India

India is the world's largest democracy and a multi-lingual federal state. From the late 1980s, India began to open up to the outside world, encouraging economic reform and foreign investment. It is now courted by the world's leading economic and political powers, including its one-time foe China.

However, India has many challenges that it has yet to fully address, including poverty, corruption, violence and discrimination against women and girls, inefficient power and infrastructure, ineffective enforcement of intellectual property rights and accommodating rural-to-urban migration.

Of the world's 33 megacities (that is, cities with 10 million inhabitants or more), India has five. Delhi is projected to overtake Tokyo as the world's largest city by 2030.

Delhi is now the second largest urban agglomeration in the world, with Mumbai ranked fifth and Calcutta fourteenth. Six other Indian cities – Chennai, Bangalore, Hyderabad, Ahmadabad, Pune and Surat feature in the UN's top 100 urban agglomerations. Water remains a major problem with many households not having a regular supply.

The precise number of languages spoken in India is probably over 1,000 but it is often hard to define when one language begins and another ends. The big six languages – Hindi, Bengali, Telugu, Marathi, Tamil and Urdu – are each spoken by more than 50 million people. India doesn't have a national language but Hindi and English are both official languages.

There is a huge demand for labour in sectors like infrastructure, banking , insurance, real estate and construction. India regularly tops the world charts for attrition, and organisations in India must give serious thought to what drives employee commitment. Firms need to place more effort in skills development programmes, how they communicate and their employees' work/life balance and management styles. So is there a specific Indian management style?

Unlike many other countries, India has numerous family-owned and run companies with Indian entrepreneurs staying with their business till the end. It's also a norm for the owner's children to take over, which is less common in the US or other western countries. Legacy issues are much stronger in India. This does lead to decisions still being made at the very top of the leadership chain. Status, age, position and rank still continue to be important in terms of authority and respect seen in the workplace. At the same time, the family conglomerates recognise the need for professional managers who can work alongside them seamlessly – this is clearly visible in Tata, Birla, Mittal, etc.

Indian business is characterised by its dexterity, greater employee engagement, an ability to improvise and creatively deliver value to customers. It's not that Indian managers are inherently more creative than their counterparts elsewhere but they work in a complex, unpredictable environment with much bureaucracy. They therefore have to be able to move with a constantly-changing and evolving policy framework, low quality of infrastructure, corruption and bureaucratic procedures.

Indian managers are used to finding ways around obstacles, including lack of resources. It's a mindset captured by the Hindi term "jugaad", which means an innovative fix or simply bending the rules to find a creative solution. But there is also a downside to jugaad – it often leads to less sustainable or lower quality solutions which do not create lasting improvements.

In addition, some 80 per cent of all Indians have Hinduism as their core belief. As a result, many Indians still today operate with their age-old traditions. Babel's Cultural Trainer, Deepak Mahtani, comments "although it has been outlawed and many modern Indians in the big cities will quickly tell you it does not exist, one of the key beliefs in the caste system is that of status, which still pervades the mentality and mindsets of many Indian managers". Whilst the system may have less of an influence that it did in the past, its impact is evident in the hierarchy found in India today.

This then translates in a number of observable behaviour patterns: tight control at the top, limited delegation, manager's value status and power, staff awaiting and expecting directions, personal instructions, ability to cope with uncertainty and a fertile ground for creativity. Deepak adds "Workers are often told what to do and how it is to be done. This is one of the key criticisms of Westerners doing business in India".

Also significant is leadership style. In contrast to many Western cultures that have adopted a participative or empowering leadership, which stresses active participation, initiative, idea generation and a greater delegation of responsibility throughout the organisation, Indian leadership style tends to be more directive. This is common to India and much of Asia. Directive leadership stresses the direction given by senior managers to those junior to them. It looks to the boss for instructions, knowledge, wisdom and strategy, and does not encourage much initiative or feedback.