculture; mining; banking and insurance; media and entertainment, chemical industry, biotechnology. The leading MNCs have located their major R&D facilities in India in recent years. IT-related companies such as Wipro and Infosys are known globally. Enterprises, particularly within the “knowledge” sector, are characterized by exceptionally high growth rates. Indian managers are creating a fusion of traditional values and a global approach.

Orientation towards a long-term perspective results in a strong focus on relationships that stand the test of time. Also short-term orientation can be important for managers in contemporary business. The cultural impact is present in the traditional greeting in India. The word *ji* is an honorific used after someone’s name in Hindi-speaking regions to signify respect (Schweitzer, Alexander, 2015). As regards the negotiating strategy, Indian negotiators are not apt to easily make concessions. Generally speaking, their strategy has the characteristics of a contending strategy.

In the recent period there have been changes in culture and the value system in India linked to competitiveness at the global level. Management is faced with complex tasks in order to achieve sustainable competitive advantage. Indian family businesses were for a long time period engaged in multiple activities. With changes in the economic environment, there has been a restructuring of some family business groups to make them competitive on the global market.

Modern Indian corporations that have become internationally competitive stand out (Mathur et al., 2010). Infosys, Wipro, Dr Reddy’s Lab, Hero MotoCorp Ltd., Larsen and Toubro, Sundram Fasteners, BPL, Hindustan Unilever Ltd., Tata Sons, Reliance, BEL are such representative Indian companies. Business conglomerates such as the Tata Group, BHARTI Group, Adytia Birla Group successfully expand globally. Infosys, with its focus on innovation, and Wipro are among India’s best global brands – they represent not just India’s software competencies, but also the country’s ability to adopt good corporate governance practices. Also significant are management institutes in India, as well as education in the sphere of management.

In the Global Fortune 500 list of the world’s largest companies in 2015 (<http://fortune.com/global500>) there are 7 Indian companies: the Indian Oil; Reliance Industries; Tata Motors; State Bank of India; Bharat Petroleum; Hindustan Petroleum; Oil & Natural Gas. The leading Indian company on this prestigious list is the Indian Oil Corporation that reached the 119th position with revenues of US\$ 74196 million and profits of US\$ 803 million. As stated by the company website, the Indian Oil is the flagship public sector enterprise of India involved with partner communities in which it operates by supporting innumerable initiatives connected with health care, family welfare, education, environment protection, provision of potable water, sanitation, and empowerment of marginalized groups (www.iocl.com/aboutus/profile.aspx). Especially important for the success of the Indian Oil was the managerial strategic approach and successfully realized strategic changes.

The next Indian company on the Global Fortune 500 list for 2015 is the Reliance Industries, the largest private sector corporation in India, ranked 158th, with revenues of US\$ 62803 million and profits of US\$ 3853 million. The company motto “Growth is Life” led to diversification with activities in different areas such as hydrocarbon exploration and production, petroleum refining and marketing, petrochemicals, retail and telecommunications with fabulous growth in size and profit (www.ril.com/OurCompany/About.aspx). Thanks to its business philosophy exponential growth has been achieved in many business areas and such a relentless growth made the Reliance Industries nowadays the largest polyester yarn and fibre producer in the world. One important business aspect of the company is the fact that it is a family company with a clear vision, mission and goals which were set by the top leadership of the company i.e., the Ambani family and the perfect managerial pool gathered to work for the company with a mix of traditional Indian family values and up-to-date managerial approach to business. The company is known for its innovative low-cost management of retailing and distribution (Nayak, 2011).

Tata Motors was ranked 254 in the Global Fortune 500 list with recorded revenues of US\$ 42975 million and profits of US\$ 2287 million. The company website (<http://www.tatamotors.com/about-us/>) states that sustainability and the spirit of “giving back to society” is a core philosophy of Tata Motors and good corporate citizenship is strongly embedded in the company. The corporate social responsibility (CSR), so important for this company, is closely related to the company’s reputation, which is essential for success in motor vehicle and parts production industry. In order to make a proper automobile affordable for Indian families Ratan Tata developed a new business model that allowed for Tata’s stunning success (Johnson, Christensen & Kagermann, 2008).

Inspirational are the great business stories of successful Indian business leaders such as Ratan Tata, M.S.Oberoi, Aditya Birla and Rahul Bajaj (Patel, 2014). Similarly important are the successful enterprises of young Indian entrepreneurs, especially in the IT sector. Gagan Biyani and Neeraj Berry co-founded Sprig, a mobile app that allows users to find and order healthy meals and have them delivered quickly. A prominent young leader is 22-year-old Ritesh Agarwal, the founder and CEO of OYO Rooms as India’s largest branded network of hotels (www.oyorooms.com/about?oyocorporate=&country=india).

