Editorial

Isaac Wanasika*

Monfort College of Business,
Campus Box 128, Greeley, CO 80639, USA
Email: Isaac.Wanasika@unco.edu
*Corresponding author

Yam B. Limbu and C. Jayachandran

Feliciano School of Business,
Montclair State University,
1 Normal Avenue, Montclair, NJ 07043, USA
Email: limbuy@mail.montclair.edu
Email: jayachandrc@mail.montclair.edu

Biographical notes: Isaac Wanasika is an Associate Professor of Strategy at the University of Northern Colorado. He holds a PhD with a concentration in strategy from the New Mexico State University. His primary teaching areas are strategic management and base-of-the-pyramid strategies. His research interests include organisational efficiency, transaction cost economics and base-of-the-pyramid strategies. His research has been published in prestigious journals such as the *Journal of World Business*, *Journal of Strategic Innovation and Sustainability*, *American Journal of Management* and the *Journal of Managerial Issues*. His work has been presented and received awards at national and international business conferences including the *Academy of Management*. He is currently serving as an Associate Editor for the *International Journal of Business and Emerging Markets (IJBEM)*.

Yam B. Limbu is an Associate Professor of Marketing at the Montclair State University. His research interests include pharmaceutical and healthcare marketing, consumer behaviour, internet marketing, and food, nutrition and consumer health. His publications have appeared in various journals. He presented his research at many scholarly and professional conferences and his work has been published in leading conference proceedings. He currently serves as the Vice President of the Society for Global Business & Economic Development (SGBED). He serves as an Editor-in-Chief for the *International Journal of Business and Applied Sciences*. He also serves on the editorial boards of several academic journals.

C. Jayachandran is a Professor of Marketing and International Business at the Montclair State University. His research interests include international business strategies of firms from emerging markets, inward FDI, preventive healthcare and consumer behaviour. His publications appeared in journals such as *Industrial Marketing Management*, *Journal of Business & Industrial Marketing*, *Health Communication*, *International Journal of Communication*, and *Health Education*. He serves as the President of the Society for Global Business & Economic Development (SGBED).

1 Introduction

This introduction to the special issue aims to highlight the scope of the special issue, provide a summary of the studies included in the special issue and suggest possible areas for future studies. The special issue is titled ‘New paradigms of theory and practice in emerging markets: knowledge and innovation for sustainable growth’. The main goal of the special issue is to highlight how firms in emerging markets are transforming themselves in response to changes in the business environment. The second goal is to provide a wide variety of prescriptive contexts for managers and policy makers.

The world is increasingly interconnected across all fronts at an unprecedented pace. As the global economy transitions to Industry 4.0, networks, knowledge and innovation and entrepreneurship are the key drivers to sustainable profits, economic growth and development. The rise of emerging markets and growth of global supply chains are attributed to globalisation and technology; MNEs were able to collaborate and form strategic levers using the power of comparative advantage and engage human capital worldwide virtually despite the national boundaries. The digital revolution also resulted in dramatic structural and organisational changes and disruption of traditional businesses and job markets. The 2008 crisis amplified the weaknesses of institutions and inadequacies of free markets in sustaining growth in OECD countries; whereas, most of the emerging markets were able to maintain a reasonable rate of growth and actively pursue inward and outward trade and investment. A number of emerging market firms were able to internationalise their operations through acquisitions and mergers as well as greenfield investments.

These dynamics continue to transform the business environment and the nature of competition in emerging markets. There is considerable interest in examining how Western businesses compete in these markets and how firms from emerging markets engage in matured markers. Managers and policy makers need to be aware of this shifting competitive landscape. While the contributions are from different topics and regions, they all point to the unique context, level of internationalisation and a response to globalisation by businesses in emerging countries.

