
Editorial

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Biographical notes: Satyendra Singh is Director of Centre for Emerging Markets, and Associate Professor of Marketing and International Business in the Faculty of Business and Economics at the University of Winnipeg, Canada. His interest lies in the area of emerging markets with particular emphasis on Africa. He has published in journals such as *Industrial Marketing Management*, *Journal of Services Marketing*, *Services Industries Journal*, *Journal of Global Marketing*, among others, and presented papers at international conferences such as *American Marketing Association*, *British Academy of Management*, *European Marketing Academy*, among others. He is the author of *Business Practices in Emerging and Re-emerging Markets* (Palgrave, USA 2008), and *Market Orientation, Corporate Culture and Business Performance* (Ashgate, UK 2004).

In this issue, it is my pleasure to introduce six excellent paper ranging from Romania to India. The paper by Podoshen et al. examines Romania's transition process from a centralised economic system to a market economy. Although the government is confident that becoming a part of the EU will result in significant gains for the country such as rise in FDI, increased political stability, access to European funding, and the ability of Romanians to work, live or study in the EU, many are concerned that the costs incurred to the EU membership will far outweigh the benefits. Admittedly, the Central and Eastern European economies have currently reported an increase in foreign direct investment and technological development, but these changes in fact widen the gap between the rich and poor citizens. Therefore, this study examines the extent to which such changes are deemed beneficial to society.

In another related paper, McKenzie and Merrilees argue that firms face additional challenges when service-based enterprises expand beyond their domestic markets to the transitional countries of Central and Eastern Europe, including regions of the former Soviet Union. For example, localising physical, human, and system processes to suit the wants and demands of the target market is complex. This study, based on both qualitative and quantitative research, examines how a foreign and domestic retailer, operating in Estonia, compares in terms of drivers of retail success. The research findings indicate four major lessons that can benefit multinational firms aspiring to enter these markets. Two major challenges are the country of origin effect and cultural idiosyncrasies in transition economies, and two major facilitators are the multinational service industry knowledge and the understanding of the local culture and adaptation of drivers of service quality.

Given the importance of culture and service quality, the paper by Ferreira and Alon underlines some of the distinctive practices of the hospitality industry in China. By interviewing several industry experts in luxury hotel properties in China and the USA, and by comparing their prevailing human resources practices, the authors find that

- Chinese employees are hired based on personality
- there is a lack of service mentality
- cultural and institutional differences in human resources account for the differences between Chinese employees in the hospitality industry in China and the USA.

This study recommends that luxury hotels wishing to achieve an international level of service should invest time in hiring and training their Chinese employees.

Like China, India has witnessed significant changes in the past two decades following the economic reform initiated by the Indian government. Kaur et al. examine the impact of the reform policies on the growth and adjustment process of the manufacturing sector. The authors analyse the trends in value added, labour and capital, and partial and total factor productivity for the pre- and post-reform period (i.e., 1980–1981 to 2002–2003) by examining the changes in the output growth, factor inputs for partial factor productivity and total factor productivity. The comparative picture of pre- and post-liberalisation period depicts a slower growth of manufacturing sector of India in the latter period.

Growth impacts labour and job markets, too. In this paper, Jain et al. address the central question: what has been the quality of jobs generated by India's urban unorganised establishments in an era of globalisation? It is argued that the unorganised establishments' growth, under the conditions of exogenous technology, may be due to intensive and extensive usage of hired labour. By concentrating in the state of Punjab in India, the authors conclude that although unorganised establishments have created a significant number of jobs, they may be characterised as poor quality jobs because they provide low earnings, limited upward mobility, unjust wage setting, uninformed job termination and low job satisfaction.

However, jobs can also be created by family businesses. Gupta et al. examine the relevance for the emerging markets of the construct of family business in terms of three parameters – pre-dominance of the family in business, engagement of the family dominantly in the business, and a decisive identification of the family with the business. These parameters have been proposed in the family business literature as the legitimate measures of family business construct; however, their relevance to the emerging markets context where the family businesses are dominant contributors to national income remains to be verified and validated. Using the GLOBE cultural clustering, the authors study the family business models in various emerging market cultures. This study finds that several diverse models of family businesses are rated low on the three parameters, suggesting limitations of the three parameters construct of family business for cross-cultural applications.