Private sector companies imported new technologies and capital goods. Today many successful private sector firms are developing their own R&D activities and know-how. Thus the company Reliance Group stresses its innovation-led growth with innovation in its DNA, as its innovations touch many facets of life in India – be it transportation, retail, or healthcare (www.ril.com). They have begun pioneering new frontiers of technology at the global level.

Indian innovation today is sometimes described as “Indovation”. Innovation in India is not just confined to products, but may also be present in the sphere of services. Besides this, India is known in this domain for the concept of *Juguaad*, or creative improvisation, which was often linked to deficiencies in the supply chain systems (Kumar & Kumar, 2012). Indian industry has built a globally competitive generic pharmaceutical business. With its research and development centres India is important from the aspect of global innovative activities.

In recent time also prominent is the biotechnology sector of India as highly innovative, with great potential for growth and considered to be an innovative manufacturing hub. It is relevant in the context of globalization of business and from the position of contributing to the growth of the economy (). There are also numerous comparative advantages linked to R&D facilities, knowledge, skills, and cost effectiveness in the biotechnology sector.

It is characteristic that innovative Indian individuals with a vision for a better world have created cutting-edge products with global significance. Illustrative examples are tied to the following innovators and products: Mrinmayee Bhushan – nanotechnology-based herbal hair removal crème; Mansukhbhai Prajapati – MittiCool refrigerator; Nelvin Joseph - artificial intelligence based power saver; Chinmay Deodhar - dual-purpose laparoscopic surgery instrument; Priyanka Sharma - ultra low-cost immuno-sensor biochip for detecting environmental pollutants; Team Papyrus Efficiencia - environment-friendly paper (Agrawal, 2015).

India has concentrated wealth at the top, which has led to a rise in India’s rich – millionaires and billionaires. Mukesh Ambani, chairman and managing director of Reliance Industries Ltd, has retained his position as India’s richest person for close to a decade, with a net worth of \$21 billion in 2015 and is in 39th place of the Forbes World’s Billionaires list (www.forbes.com/billionaires/list/#version:static).

The Emerging Companies survey 2015 presented companies that grew rapidly (<http://origin-businesstoday.intoday.in/emerging-companies/2015/>). It was shown that the fastest growing emerging companies in India are: Eicher Motors, the Serum Institute of India, Kwality, Avanti Feeds, Kaveri Seeds, PVR, IL&FS Education, Shilpi Cables. They have realized successful growth strategies that have resulted in an average growth of 24 percent over a three-year period.

Important for the Indian economy are entrepreneurial and managerial initiatives linked to the development of the IT sector successful in an international framework. In the domain of services, particularly prominent are IT-enabled services (ITeS), including back office operations, medical transcriptions, financial services, engineering design services, architectural services, geographical information services, technical support cen-

tres (Kumar, Kumar Sethi, 2012). India is the world's largest sourcing destination for the IT industry (<http://indiainbusiness.nic.in/newdesign/index.php>). The Indian IT and ITeS industry is today divided into four major segments – IT services, business process management (BPM), software products and engineering services, and hardware. The Indian IT sector is expected to grow by 11 percent per annum and triple its current annual revenue by FY 2025. In the area of the Internet economy, it is relevant to know that India's Internet user base reached over 350 million by June 2015, the third largest in the world, while the number of social media users grew to 143 million by April 2015 and the number of smartphones grew to 160 million. Public cloud services revenues in India are also relevant. An increased penetration of the Internet (including rural areas) and a rapid emergence of e-commerce are the main drivers of continued growth of data centre co-location and hosting market in India. Indian IT's core competencies and strengths have attracted significant investments. It is illustrative that there has been a ten-fold increase in the venture funding that went into Internet companies.

A research scientist of Indian-origin, Krishna Bharat, was the creator of Google News. Also prominent is Google Bangalore, the home of engineers that have worked on core Google products like Ads, Apps, Chrome, Enterprise, Geo, News and Search. Of particular interest is their colourful work environment with exercise balls, but also celebrating Indian traditional festivals, like Diwali or Karaga Shaktyotsava in the office (www.google.com/about/careers/locations/bangalore/). Bangalore is known as a city with culture and history that goes back 1000 years, and today it is called the Silicon Value and Garden City of India.