The first article is ‘Distribution in emerging markets: a strategic perspective’, by Subrat Sarangi. The article is premised on the notion that emerging markets are characterised by inherent inefficiencies due to institutional voids preventing buyers and sellers from coming together (Khanna and Palepu, 1997). The paper makes the argument that firms need to create individual and institutional resource competencies around the institutional and environmental impediments for a successful distribution system in emerging markets. This can be achieved by using a process-based approach. By integrating relevant data, the author synthesises relevant literature from emerging economies across the world. The article identifies distribution impediments faced by firms in emerging markets while competing against the local companies and first movers. Through the lens of institutional theory, the author develops a set of propositions. The main contribution of the study is a conceptual process framework that identifies a hybrid strategy around individual and institutional competencies through a multi-tier network with an influencer ecosystem. This ultimately leads to a sustainable distribution system. This study is consistent with other current themes in this stream (Sudhir et al., 2015; Vila et al., 2015).

The second article is ‘The stock market renaissance: the case of the clearing and settlement process’, by Preeti Goyal and Madhu Vij. The authors identify two interconnected issues of integrating regional capital markets and the need to make structural changes in individual markets in order to facilitate this integration. The study focuses on the clearing and settlement process in the Indian stock market. Settlement events were based on data from the Indian National Stock Exchange from November 1994 to March 2017. The authors find that the level of trades failing to settle has decreased and structural changes to the process have been a success. Our findings will find significance in choosing the solutions to address the challenges that are arising from integration of stock market infrastructure. The study makes a contribution towards existing market microstructure literature (Cohen et al., 1980; Datar et al., 1998). The study is consistent with previous findings by the International Monetary Fund (IMF, 2013), while specific findings make a valuable input in potential efforts to integrate Asian regional markets (Raihan, 2014).

The third article is 'Institutional ownership and firm performance: evidence from Indian panel data', by Ruchi Kansil and Archana Singh. The purpose of the article is to explore the relationship between ownership and firm performance. Using panel data from India, the authors find a strong relationship between institutional ownership and firm performance in the Indian context. The authors suggest potential areas of application such as providing guidelines for policy makers, institutional investors and Indian corporations. For instance, by designing responsibility and accountability frameworks within the corporate governance structures of the listed firms' in such a way that it brings in more and more institutional investor participation in the management of the investee companies affairs. The findings appear to be consistent with previous studies in this area (McCahery et al., 2016).

The fourth article by Anup Raj is titled 'Corporate social responsibility in emerging economies: a case of Indian agribusiness'. Using content analysis from four large Indian agribusiness firms, the study identifies specific real motives for pursuing CSR. According to this framework, Indian agribusiness firms engage into participatory approach of community development as a proxy to CSR resulting finally in community ownership of CSR projects leading to sustainable CSR engagement. An interesting finding is the shift from ethical and philanthropic CSR to stakeholder approach. This study makes a contribution towards the growing literature on CSR motives, with emphasis to emerging markets (Babiak and Trendafilova, 2011; Aguilera et al., 2007; Li et al., 2010).

Clement Nangpiire, Ricardo Gouveia Rodrigues and Ibrahim Osman Adam's study is titled 'Ease of doing business and foreign direct investment inflow among Sub-Sahara African countries'. The purpose of the study is to establish whether formal procedures of doing business have a positive relationship with foreign direct investment inflow in 44 Sub-Sahara African countries. The findings support the hypothesis that the ease of doing business indicators has a significant impact on foreign direct investments into Sub-Sahara African countries. These findings are an additional rendition to the growing literature on ease of doing business and FDI flows to emerging economies (Corcoran and Gillanders, 2015; Morris and Aziz, 2011). There are clear policy implications.

The final paper by Salil K. Sen and Junya Pookayaporn is titled 'Economic value added and ecology value added as a measure for disaster preparedness linked to corporate social responsibility: Japan as a test-bed bridging Asia and North America'. The study asks the following questions? Can the linkages of economic value added (EconVA) and ecology value added (EcoVA) be embedded into organisations CSR agenda to create competitiveness through savings through disaster preparedness with focus on Japan?

Could disaster preparedness linked CSR measure be unified for Asia and North America through a comprehensible visual metric (dash-board) evolved with Japan? Data supports the hypotheses. Broadly, CSR initiatives can support proactive contingency performance that adds resilience to disaster preparedness.

We hope you will find the articles presented in this special issue valuable. We would like to take this opportunity to thank all the managers and editorial staff at Inderscience Publishers for their tireless efforts. We also want to thank all those who submitted their manuscripts and all the reviewers for providing insightful and constructive feedback to authors.

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