



DOI: [10.5947/2454-9827.2022.00009.39](https://doi.org/10.5947/2454-9827.2022.00009.39)

## THE IMPACT OF GLOBALIZATION IN INDIA

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### INTRODUCTION

Globalization can be defined as the process of social, political, economic, cultural, and technological integration among countries around the world.” (Luthans & Doh, 2018, p. 7). This concept has paved the way for Multinational Corporations to expand their business to all Countries. The expansion of ideas has made the face paced world now even faster. So, what does this mean for businesses? Globalization allows businesses to communicate efficiently and timely through technology, Corporations can travel to see their direct work in a country due to the advancement of transportation, and off-shoring of businesses has become quite common and beneficial to both home and foreign Country. This paper will include an analysis of Indian culture and what that means for globalization, and it will discuss three major topics of globalization in detail. These include, Technology, Transportation, and Off-shoring of business.

### INDIAN CULTURE

Indian culture is rich and diverse. In order to understand globalization and its impact on India, it is important to unpack the Indian culture, particularly in business and management. Family seems to be very important in the Indian culture. The divorce rate in India is very low, and they hold marriage at a very high standard. (India| Etiquette, Customs). This could be very important in a business aspect being that some smaller businesses are family oriented and staff is more likely to be related/family in some way. Indian culture is also known for their traditional clothing. Called the “sari” for women and the “dhoti” for men. (India| Etiquette, Customs). These fashions are loose and flowy, covering most of the body. India is known for its modesty and this etiquette can also translate over into business. (India | Etiquette, Customs). This can tell us that building relationships is key in Indian culture and business and management. “When first meeting someone, it is common to be introduced by a third party” (India | Etiquette, Customs). This shows how important a first meeting can be. Multinational Corporations needs to be cautious when meeting Indian partners for the first time. Getting to know them first will be key in gaining trust, and ultimately a business partner.

Globalization has affected Indian culture in both positive and negative ways. With the expansion of social media throughout the world, Family values, clothing, and even business etiquette have transformed to a more Western like approach. Indian families are becoming more diverse, with women being held of the household which was almost unheard of beforehand (Rao, et al., 2013). Due to globalization you can now see traditional Indian clothing fading. In India, people are wearing pants, t shirts, blouses (Impact, 2017). Overall globalization is shaping the world to look more alike everywhere. The same dress, clothing, language is all spreading. This will spread into business management practices as well. While, business may not be held the same way in every country, the way everyone thinks is becoming more alike. This being a positive or negative thing is something to decide, but ideas are spreading, and culture is changing everywhere.

## TECHNOLOGY

Technology is key in society and expansion of business and management in this day in age. Everyone has smart phones and uses social media. Telecommunications are becoming a prime investment for multinational corporations in India and other countries as well. “1 billion wireless devices are in circulation in India” (Luthans & Doh, 2018, p. 65). This shows that globalization is impacting India and their telecommunications sector of business. According to ibef.org, India is ranked second in the world, in the amount of app downloads and cell phone subscriptions (Brand India, 2017). The market size is growing tremendously in India and people are interested. There is also major room for growth and investment in the telecommunications sector in India. India still contains a good amount of rural area, and there is great room for expansion of business into these areas. According to ibef.org, 70 percent of the population in the country lives in a rural community. (Brand India, 2017). There is still a lot of impact to be made in these rural areas with telecommunications. Recently, Two big cell phone companies in India, Vodafone India and Idea Cellular merged into Vodafone Idea (Brand India, 2017). This merger has shown the big movement toward telecommunication in the Country. Globalization of technology has had a major impact on this transformation in telecommunications in India. Without the spreading of ideas around the globe, this type of technology would not be able to grow and prosper. People would not be able to call one another at the drop of hat. The globalization of technology has ultimately changed the way we communicate. This effects big businesses, in that they can communicate new ideas quickly and efficiently. It also effects smaller, local businesses and even agriculture. With technology you can sell your product at the drop of hat, with a push of a button.

