1-1-2011

Front Matter of Volume 6 Number 1

Tufail A. Qureshi

Institute of Business Administration, Karachi, Pakistan

Follow this and additional works at: https://ir.iba.edu.pk/businessreview

Part of the Business Commons

This work is licensed under a Creative Commons Attribution 4.0 International License.

iRepository Citation


This article is brought to you by iRepository for open access under the Creative Commons Attribution 4.0 License. For more information, please contact irepository@iba.edu.pk.
BUSINESS REVIEW

Chairman Board of Editors
Ishrat HUSAIN

Editor
Tufail A. QURESHI

INTERNATIONAL EDITORIAL BOARD

Deepak KAPUR
Institute of Management Technology
Ghaziabad, UP, India

Arun Diwaker Nath BAJPAI
Rani Durgavati University
Jabalpur, MP, India

Low Sui PHENG
National University of Singapore
Singapore

Khurshid M. KIANI
Bang College of Business
Almaty, Republic of Kazakhstan

S.W.S.B. DASANAYAKA
University of Moratuwa
Sri Lanka

Badar Alam IQBAL
Aligarh Muslim University
Aligarh (UP), India

Faisal Manzoor ARAIN
Southern Alberta Institute of Technology
Canada

Khursheed OMER
University of Houston
Downtown Texas, USA

Agung NUGROHO
Atma Jaya, Catholic University
Jakarta, Indonesia

Liu Jun YING
Tiajin University, Tia Jin
China

M. Aminul ISLAM
University Sain
Malaysia

Menno ADEN
Technische University
Dortmund, Germany

Shamas-ur-Rehman TOOR
University of New South Wales
Australia

Ahmed Audu MAIYAKI
Bayero University, Kano
Nigeria

Akif HASSAN
IQRA University, Karachi,
Pakistan

Abdul RASHID
International Islamic
University, Islamabad, Pakistan

Khadija Malik BARI
Institute of Business Administration,
Karachi-Pakistan

Talat A. WAZARAT
Institute of Business Administration,
Karachi-Pakistan

Zeenat ISMAIL
Institute of Business Administration,
Karachi-Pakistan

Naved AHMED
Institute of Business Administration,
Karachi-Pakistan

Mirza Sardar HUSSAIN
Institute of Business Administration,
Karachi-Pakistan

Abdul RASHID
International Islamic University
Islamabad-Pakistan

Business Review is a peer reviewed bi-annual research journal of the Institute of Business Administration (IBA) Karachi. It is recognized by the Higher Education Commission (HEC) of Pakistan and is internationally abstracted/indexed in the Journal of Economic Literature (JEL) and EBSCO database.
Volume 6 Number 1  January - June 2011

CONTENTS

Editorial Perspective .......................................................................................... 2

ARTICLES

International Financial Reporting Standards: A Cautionary Note for Emerging Economies: Khursheed Omer and Darshan Wadhwa ......................... 9

Integration Management for Green Business to achieve Sustainability and Buildability: Low Sui Pheng and Ng Wei Chen ........................................ 27

Foreign Direct Investment and Manufacturing Export in Nigeria: Nasiru Musa Yauri ....................................................................................... 51

Global Challenges for SME in Sri Lanka and Pakistan in Comparative Perspectives: S.W.S.B. Dasanayaka ......................................................... 61

Role of Information and Communication Technologies in Perceived Organizational Performance: An Empirical Evidence from Higher Education Sector of Pakistan: Irfan Saleem, Tahir Masood Qureshi, Saba Mustafa, Farooq Anwar and Tahir Hijazi ................................................................. 81

Internal Debt and Private Investment: Evidence from Pakistan: Muhammad Ramzan Sheikh, Muhammad Zahir Faridi and Shoukat Malik ................. 95

A Profile Analysis of the Customers of Islamic Banking in Khyber Pakhtunkhwa: Syed Umar Farooq ........................................................................ 107

DISCUSSION


CASE STUDY

A New Business Paradigm in the Offing: Using the Concept of Just-in-Time Production: Aman U. Saiyed .............................................................. 143

Note for Contributors ....................................................................................... 153
EDITORIAL PERSPECTIVE

When the group or civilization declines, it is through no mystic limitation of a corporate life but through the failure of its political or intellectual leaders to meet the challenge of change.

