According to the OECD (2014a) report, “Economic Outlook for Southeast Asia, China, and India 2014,” real gross domestic product growth in emerging Asian economies will moderate gradually but will remain robust over the 2014-18 period. It states that these countries made significant progress over the past four decades:

...in raising income levels, reducing poverty, and developing manufacturing. Some emerging Asian countries—China, India, Indonesia, Malaysia, the Philippines, Thailand and Viet Nam—are poised to join Japan, Korea, and Singapore in the ranks of the advanced high-income countries within the next few decades, as long as they can sustain their fast growth at rates comparable to those they have enjoyed until now. Developing institutional capacities, changing the character of “Factory Asia,” further developing service industries and promoting regional integration are some of the policy priorities that will help emerging Asia to avoid the middle-income trap, sustain long-term growth, and consequently become advanced economies. (p. 13)

China’s economic miracle has powered growth in Asia for years, contributed to deepen trade ties and spread capital to its neighboring countries. In the last decade, it has made significant progress in “broadening its economic development, in continuing to raise living standards, and in enhancing its status in the international community. Improvement in the institutional capacities of government to further promote these goals has become a key priority . . . . Its Gross Domestic Product (GDP) reached RMB 51.9 trillion (Chinese renminbi) in 2012 and is now the world’s second largest after the US” (OECD, 2014b, p. 2). In the last decade, India’s economy has developed quickly, improving living standards and showing strong growth in key economic sectors. According to OECD (2014c), “Real Gross Domestic Product (GDP) growth averaged 8.5% in the years leading up to the global financial crisis (2006-10) and poverty rates declined significantly. In recent years, however, circumstances have become less conducive to growth” (p. 2). Myanmar is well positioned to:

...engage a multi-pronged development strategy that draws on agriculture, mining and extraction, manufacturing, and services. For the strategy to be a success, the internal peace process and renewed relations with major bi- and multi-lateral partners will be important. Myanmar can also benefit from
its advantageous location between major growth poles and markets, such as China and India, and its proximity to the ASEAN tigers to regain—or even exceed—the importance it once enjoyed as a regional hub. (OECD, 2014d).

Understanding Asian economies, their challenges, and opportunities is key to being successful in this region.

TARGET AUDIENCE

The book, *Asian Business and Management Practices: Trends and Global Considerations*, provides timely and in-depth analysis on Asian economy, business, and management with a clear international and interdisciplinary approach. It is a comprehensive resource for academics, PhD students, experts, policymakers, and government officials, as it contains a wealth of valuable research on theories and practices that underpin successful business and management in Asia.

ORGANIZATION OF THE BOOK

The book is organized into 18 chapters. A brief description of each of the chapters follows:

Chapter 1, “Roles of Culture for Knowledge Sharing in Asian Virtual Teams: A Case Study,” states that knowledge sharing is a critical component for successful knowledge management. For multi-culture virtual teams, the difference of culture and the limitation of virtual organization make it especially harder for knowledge-sharing management. This chapter addresses the culture and structure for knowledge sharing in virtual teams. Then, the case of Asian virtual teams is studied to show evidence for the established model. Discussion focuses on managing conflict and maximizing contribution.

Chapter 2, “Are You Ready for Change? China Automakers,” describes the factors that influence the decision of Guangdong residents to purchase Chinese-brand automobiles. Based on the well-known theory of planned behavior, this chapter builds a predictive model to explore the determinants of the intention of Guangdong residents to buy Chinese-brand automobiles. The findings reported in this chapter can help automobile manufacturers and distributors to formulate effective business strategies. According to 125 sets of figures, multiple regression analysis indicates that high correlation exist between two independent variables (attitude toward behavior and perceived behavioral control) and dependent variable, whereas subjective norm does not have significant correlation with intention. The authors make several corresponding managerial suggestions based on the results.

Chapter 3, “From Ancient Chinese Sages to Modern People Management Principles,” reviews the legacy of several ancient Chinese sages (i.e. Guanzi, Hanfeizi, Shangyang, Xunzi, and Yanzi) and explores their thinking of ruling the state and managing the people. The thoughts of the old are compared with those known in the mainstream Western management texts. Striking similarities in thoughts and key organization and management issues of old and new are identified. For contemporary organizations to be successful, essential people-management principles must be espoused to sustain organizations for a long term as to preserve ancient states. Nonetheless, the world is in ceaseless change, dynasties and nations rise and fall as organizations acquire, merge, die, or emerge as new. Despite perpetual principles, management techniques require constant adaptation to meet modern challenges.
Chapter 4, “The Practice of Open Innovation in Chinese Enterprises,” discusses how, along with the increasing pace and complexity of technology, the importance of external knowledge exploitation has been acknowledged by many researchers and practitioners. How to manage the innovation efficiently is an important issue for firms to enhance competitiveness. Based on the essentials of open innovation, this chapter describes the conditions of openness in the process of innovation in Chinese enterprises. This chapter summarizes some modes for the organization of open innovation in Chinese enterprises, including all employees participate in the innovation process, users involve in the innovation, suppliers participate in the innovation, collaborations with firms in other industries and competitors, cooperation with universities and research institutes, and also intellectual property licensing. Finally, this chapter introduces a case of open innovation practice in Baosteel, which is a famous manufacturing enterprise in China.