It is necessary to consider the business opportunities related to digital start-ups in India and the orientation of young Indian tech entrepreneurs (Deorah, 2015). An example of this is Flipkart.com as India's online shopping destination. The company Flipkart is today known for innovations in online shopping that have helped make it the first billion dollar company in Indian e-commerce as a marketplace with over 30 million products and 10 million daily page visits (www.flipkart.com/about-us). Many e-commerce businesses are expanding. Alongside this, considering that there is a large number of smartphone users, businesses are shifting strategies to become mobile, and developing mobile businesses as a new business model.

The success of Indian management became notable with the internationalization of company business. The results of newer empirical research that studied Indian cross-border acquisitions are illustrative. It was demonstrated that cross-border transactions have resulted in wealth creation for shareholders of Indian acquirers (Rani, 2015).

Also characteristic is the impressive growth of the Indian corporate sector (Bhattacharjee, 2011). Companies like Tata, Bharat Forge Limited (BFL), and others, have taken the opportunity for boosting their mergers and acquisitions (M&A) activities, expanding business through buying some firms in Europe, US, etc. even during the world financial crisis. Also important are acquisitions and joint ventures in the field of the Indian pharmaceutical industry, most notably, Sun Pharma, the world's fifth largest specialty generic pharmaceutical company with over 30,000 employees worldwide in 48 manufacturing sites and with over 2000 marketed products (). Today India has emerged as one of the strongest performers with respect to deals across the world in terms of mergers and acquisitions. The M&A activity increased in 2014 with deals worth US\$ 38.1 billion being concluded, compared to US\$ 28.2 billion in 2013 and US\$ 35.4 billion in 2012. In the M&A field, telecommunications was a dominant sector (<http://indiainbusiness.nic.in/newdesign/index.php>).

Cotton was significant for the Indian economy as its authentic native crop (Cameron, Neal, 2003). Prominent in international trade were the spices and the role of the Indian port of Goa. Today the port of Kochi (www.cochin.org/industry) in Kerala, known as the centre of the International Pepper Exchange, is significant, as well as being an economically important emerging global city with industrial parks and development of high technologies. The government of India has launched an initiative to create 100 smart cities in India as satellite towns of larger cities which will consist of modern infrastructure and will be digitally connected. The program was formally launched in 2015 (<http://indiainbusiness.nic.in/newdesign/index.php>). Phase I for Smart City Kochi (SCK) is important and will generate a total of 6,000 direct jobs in the IT sector.

From the aspect of modern economy, also important is the tradition associated with the abilities of skilled Indian craftsmen and their intricate works of art, statuary, monumental architecture and many goods that contribute to the attractiveness of the Indian lifestyle on an international scale (Sethi, 2004; Bahi, 2012). They play an important role in tourism, and impact new design solutions in many industries. Also evident is the echo of Indian art on creativity which contributes to economic growth. For the economy of Kerala, known

throughout the world for its *kathakali* classical Indian dance-drama, also important today is a responsible tourism, as well as the Ayurvedic medical tourism (www.keralatourism.org).

The development of creative industries is more and more prominent in contemporary world economies (Milčević, Ilić, & Sofronijević, 2013). This situation is also present in the emerging Indian economy, where creative industries have great growth potential. Also relevant is aesthetics that combines traditional forms and contemporary designs, which is particularly noticeable in fashion, graphic and interior design.

Today there is talk of an emerging new wave of Indian fashion. Development of the Indian fashion industry is accompanied by the application of certain experimental techniques for textiles and original design. Characteristic is the tendency towards creating global styles without losing sight of tradition (Rocca, 2009). The growing Indian middle class tends to spend more, especially on purchasing luxury products. In fact, luxury heritage is being redefined and consider the growth potential of the emerging luxury market in India. Talented Indian designers are expected to create an authentic India influenced luxury-lifestyle brand (Boroian, 2010).

The media and entertainment industry in recent times have been defined by an increasing digitization and higher Internet usage. Bollywood films are known for their specific blend of music, drama, comedy, dance, action-adventure with colourful song-and-dance numbers. This form of Hindi film is a mighty cultural product, consumed by millions of people in India and throughout the world, and can be considered a global media form in the contemporary entertainment industry. In the Indian movie business the production houses have “corporatized” (Dwyer, 2014). Today other forms of Hindi cinema are developing as multiplex/independent films. The Forbes India Leadership Award for the best CEO of a multinational company in 2015 was awarded to Uday Shankar, CEO of the Star India Pvt. Ltd, an Indian media conglomerate, a fully owned subsidiary of 21st Century Fox (; www.startv.com/aboutus.aspx).