- Will and Ariel Durante

No one can claim to understand the corporate culture better than the man who has sought the image of the corporate world-view with its prejudices and naiveté, inclinations and passions, in order to learn and then to understand what we have to fear or to hope from its progress and its fatal flaws. Corporate culture shares andcelebrates the weaknesses and strengths of the bureaucratic compulsions and the stifling orientation of the technocratic parlance. Corporate Man need not belong to the unholy company into which it has been drawn because of his pathological fear of change and his failure to respond to its challenges creatively in the manner described by Ibn Khaladun and A.J. Toynbee. Instead, he has found a way of escape from the imperious presence of change by living in denial, glorifying the artificial reality created by his uncritical and unquestioning subservience to the status quo.

Thus, under the force of circumstance, corporate culture has assumed quite as much as any other system of management. However, in the field of education the triangular configuration – corporate, bureaucratic and technocracy – have a way of turning out to be hardy perennials. They have become the irritants, if not the thorns, in the heart of liberal education and creative imagination. Year after year, in seminars and conferences, held by educational institutions and business organizations, solitary and deep voices have gently sounded warnings against the galloping specialization and the present-day departmentalization of knowledge. It is not that there is something intrinsically wrong with such orientation, if we do not forget that analytical attitude can be dangerously discursive. Likewise, our present day departmentalization of knowledge can be of immense importance if we remember to put back together what we have taken apart. Clarence B. Randall, in his The Folklore of Management, has reminded us of various managerial myths that need to be scoffed at. The myth of the specialist is one that specially needs debunking in the interest of a philosophy of corporate world-view. It has always been the task of philosophy to place matters in their true perspective but there is clearly a danger that such theses may be rashly applied to lend urgency to the warning sounded by Randall.
Randall has stated that: “Unless the danger is seen in time, galloping specialization can bring any company to the brink of chaos. The remedy? Top managers with the breadth of vision only a liberal education can provide”. These managers, we are inclined to assume, ought to be the well rounded men and an embodiment of what Covey calls the “character ethics”. They should not assume, as they mistakenly do, that in abiding by the ethical principles and in glorifying their self ennobling hedonism, These men are trying to set up ethics against economics. They are not. It is just that they do not see why ethical conservatism should be antithetical to economic conservatism.

He is a wise manager indeed who has lived through the rough-and-tumble days of the vicissitudes of corporate culture, a man who has grown wiser to realize that the challenge of change demands new ideas and creative response to keep a culture, including corporate culture, or a world-concept from rigidifying into a petrifying dichotomy between thus it is and thus it ought to be. What the corporate culture and the corporate world needs most is the Man in the Gray Flannel Suit – a well rounded man, a total man, with strong ethical and moral convictions, creative vision and the will to truth. He is the ideal corporate manager who is not shy about making bold pleas for the liberal education of the corporate executive. He is the man who can endure the burden of character and engage in the moral reconstruction of the corporate world-view. He is the man who believes that the corporate management must have a human face and, therefore, in his own way, he is seeking a critical and creative understanding of the place of decision and value in corporate management and the place of honesty and truth in business. Randall untiringly warms the business executive against upholding expediency over truth, or elevating the interest of the business over his personal ethical and moral integrity.

That there is need to reinterpret the ethico-moral dimension of the corporate experience cannot be over stressed, especially in view of the fact that interpretations do tend to be organized round certain large polarities: Moral versus Immoral. At the same time, there is also growing realization that “the dialectical tendency of mind, the habit of seeing life as a collision of radically opposed forces and values has been accentuated by special conditions of experience” in the corporate culture. But what is not stated clearly and investigated methodologically are the “special conditions of experience” which have nurtured the “radically opposed forces and values” in the corporate culture.

Corporate management is rotten to the core and that is only one very unflattering observation. The accusations about the corporate culture are many and it beggars belief that a corporate thinker, or a management executive, has never felt the need to convince us that not all accusation reflect the sickness in his heart and that some of the indictments are not based on truth. But truth loving people cannot astray from the truth for very long. Disputes and differences of orientation can indeed result
in a collision of motivations and values which are not based on truth. In life, and in management, nothing is settled unless it is settled right and nothing is settled right unless it is predicated on truth.

