Chandos Asian Studies Series



Globalization, Change and Learning in South Asia

Edited by Shaista E. Khilji and Chris Rowley





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CHANDOS ASIAN STUDIES SERIES

Series Editor: Professor Chris Rowley,
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Chandos Publishing is pleased to publish this major Series of books entitled *Asian Studies*. The Series Editor is Professor Chris Rowley, Director, Centre for Research on Asian Management, City University, UK and Director, Research and Publications, HEAD Foundation, Singapore.

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Professor Chris Rowley: Dr Rowley, BA, MA (Warwick), DPhil (Nuffield College, Oxford) is Subject Group leader and the inaugural Professor of Human Resource Management at Cass Business School, City University, London, UK, and Director of Research and Publications for the HEAD Foundation, Singapore. He is the founding Director of the multi-disciplinary and internationally networked Centre for Research on Asian Management (http://www.cass.city.ac.uk/cram/index.html) and Editor of the leading journal Asia Pacific Business Review (www.tandf.co.uk/journals/titles/13602381.asp). He is well known and highly regarded in the area, with visiting appointments at leading Asian universities and top journal Editorial Boards in the UK, Asia and the US. He has given a range of talks and lectures to universities, companies and organisations internationally with research and consultancy experience with unions, business and government, and his previous employment includes varied work in both the public and private sectors. Professor Rowley researches in a range of areas, including international and comparative human resource management and Asia Pacific management and business. He has been awarded grants from the British Academy, an ESRC AIM International Study Fellowship and gained a 5-year RCUK Fellowship in Asian Business and Management. He acts as a reviewer for many funding bodies, as well as for numerous journals and publishers. Professor Rowley publishes extensively, including in leading US and UK journals, with over 370 articles, books, chapters and other contributions.

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To my WEB (Weiz, Ehsan & Bilquis) of faith and wisdom,
Who represent my past, present and future –
Fondest of my memories, greatest of my hopes and
sweetest of all dreams

Abbreviations and glossary of terms

AEPC Apparel Export Promotion Council

AFL American Federation of Labor

AFL-CIO American Federation of Labor and Congress of

Industrial Organizations

ANDE National Association of Entrepreneurs in

Ecuador

ANK Ashta No Kai (For a Better Tomorrow)

AoB Association of Bankers

APPNA Association of Physicians of Pakistani Descent of

North America

ASDA Associated Dairies (British supermarket chain)

Bait-ul-maal State Treasury (Pakistan)
BCG Boston Consulting Group

BGMEA Bangladesh Garments Manufacturers and

Exporters Association

BKMEA Bangladesh Knitwear Manufacturers and

Exporters Association

BOI Board of Investment
BoP Base of the Pyramid

BPO Business Process Outsourcing

BRAC Bangladesh Rural Advancement Committee

(formerly)

BRIC Brazil, Russia, India, and China

CEDAW Convention on the Elimination of All Forms of

Discrimination Against Women

CII Confederation of Indian Industry

CMAI Clothing Manufacturers Association of India

COO Countries Of Origin
COR Countries Of Residence

CRC

ISO 14001

ISO 50001

ISO 9000

ITGLWF

IT

ITC

JAAF

CRC	Convention on the Rights of the Child	
CSAPL	Crescent Steel and Allied Product Limited	
CSR	Corporate Social Responsibility	
DISHA	Driving Industry towards Sustainable Human	
	Capital Advancement	
EIA	Environmental Impact Assessment	
EU	European Union	
FDI	Foreign Direct Investment	
FICCI	Federation of Indian Chambers of Commerce &	
	Industry (India)	
FICCI	Foreign Investors' Chamber of Commerce &	
	Industry (Bangladesh)	
FT 500	Financial Times 500	
GDP	Gross Domestic Product	
GP	Grameen Phone	
GRI	Global Reporting Initiatives	
HR	Human Resources	
HSBC	Hong Kong and Shanghai Banking Corporation	
IB	International Business	
ICAC	Independent Commission Against Corruption	
ICAI	Institute of Chartered Accountants of India	
ICC	Indian Chamber of Commerce	
ICSI	Institute of Company Securities of India	
IIT	Indian Institute of Technology	
ILO	International Labor Organization	
INSEAD	Graduate business school (formerly Institut	
	Européen d'Administration des Affaires -	