Cities are the main centres of the creative economy in India. In particular, film, gaming and animation, design, digital advertising, mobile content development, e-content marketing are relevant. The implications of culture on management are evident in creative industries, especially in music production, the film industry, performing arts, design. The advance of technology has become a major factor in the music industry, along with the global impact of traditional Indian music (Lavezzoli, 2007). Indian TV, along with its films, newspapers and magazines, is classed among very dynamic media. Besides this, the development of information and communication technologies leads to the arrival of a global cyberculture as a dynamic, innovative network (Greenspan, 2004).

India is attractive from the aspect of cultural tourism for tourists from around the world. This especially goes its monuments steeped in history and its museums with treasures from the past (Gupta & Krishna, 2003). This is linked to tourism-related organizations and tourism management development. Characteristic of the Indian culture is that it sets great store on colours, an illustrative example being the painted blue city of Jodhpur, known in Indian cultural tourism.

Branding in contemporary India displays a tendency towards integrating cherished traditions and modern tendencies. The starting point is the fact that in the process of creating a brand, besides economic goals, a higher purpose remains a basic expectation – building a brand means helping to build India in its attempts to create sustainable economic development while maintaining its cultural values (Millward Brown, 2015). Eight most valuable Indian brands in 2015 were: HDFC bank; JaiTel (telecom provider); State Bank of India; ICICI Bank; Asian Paints; BAJAJ (automobiles); HERO (automobiles); AXIS Bank. Furthermore, 25 most valuable Indian brands included Castrol (lubricants); Indian Oil (motor fuels); Britannia (food and dairy); Janisho (jewellery); Idea (telecom providers); Reliance (telecom providers); Horlicks (food and dairy) (Millward Brown, 2015).

Significant growth was realized on the Indian port market over the last decade (). Ports in India have improved their productivity over the years. In the following period there will be important opportunities linked to port development and management, especially for port-related services. Also there is perceived future in the development of mega-ports with high potential surroundings where the benefits of economies of scale will be prominent.

The overall strength of the Indian market is important from the economic aspect. The Indian retail market is big and fast growing. The huge Indian middle class with a large disposable income plays a vital role, as it has become consumer oriented to a large extent. In the recent period many shopping malls have been opened in India, as an expression of the modern consumer lifestyle and the interest of the large youth population. Shopping malls represent a destination for not only shopping, but also as a place for social gathering and entertainment (Singh, Srinivasan, 2012). This has led to the concept of a “mall culture” in Indian retail space and the development of mall management.

The India way of conducting business is linked to success connected with deep cultural and philosophical roots. Entrepreneurial thinking with strategic sense making, managerial adaptability and flexibility combined with a sense of purpose, form the basis of the India way. Indian managers view business as part of a wider social vision. The India way is characterized by four principal practices: holistic engagement with employees; improvisation and adaptability of managers; delivering the creative value proposition, creative value delivering to customers; and a sense of a broad mission and purpose (Singh et al., 2010). As regards creating competitive advantages, typical of the India way is the ability of business leaders to find a creative advantage and realize strategies that are different from others.

Conclusion

Today we can talk about exciting times for the Indian emerging market economy. India is one of the most attractive destinations for business and investment opportunities. The Indian paradigm in management is also prominent. It is important to stress that India is expected to grow fastest among emerging economies in 2016 and 2017 with a focus on sustainable development.

Interest in Indian business and management increases considering the important fact that India is becoming the world's fastest growing economy (Kleintop, 2015). As regards economic prospects, manufacturing is expected to receive a boost from the government's flagship “Make in India” programme, which aims to induce businesses around the world to invest in manufacturing by providing infrastructure and streamlining regulations (Asian Development Bank, 2015). The needs of advanced economies would provide a boost to tradable services. Support for infrastructure is needed to realize the full potential of industry and services to create forward and backward linkages and so achieve inclusive growth.

It is important to keep in mind the expansion of managerial education today in India. Similarly, there is strong focus on management research, along with the desire for further development of original business models and management methods, which would emphasize the Indian culture. On the one hand, new premises and values are accepted, as global companies are becoming more present in India, and, on the other hand, Indian companies are more engaged in a global framework. Also important are change management and performance management, especially in conditions of changes in the global environment and strong competition. In the recent period there has been a growth in the management consulting industry in India.

Changes are expected for further development of information and communication technologies and knowledge-related industries. There are evident challenges for the Indian management oriented towards realizing business success at a global level in the future, along with a proactive and innovative approach.

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