

# Chief Executive Officers of American Corporations from India

Mridul Tamuli<sup>1</sup> and Sumit Mallick<sup>2</sup>

<sup>1</sup>. MA (Political Science), Ugc-Net, Junior Administrative Assistant, College Of Fisheries, Aau, Raha, Nagaon

<sup>2</sup>. B.F.SC Student, College Of Fisheries, Assam Agricultural University, Raha, Nagaon

\*Corresponding Author E-mail: sumit.mallick8@gmail.com

---

## Abstract:

People say that it is something to feel proud about that Indians are so successful in foreign countries. They're making India proud. But on the other hand, some people term it as Brain Drain. Memes are shared with "Indian study, for America to prosper." People blame things for caste reservations for this brain drain.

**Keywords:** Brain Drain, CEOs, American Companies, and Cosmopolitanism.

---

Date of Submission: 25-12-2021

Date of Acceptance: 06-01-2022

---

## I. INTRODUCTION:

An Indian-origin person becoming the CEO of a big American company has so many examples, that you'd be surprised. After 2014, Satya Nadela became the CEO of Microsoft. Since 2015, Sundar Pichai has been the CEO of Alphabet Inc or Google. Since 2007, Shantanu Narayen is Adobe's CEO. From 2020, Arvind Krishna is IBM's CEO. Anjali Sood is Vimeo's CEO since 2017. Amanpal Bhutani, GoDaddy's CEO since 2019. During 2006-2018, Indra Nooyi was Pepsi Cooperation CEO. During 2010-2020, Ajay Banga was MasterCard's CEO. The trend isn't seen only in American companies. It is also seen in Australian companies. Some examples can be seen in British companies as well. Most of these people are of Indian origin. Existing research indicates that CEOs' education influences their decision-making process (Becker, 1970; Dollinger, 1984; Gunz & Jalland, 1996; Schroder, Driver, & Struefert, 1967).

## II. DISCUSSION:

India, it is so closed-off that a foreigner becoming the CEO of an Indian company is so far-fetched, even Indians themselves don't get the chance to become the CEO in an Indian company, because most of the Indian companies are a family business. CEOs with financial education have greater knowledge about the market trends and conditions, which help them to choose the right investment alternatives (Malmendier & Tate, 2005b). Have you ever noticed that the names of many Indian companies are based on the surname of the family? Adani, Tata, Birla, Godrej, Bajaj, Mahindra, Jindal, Mittal, Oberoi, Goenka, Byju's, Shiv Nadar. Using one's family name as the company isn't out of the ordinary, but the problem arises when the top leadership positions of these companies are occupied only by the family members. We get to see an unhealthy amount of Nepotism here and Meritocracy is strictly lacking. Think about it, for an IIT graduate, it is much more difficult to become the CEO of Mahindra or Bajaj group as compared to becoming the CEO of Google because there are so many family businesses here. In most companies, people from outside the company are hard, if ever, given the position of CEO. Another interesting trend is seen here that of the Indian-origin CEOs, most of them work in the field of tech. Most of these Indians are software engineers, who've studied in the IT field. And then they started working at these big tech companies or product companies and took their careers to the next level. So many CEOs have studied Software Engineering and almost all the CEOs have an engineering background, so you'd imagine that there is a good scope of engineering in India. If you ignore the top college like IITs, then apart from these prestigious universities, the standard of engineering colleges in India is terrible. The root problem is that these low-quality engineering colleges are simply churning out engineering degrees, and the actual skills that need to be taught to the college graduates, aren't being taught by them. That's why their graduate engineers have no skills and they are unfit for jobs. According to the available research, variables such as tenure, education, background, age, and gender can be used to estimate the psychological and social qualities of CEOs (Hambrick, 2007).

As Indians, we feel very proud if an Indian origin person becomes the CEO of an American company. But in how many Indian companies are from America, Nigeria, China, and Japan? In fact, how many examples

are there of a foreigner being the CEO of an Indian Company, it is very rare. One example that we can think of is the CEO of Tata Motors, Guenter Butschek, he was the CEO between 2016 to a few months ago in 2021. But such examples are very rare. Similarly, Indians feel very proud when a person with Indian ancestry, gets to a political position in a foreign country. Like Kamala Harris and Bobby Jindal in the USA etc. Traditional corporate finance theories assume that corporate executives are totally rational and always make the best financial decisions in order to maximize the firm's worth (Oliveira, 2007).

But when it comes to Sonia Gandhi, then the very first point of criticism that we have is Sonia Gandhi's Italian origin. How can an Indian politician be born in a foreign country? Millenniums ago, our Upanishads talk about the concept of "The World is my Family" and every people in the world is like a family member. Today, you can describe it with one word cosmopolitan. While on one hand, countries like Australia, the USA, and the European countries have accepted the ideology of Cosmopolitanism. On the other hand, India and many other Asian countries, have not embraced the spirit of this concept yet.

### III. CONCLUSION:

Just for the sake of saying it, we say "Guest is like God", but the ground reality is that we get to witness attacks on Africans, we see Xenophobia. Not only the foreigners, for people traveling from one state to the other in their own country, has it become difficult to do so. We get to see such examples in the states like Maharashtra and Gujarat, how the UP and Bihar migrants have to suffer atrocities there. Kashmiri students are attached in states like Rajasthan, UP, and Haryana. In 2021, ICSSR commissioned a Government study. They interviewed about 1,200 people across 6 metro cities. It was found that North-eastern peoples have had to go through so much harassment ever since the Covid outbreak. Another strand of literature argues that younger CEOs are risk lovers, have higher energy levels, make bolder decisions, and make riskier investments compared to older managers (Li *et al.*, 2014; Roberts & Rosenberg, 2006; Serfling, 2014).

About how Indians go abroad and become the CEOs of foreign companies, the blame is often put on Caste Reservations. But, if you think about it, do you get caste reservations in private jobs? There are no caste reservations in private jobs and also if you want to start your business or your company. The real reason behind it is that the societies of these countries, and very open and accepting of outsiders. And these countries do not have Casteism, Communalism, and Regionalism like in India. Also, neither is nepotism seen in family businesses. It is easier to do a job or a business without having to face discrimination. It's not that America doesn't have extreme right-wing people, or that there are no racist attacks. If we take about Cosmopolitan then America stands out the most when compared to all other countries. America is thought to be the Land of Opportunities and it is quite true. It is one of the major reasons why America could become a superpower. If you look at the list of Fortune Top 500 companies of 2017, you'd find that 57% of the CEOs of the Top 35 companies are immigrants. Either they are from outsider America, or they are the children of immigrants. And of all the immigrants, Indians are the dominant group for tech startups.

### REFERENCE:

- [1]. Hambrick, D. C. (2007). Upper echelons theory: An update.
- [2]. Malmendier, U., & Tate, G. (2005). CEO overconfidence and corporate investment. *The journal of finance*, 60(6), 2661-2700.
- [3]. Gupta, G., Mahakud, J., & Debata, B. (2018). Impact of CEO's characteristics on investment decisions of Indian listed firms: Does crisis make any difference?. *Cogent Economics & Finance*, 6(1), 1439258.
- [4]. Gupta, G., Mahakud, J., & Debata, B. (2018). Impact of CEO's characteristics on investment decisions of Indian listed firms: Does crisis make any difference?. *Cogent Economics & Finance*, 6(1), 1439258.

Mridul Tamuli, et. al. "Chief Executive Officers of American Corporations from India." *IOSR Journal of Humanities and Social Science (IOSR-JHSS)*, 27(01), 2022, pp. 24-25.