## TRANSPORTATION

Transportation has transformed in big ways in the last decade due to globalization. Carriages and wagons have transformed into in cars and airplanes. In almost all countries we can fly in planes or jets and get to a different country in only a few hours. You can physically be in a different country quicker than ever before. This means the movement of goods to consumers can be done quickly and efficiently in a different country. Businesses can operate faster and more efficiently. Also, Multinational Corporations can travel to a place of business to see how it is running and being managed using these new modes of transportation.

Transportation seems to be a slow development in India, not that the Country does not have the means of transportation but that it is not as advanced as it could be due to globalization. With a population of 1.3 billion,

only about 5 percent of Indian families own cars with the main form of transportation in the country being public (Transportation, 2018). Meaning most people are using buses and taxis to get around. This is due to road being overcrowded, small and not properly maintained because of low budgeting within the country (Transportation, 2018).

India's railway system seems to be the most effected by globalization as far as advancement. Considered one of the busiest railroad systems in the world, the railway plays a big part in the Indian economy (Transportation, 2018). The Indian government also has proposed a plan for bullet trains in India. These trains will almost cut the time in half it takes to travel. The trains will be purchased from Japan, and manufacturing will be done in India as they open plants. Bids are being considered by Kawasaki and other companies (Preske, 2018). This advancement in the railway system will open new jobs by way of manufacturing plants, and the people of India will be greatly affected in that they can travel faster and more efficiently. This shows globalization in India with a combination of technology and transportation. The two categories go hand in hand, especially as the world get's more advanced. As India's technology advances, their transportation and aspects of it will advance as well. India will have a way to advance railways for the rest of the world due to the bullet trains. Globalization in India has impacted transportation and will continue to do so in the future.

## OFF- SHORING IN INDIA

Offshoring can be defined as "The process by which companies undertake some activities at offshore locations instead of in their countries of origin". (Luthans & Doh, 2018, p. 7). Offshoring can be an asset to a business in that by offshoring to a foreign country, the business can save money in ways like manufacturing, payment of employees, and saving taxes. (India Representation Company, 2016). As mentioned earlier, India has a very high population and due to the advancement of offshoring because of globalization it is a very sought out Country to offshore business to because of this.

Globalization has allowed offshoring to grow in great ways. Globalization has allowed Countries in different time zones to longer be looked at as a disadvantage. For example, between the United States and India there is about a 10-hour time difference depending on your time zone. If you have a company in India, the employees in India can be preparing contracts while your U.S. employees are sleeping. In the morning the contracts are ready for the U.S. employees to view and work on as needed. (India Representation Company, 2016). This allows a company the advantage to be always working and growing their business. It also helps the employees to not be overworked in that they are only doing their job, during their time. The business now runs like a machine from across the globe all due to globalization.

India's biggest offshoring industry is Information Technology. (India Representation Company, 2016). The people of India are known for being very smart and technologically savvy. This makes them a very large asset to businesses in the United States. Offshoring of I.T. to India boosts India's economy by providing more jobs for more workers and boosts the home country by decreased expenses as well as increased productivity.

Overall globalization has widely had an impact on offshoring in India. Due to the expansion of offshoring in India the economy has boosted. The advantages of a large population and skilled workers has put them at the top in offshoring of businesses like Information Technology.

## CONCLUSION

Globalization is a phenomenon that has impacted the entire world. The growth and spread of ideas from Country to Country has made it possible for the world to grow faster and more efficient in business. India has gone from a Country with little to offer, to a Country with a wide variety of skills and assets, all made possible by globalization. The culture has changed from one of traditional values, clothing, food, to a culture with an open mind of women's rights, western clothing. Technology has advanced in India like never before, with a smart phone in every hand and communication at everyone's fingertips. Trains that move at high speeds are getting people from place to place more efficiently than in the past. Companies are expanding into different Countries to better their businesses. Overall, globalization has made a major impact in India. The spread of ideas has allowed the Country to grow and further advance the things it was already good at. Technology, Transportation, and Offshoring are just three aspects of globalization that have had an impact in India. As new ideas come and spread through globalization, India will grow in new ways in the future.

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