Chapter 5, “Using a Hybrid System Composed of Neural Networks and Genetic Algorithms for Financial Forecasting,” states that the possibility of applying artificial neural networks in different areas determined the discovery of more complex structures. This chapter describes the characteristic aspects of using a back-propagation neural network algorithm in making financial forecasting improved by a different technology: genetic algorithms. These can help build an automatic artificial neural network by two adaptive processes: first, genetic search through the data entry window, the forecast horizon, network architecture space, and control parameters to select the best performers; second, back propagation learning in individual networks to evaluate the selected architectures. Thus, network performance population increases from generation to generation. This chapter also presents how genetic algorithms can be used both to find the best network architecture and to find the right combination of inputs, the best prediction horizon and the most effective weight. Finally, this study shows how the results obtained using these technologies can be applied to obtain decision support systems that can lead to increased performance in economic activity and financial projections.

Chapter 6, “Alliance-Adding Cluster Means Icing on the Cake: The Impact of Geographic Proximity, Regional Location, and Network Structural Characteristics on Firm Innovation Performance in Alliance Innovation Network,” uses innovation networks in the communication equipment industry of China, based on the impact of network density on innovation performance, we give firms dynamic characteristic in the geographical position to study the impact of regional location and the moderation effect of geographic proximity on the relationship between network density and innovation performance. The results of negative binomial regression method indicate that regional location do not have a significant effect on innovation performance, while geographic proximity has a significant effect on innovation performance, and geographic proximity can positively moderate the impact of network density on innovation performance. Then the authors further analyze some conditions concerning alliances of the Chinese communication equipment industry and offer some related suggestions.

Chapter 7, “A Study on Consumers’ Attitudes towards Purchasing Decisions through Facebook in Malaysia,” examines the factors influencing consumers’ attitudes towards purchasing decisions through Facebook in Malaysia. In this study, security, advertising, and product performance were used as independent variables while attitude towards Facebook online shopping was treated as a dependent variable. In this study a total of 260 participants were involved to analyze the empirical data. Pearson Correlation was used to examine the association of independent variables with dependent variables while Multiple Regression was employed to test the proposed research hypotheses. The findings show that the proposed research hypotheses are supported.
Chapter 8, “China’s Techno-Nationalism in the Global Era,” introduces techno-nationalism, a growing trend in the rise of China that has global implications, particularly for the European Union (EU). Techno-nationalism finds expression in efforts to set new technological standards and in the desire for a Chinese scientist to win the Nobel Prize. The country distinguishes itself through the “Chinese characteristics” of its techno-nationalism. The gap between China and the developed world is narrowing. And that includes the field of high technology. Currently, the EU and China are waging a battle for innovation, and for this purpose, they mobilize vast resources. The author argues that Europe is beginning to have difficulty keeping pace. It will be increasingly difficult for the West to maintain technological leadership. The author hopes that this chapter will help decision-makers and academics to comprehend China’s techno-nationalism and the risks of protectionism in the EU-China relationship.

Chapter 9, “Negative Impact of Direct-to-Consumer (DTC) Promotion on Indian Patients,” includes a study that concludes that Direct to consumer promotion of pharmaceutical product is considered illegal in many parts of the world. But today patients have direct access to all possible information on the Internet. This chapter was conducted to study the beliefs of physicians regarding the negative impact of online information on patient behaviour as is being felt by the physicians in India. Belief of physicians was measured on a Likert Scale. For this purpose, a sample of 218 physicians was drawn based on cluster sampling from different cities in India. Null hypothesis was that there is no negative impact of DTC promotions on certain patient behaviour. The hypothesis was tested using one sample t test. The chapter shows that according to Indian physicians, direct to consumer promotion has negatively impacted the process of patient behaviour and their relationships with the physicians.