Convention on the Rights of the Child

Joint Apparel	Association	Forum

European Institute of Business Administration)

International Organization for Standardization

International Organization for Standardization

International Organization for Standardization

Global Union Federation for the Textiles, Leather

Information Technology

Imperial Tobacco Company

and Garment Industry

Jugaad	Struggle
MNC	MultiNational Corporation
	Memorandum of Understanding
NGO	NonGovernmental organization
NEQS	National Environmental Quality Standards
NFCG	National Foundation for Corporate Governance
NICOP	National Identity Card for Overseas Pakistanis
NRIs	NonResident Indians
OHSAS 18001	Occupational Health and Safety Assessment
	Series 18001
OPEN	Organization of Pakistani Entrepreneurs of
	North America
PAL-C	Pakistani American Leadership Center
PCMEA	Pakistan Carpet Manufactures and Exporters
	Association
PEPA	Pakistan Environment Protection Act
POC	Pakistan Origin Card
PSEs	Public Sector Enterprises
PSO	Pakistan State Oil
R&D	Research and development
SAARC	South Asian Association for Regional
	Cooperation
SA 8000	Social Accountability 8000
SCCI	Sialkot Chamber of Commerce and Industry
SDC	Social Development Council
SECP	Securities and Exchange Commission of Pakistan
SGS	Société Générale de Surveillance S.A.
SMGs	Socially Mobile Groups; Socially Mobilized
	Groups
STEM	Science, Technology, Engineering, and
	Mathematics
TICPI	Transparency International Corruption
	Perception Index
TiE	The Indus Entrepreneurs
TPS	Toyota Production System
TQM	Total Quality Management
TRG	The Resource Group
UAE	United Arab Emirates
UNAIDS	Joint U.N. Programme on HIV/AIDS

UNCTAD U.N. Conference on Trade and Development

UNDP U.N. Development Programme

UNICEF U.N. Children's Fund (formerly U.N.

International Children's Emergency Fund)

USINPAC U.S. India Political Action Committee

WRAP Worldwide Responsible Apparel Production

Zakat Charitable donations

Preface

I am a product of globalization. I have spent my life living, studying, and working in Asia, Europe, and North America. My global experiences have helped me grow as a person and professional. I am fortunate to have had the opportunity to apply these life experiences to my academic career of research and teaching. Personally I appreciate the power of "learning to change". This makes me what I am today!

The idea for this book is based upon my research and teaching interests, which have focused on issues related to globalization, change, and learning in Asian emerging economies for over a decade. My sabbatical year particularly allowed me to further explore topics at the intersection of these three critical areas, and develop a graduate level course titled, "Globalization, change and learning". I have now taught this course over two summer semesters at the George Washington University (U.S.A.) to a captive student audience that is diverse in its affiliation (from international affairs, business, politics, human development, education, etc.), interests, as well as cultural makeup. Although this course focuses on discussing how America can improve its future and how American organizations can be made more relevant, the lessons are equally useful for any other country in its efforts to become competitive. Because of the international makeup of the classes, students have demanded and sometimes led many discussions related to the relevance of globalization, change, and learning as it pertains to several other countries including China, Turkey, Morocco, Norway, South Africa, India, Pakistan, etc. Teaching this course was instrumental in broadening my perspective and strengthening my passion for the topic. Simultaneously, I have also been leading the *South Asian Journal of Global Business Research*, a scholarly journal dedicated to advancing theoretical and empirical knowledge of business issues facing multinationals and local organizations of South Asia and South Asian diasporas. Hence, when Professor Chris Rowley, Asia Series Editor at Chandos Publishing, contacted me for a book idea, I quickly proposed, *Globalization, Change and Learning in South Asia*.

This is the first volume to capture a range of business and management topics related to South Asia. It provides readers with firsthand knowledge of the business environment, trends, and practices in South Asia in view of a globalizing world. All of the authors capture a balanced view of how organizations and leaders are coping with the pressures of globalization; they also identify both challenges and noteworthy practices and trends. The volume aims to deepen knowledge about South Asian organizations and peoples. As I discuss in this volume, South Asia is the world's most populous and economically vibrant region. It provides a rich context for researchers to explore a plethora of business and management issues. My hope is that this volume stimulates further interest in the region and heightens awareness and understanding of South Asian organizations and contemporary business practices. As international business researchers and practitioners look for new avenues for growth and explore global trends, South Asia (as is discussed in this volume) offers immense potential.