Warning against the misleading projections about the company’s financial health, Paul Galvin, founder of Motorola says: “Tell them the truth, first because it is the right thing to do and second because they will find out anyway”. In contrast to such principle oriented view of Galvin, Johnson F. Ross, CEO of R.J.R. Nabisco offers quite an antithetical view of corporate management. “Never play by the rules, never pay in cash and never tell the truth”. Ultimately, it is a matter of choice and, as in the realm of value judgment, in matters of choice, not to choose is also a choice; just as in a given situation, characterized by decision making, not to decide is itself a decision.

Tomorrow is already on us and very soon today will never be the same again. We “cannot step in the same river twice”, said the Greek philosopher Heraclitus. Let us not resist change; and let us not sit back and hope in vain. Let the brilliant sun set and let it shine from wherever it chooses to rise. Let us move on to the eternal beyond, let us look forward to the infinite yet to be.

Let us seek the happiness of transformative change. Let us not, in resignation, acquiesce to the “given” world, the world as it is. Let us, in our creative rage, change the give world into the world as it ought to be. Let us give the faceless world the human face. Let us give the heartless world a feeling heart. Let us strive to seek the joy and the thrill of the early morning breeze of the world-to-be.

When such dictums of enabling character are drawn into the pedagogy of business education, together they will result in the hope that the reconstruction of the corporate world-view will lead us to our joyous acceptance of corporate social responsibility for our ‘portion of the world’. Such an attitude of care and concern for the worldliness of our world will also produce in ourselves deeper sentiments and instincts resulting in the cultivation of a much desired business ethos, liberating corporate man from his obsessive-compulsive neurosis.

The corporate consultants and CEOs do not build the bridges between ethics and economics; rather they happily engage in the INSIDE JOB. For their trickery, these dream merchants get fabulously paid for shattering the hopes of the stakeholders. The genius of these mandarins for good and evil is simply incredible.

Just like the Freidman and Freeman debate, concerning the Contest of Profit Motive and Social Responsibility, disagreements regarding the place of honesty and veracity in business occur between those who believe that corruption and deception are built into the business system. Prof. Miller, for instance, seems to imply that in
the corporate world only “the law of jungle prevails”. On the contrary, Clarence Randall believes that inspite of the fatal flaws characterizing the corporate system, business leaders “can and must set a moral and spiritual reawakening”, that the corporate leaders can contribute immensely to the social welfare of man. The thought is not a thing of recent vintage or provenance; it was, since a long time, in the making. The expectation, built into the observation, is not new either. The need to draw ethics into the fold of economics and to bring moral discourse into the domain of corporate management was felt and articulated way back by the ablest men of noblest moral character. For example, Frank Abrams, former Chairman of the Standard Oil Company of New Jersey, believed that “business management is a profession” and the “hall mark of profession” is its “strong sense of responsibility to the community” (Harvard Business Review XXIX 1951). R.J. Cordiner, President of Electric Company, emphasized that generalized knowledge (provided by liberal education) along with direct service to the community are indicators of professionalism. (Ibid pg 45)

Addressing George Washington University, the managing director of the IMF, Dominique Strauss-Kahn, advised policy makers to do a ‘major regulatory surgery”. As opposed to the old pattern of globalization, he said, “the new global governance must also pay more heed to social cohesion, It must have a more human face.”

“Ask yourselves”, said the IMF chief, “what kind of world do you want to live in? Surely one that is more intelligent, more just and more virtuous than the old one” – We may continue to add, of course not the world as it is i.e. , the “given” world, a world that cannot be other than what it is and therefore cannot be constructed and reconstructed into the world as it ought to be.

The “given” a world has grown too old to endure the burden of character to enjoy the excitement of creative change. Indeed, corporate man has been betrayed, time and again, by the events and circumstances of his being-in-the-world. It is not surprising, therefore, that he so passionately desires to live in a world whose worldliness is not surrounded by hideous ignorance, ugly, dehumanizing, crude and crass prejudices, injustice, pride, poverty and lust for power and wealth. It is a world which destroys man’s humanity, personal integrity and self-respect, a world which adds no meaning, purpose and value to his existence. It is a world in which honesty, truth and virtue are mocked at or, at best, greeted with derisive smile.