Chapter 10, “Huawei’s Battle: Cold War or Commercial War?” analyzes the causes and reasons for these actions and to ascertain what key strategic approaches and positioning lie behind the high-level political tension. This is a conceptual chapter that looks at Huawei, the giant Chinese telecommunication company that has become the focus of contract exclusion and finger pointing by certain Western governments. The finding of this chapter suggests that the argument of “national security” used by the US and Australia in refusing Huawei’s NBN contract is controversial. The chapter provides the causes behind this argument. This chapter makes valuable contribution whether it be due to Cold War legacies or business competition; the exclusions do not sit well in this globalised economy.

Chapter 11, “Organisational Success: Explaining the Role of Key Intangible Performance Indicators (KIPs),” argues that although Key Performance Indicators (KPIs) are useful for tracking tangible performance drivers, KPIs cannot adequately measure intangible performance drivers. They suggest that Key Intangible Performance Indicators (KIPs) are often the essential characteristic that drives the success of organisations. Top management should incorporate both KPIs and KIPs into success strategy in order to generate a complete picture of the overall performance of organisations. Evidently, there is a significant shift of emphasis from measuring tangible to intangible performance measures. Drawing from the Resource-Based View (RBV), superior performance is attributed to superior resources, and this helps explain why organisations should unlock the full potential of tangible and intangible resources and capabilities in attaining sustainable competitive advantage. In the face of globalisation, organisations need to transform themselves to be highly competitive in order to stay ahead of competition and at the forefront of their industries. The development and application of KIPs will be a strategic move to provide further insights and an impetus for continual improvement. The authors fill a gap in the resource-based literature by identifying four critical KIPs that influence the success of organisations, and they are leadership, innovation, reputation, and employee satisfaction.
Chapter 12, “Government Policy Interventions and Performance of Indian Engineering Industries,”
describes how the Indian industrial policy made a major transition towards liberalization in the mid-1980s
with the proponents of liberalization expecting not only a general increase in the efficiency of Indian
industry but also improvement terms of innovative performance. Extensive industrial studies, as well as
macro-level data, suggest that liberalization in the field of industrial licensing and foreign technological
collaborations has resulted in large-scale entry of new firms across different segments of the economy.
In this context, this chapter makes an attempt to review the promotion-oriented industrial policies of
the Indian Engineering industry and also trace the industrial growth from 1950-51 onwards. It has been
observed that there were mainly two breaks (kinked points) during this period, one in 1965-66 and the
other in 1984-85. A review of policies suggests that these breaks were associated with major shifts in
policies of the government. The study indicates that the first break came through industrial policies of
the government with a focus on the heavy industries during the initial phases, while the other break came
during 1984-85, which could be attributed to changes in policies from a restrictive one in the mid-’60s
and ’70s to a liberalized one in this sector in the ’80s.

Chapter 13, “Fishermen on Oman’s Batinah Coast: A Lookout for Policy Interventions,” states that
Oman has a well-established history of fishing where most of her citizens depend directly or indirectly
on fishing or fishing-related activities. Oman’s long coastline is home to several inhabitants involved
mainly in artisanal or traditional fisheries. Commercial fishing is largely prohibited in Oman barring a
few regions. Batinah coast forms one of the biggest inhabited regions for fishermen in Oman. Although
fishermen in the Batinah coast account for approximately 20% of the national catch, they face poor in-
come conditions. This chapter gives a descriptive account of fishermen on the Batinah coast of Oman
and the reasons affecting their growth and development. This chapter observes that the situation of Oman
is different than the other developing countries. Fishermen face problems in earning a decent livelihood,
and their expenses affect their savings and advancement. The Government of Oman is concerned with
the state of fishery in the region and has put many efforts into developing a decent infrastructure across
the region. However, not much emphasis has been placed on the human resources and enterprise. While
fishermen need training and interactions with the government officials, government needs to be more
observant and concerned about the not-so-well-off fishermen. The role of facilitators such as training
institutions and banks becomes important in imparting fishermen the necessary skills and tools of
productivity. All the facilitators and stakeholders need to come closer, sharing a common platform to
advance fishing activity and its scope in the region.