I would like to offer my thanks to all contributors to this volume who have stayed committed to this work and have given their talent and time to this project. Special thanks are due to Series Editor, Professor Chris Rowley, for his constant encouragement, and to many of my graduate students, who

have sat through my class and advising sessions, contributed to discussions, offered creative insights, shared their personal/professional experiences, and asked some very tough questions that made me pause, think, and reflect. Acknowledgements are also due to all of my colleagues at the George Washington University for their continued support over the years. It would be remiss of me if I did not mention Candice Matthews – my research assistant for the past two years. I would not have been able to achieve the same level of productivity without her enormous support: "I don't know how I would have managed all of my professional roles without you. I will miss you when you leave."

I would like to thank my warm-hearted husband whose support has been invaluable in helping me balance a career and family; to my brothers who have taught me many life lessons; to my parents for giving all of us the gift of education and for raising four very strong girls; to my son who fills my life with pure joy; and to my very own Global "Fantastic Five" Girl Power for being a constant source of hope and encouragement for me throughout the years - my incredible sisters Raana, Uzma, and Saadia as well as amazing friends Seema and Barbara. "Thank you for your love, support, and sincerity. I would not have been able to celebrate the joys of my life nor face all of the challenges without your understanding and wisdom. You make my life beautiful and enviable." Last but not least, I would like to express my gratitude to Allan, my friend of years, who has always given me strength and unconditional love. "This is why I keep returning to you."

> S.E.K. Washington, D.C., U.S.A. 5 February 2013

About the editors

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Shaista E. Khilji earned her Ph.D. from Cambridge University, U.K. She is the Founding Editor-in-Chief of the South Asian Journal of Global Business Research (SAJGBR), and Professor of Human and Organizational Learning at the George Washington University (Washington, D.C.). Her research focuses on issues related to Global Leadership, Talent Development, Innovation, and Cross-Cultural Management with a particular emphasis on emerging economies. She has published several articles in reputable scholarly journals including the International Journal of Human Resource Management, Journal of World Business, and the Journal of Product Innovation Management, and has contributed to edited volumes and presented more than 50 research papers at various international conferences. She has received several awards, including "Honorary Lifetime Fellow of Cambridge Commonwealth Society", "Pride of Profession Award", the "Outstanding Service" and "Best Reviewer" awards by the Academy of Management, "Top 10%" paper award by the Academy of International Business, a "Bronze Award" by McGraw Higher Education, and a "Service Excellence" collaborative team award for hosting the Clinton Global Initiative University at George Washington University. She has also been nominated for many other awards, including Washingtonian's "Rising Star in Academia under 40 Years of Age", "Best International Symposium", and "Newman Award" by the Academy of Management.

Professor Khilji has taught and trained a diverse audience. from undergraduate/Masters/Doctoral students (in business, education, medicine, engineering, arts. administration) and novices in the business world to chief executives of medium and large corporations in Hong Kong, Singapore, Russia, U.S.A., Canada, and Pakistan. Based on her expertise, she has been invited to speak at many international universities and institutes. She has also been featured and cited by several Canadian, American, and Pakistani newspapers. She has consulted with U.S. (most recently working on President Obama's Open Government Initiative) and Canadian governments, higher educational institutions (in Singapore, Canada, Pakistan, Morocco, India, and Cuba), and several organizations in the private and non-profit sector globally. Currently, she is serving on the Institutional Review Board, Global Gender Program, Global Women's Institute, as well as the editorial and advisory boards of many international academic journals and professional associations. She is also the co-founder of the South Asian Academy of Management (SAAM).

Christopher Rowley (Ph.D., Oxford University, U.K.) is a Professor of Human Resource Management at City University of London (U.K.). He is Editor of Asia Pacific Business Review and an editorial board member of several international journals. He also writes regularly for publications such as HR Magazine, The Glass Hammer, and Singapore Business Review. He holds Visiting Professorships and Distinguished Scholar positions at leading Asian universities and the University of South Australia. He has acted as technical advisor (research and publications) to the HEAD Foundation, Singapore and helped establish its think tank on human capital, where he is Director of Research & Publications. He has published more than 450 articles, books,

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