It is not quite an ethical or moral scenario of the corporate world; but it is a familiar one. It may not be very much to the liking of a corporate thinker but there is an existential side to it. What adds pathos and tragic sense to life is the realization that life is only once in a life-time opportunity and who among us can avoid it? But life is a poor thing indeed, nasty and brutish, ugly and absurd, if we have to live for
something we are not willing to die for or have to die for something we are not willing to live for. When death is the hunter, there is so much at stake in life and a man of conscience who has a mind of his own has no time for regrets.

The creator of Disney World was once asked about the limit of animation. Without a moment’s hesitation Mr. Walt Disney replied: *Imagination.*

What would the world be like if we really could not possibly *imagine* the way it *ought* to be and if we really did not care to use our creative imagination as a revelation of the *world-to-be*. It is a frightening thought to live in a world whose worldliness permits no other description except “*thus it is and it cannot be otherwise.*” The understanding of our being-in-the-world, is bound to change our understanding of the meaning of the world. Phenomenological understanding of the world symbolized by the hyphenated relationship of man inserted into the world, differentiated and pronounced by the preposition *in* makes the world a *lived-world*, the world different from the vacuous “world-concept”. Such a world, “the world” does not exist; only the worlds exist; yours and mine, his or hers, idealistic or materialistic, corporate or bureaucratic, the world of a rich man and the world surrounded by hunger and abject poverty. Moreover, we do not live in different worlds; we all live in the same world *differently*. Our aim, while we happen to be in the world ought to be to form and reform, to construct and reconstruct the world on such a basis that the world as it is will allow man to imagine the world as it *ought to be*. In the Quranic parlance, man is not only responsible for “his portion of the world”; he is also responsible for creating the kind of world he would want to live in. Man’s being-in-the-world is a trial by existence. When he resigns himself to the world as it is, time offers no salvation, future represents a line already drawn, rather than a line in the drawing, transcendence disappears from his world and hope dies. In such a world, man creates no new values or ideals. He makes no effort to preserve the past for the future. Such a world unfolds no new horizons and, in such a world, man lives without a unified or unifying perspective on the transcendental and creative meaning of his relationship to his being-in-the-world. The preposition *in* does not give a human description to his condition. It does not allow him to imagine that his being in the world is in the manner of becoming. His situation does not exalt his creative will, nor does it allow him to move on to the broader questions of ethico-moral significance. His predicament strangulates his *freedom* into petrifying *necessity*. It destroys his creative will and the will to power which is the will to truth.

Let us sum it up by reiterating that the generalized knowledge acquired through and provided by liberal education is the desideratum of the present day business culture. Wallace B. Donham who became Dean of the Harvard Graduate School, was among the earliest corporate thinker and a highly articulate crusader for higher ethical and moral standards in the schools of Business Education.
As early as 1922, in the first article of the first issue of Harvard Business Review, Donham expressed his wise appreciation of the important professional and pedagogical aspects of business education. He recognized that pious platitude were no substitute in professional codes of ethics for concrete and specific rules. He even emphasized the need to create a language that can be used to express professionalism and specialization effectively as a means of communication of the values of corporate culture within the domains of moral and ethical discourse. His ideological concept of professionalism is a typical expression of the need for ethical and moral orientation of business education and its role in the service to the community. According to him: “The development, strengthening, and multiplication of socially minded business man is the central problem of business. Moreover, it is one of the great problems of civilization, for such men can do more than any other type to rehabilitate the ethical and social forces of the community.”

Tufail A. Qureshi
All that man has is life. What he makes of it, or what it makes of him, is all that counts. Society and culture have emerged in part to facilitate our animal desires, but they can also be a mask for deception. Man has knowledge. Through knowledge he may discover what he is, what he needs, what he desires, and what he can have. But knowledge is the instrument of desire, and desire of life; yet life ultimately ends in death. Life while lived can be good and bountiful: love, devotion, kindness, knowledge, achievement, success, well possible within limits. But all good things must pass, and life has its bitter end. Some may develop feelings of resignation toward these brute facts. Some may panic or lose nerve. In any case, the facts should be allowed to speak for themselves.

Paul Kurtz – *Decision and the Condition of Man*, page 288