Chapter 14, “A Conceptual Framework for Achieving Flexibility at Strategic Level in Large- and
Medium-Scale Indian Manufacturing Organizations,” analyzes how manufacturing organizations have to
cope with hypercompetitive, uncertain, and increasingly dynamic environments these days. This increased
dynamism is created by the rapidly changing needs of the customer, the fast changes in technology and
market, etc. Developing flexibility in manufacturing organizations better prepares them to respond to
dynamic market conditions and rapidly shifting customer needs. Manufacturing organizations today tend
to improve and implement manufacturing flexibility at a strategic level. In this chapter, different strategies
to achieve flexibility at strategic level are identified. Further, the type of strategies to be adopted for a
particular flexibility dimension at strategic level and under particular market environment are studied.
In this chapter, Analytical Hierarchy Process (AHP) and Fuzzy Set Theory (FST) are applied to develop
a framework for achieving strategic flexibility in manufacturing organizations.
Chapter 15, “Relationship between Company’s Intellectual Capital and Performance: A Study of Indian IT Industry,” analyzes the relationship between Financial Reporting of Intellectual Capital and Company’s Performances in Indian Information Technology Industry. The sample consisted of 60 companies listed on NSE for a time period of 1999-00 to 2008-09. Value-Added Intellectual Coefficient (VAIC™) method developed by Pulic (1998) was used for the analysis of the data. The chapter uses VAIC™ model and regression equation for the evaluation of intellectual capital and their relationship with productivity, profitability, and market valuation of the companies. The result of the chapter supports the hypothesis that profitability of the company can be explained by the intellectual capital. However, there is no significant association of intellectual capital with productivity and market capitalization of the companies for the selected time period of year 1999-00 to 2008-09.

Chapter 16, “An Importance Sampling Method for Expectation of Portfolio Credit Risk,” discusses how simulation is widely used to estimate losses due to default and other credit events in financial portfolios. The accurate measurement of credit risk can be modeled as a rare event simulation problem. While Monte Carlo simulation is time-consuming for rare events, importance sampling techniques can effectively reduce the simulation time, thus improving simulation efficiency. This chapter proposes a new importance sampling method to estimate rare event probability in simulation models. The optimal importance sampling distributions are derived in terms of expectation in the normal copula model developed in finance. In the normal copula model, dependency is introduced through a set of common factors of multiple obligors. The intriguing dependence between defaults of multiple obligors imposes hurdles in simulation. The simulated results demonstrate the effectiveness of the proposed approach to solving the portfolio credit risk problem.

Chapter 17, “Intellectual Capital in Malaysian SMEs: A Case Study of the Food Sector in Kuching,” provides insights on on the concept and application of intellectual capital in the food industry in Kuching, Malaysia. There is no doubt that intellectual capital is a most important strategic asset for the success of organizations. In a competitive business environment, intellectual capital has been a vital element of success, particularly in Small and Medium Enterprises (SMEs). The purpose of this study is to examine the role of intellectual capital in order to enhance the business performance of SMEs operating in the food industry in Kuching, Malaysia. In this chapter, three components of intellectual capital, namely human capital, customer capital, and structural capital, are employed to examine the role of intellectual capital in SMEs. A structured questionnaire with a five-point Likert Scale was used to gather the data from the targeted respondents by using a convenience-sampling technique. A total of 200 questionnaire sets were distributed to the targeted respondents. From the total distributed questionnaires, a total of 194 respondents gave their feedback. Four research hypotheses were addressed to find the objectives of this study. To test the proposed research hypotheses, multiple regression technique was used. The findings of this study show that the three components of intellectual capital collectively and individually have positive and significant relationships with the business performance of baking SMEs. Subsequently, the four hypotheses of this study were supported. This chapter is a preliminary study about the baking SMEs operating in the food sector in Malaysia.

Chapter 18, “The Bhagavad-Gita and Business Ethics: A Leadership Perspective,” explores how the study of ancient wisdom has recently become a subject of growing interest. During the past one decade we have witnessed an increase in number of literatures on applying ancient wisdoms in the context of business leadership. In the Asian context, the ancient literatures from India and China are pregnant with several lessons which are relevant and useful for business leadership. Among the literatures from the Indian context, the Bhagavad-Gita is one of the most popular and most cited by many scholars and practitioners
in the field of business leadership. However based on a survey of business leadership literatures from the Bhagavad-Gita, very few works are found on the pressing and important topic of business ethics. Therefore, in this chapter the author attempts to explore and incorporate the ethical principles found in the Bhagavad-Gita into business leadership. In presenting the business ethics from the Bhagavad-Gita, the author has employed hermeneutics, which is a qualitative methodology used for the interpretation of ancient literatures. The Bhagavad-Gita advocates a consciousness and a spirit-centered approach to the subject of business ethics based on eternal values and moral principles that should govern the conduct of business leaders. This chapter is likely to provide insights into Indian business ethics for Western business leaders, enabling them to work more effectively with Indian business leaders in India, Middle East, Southeast Asia, Western Europe and North America where there are significant Indian population.

In sum, this collection of chapters will definitely help readers to understand some challenges of the Asian market.

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REFERENCES


