

## ASEAN Champions

With a population of about 620 million people, and a combined GNP of more than \$2.4 trillion, the ASEAN Economic Community (AEC) is set to become the seventh largest economy in the world. Launched in December 2015, the AEC unveiled initiatives to create a single market and production zone, a competitive and equitable region, and integrated links to the global economy. *ASEAN Champions* seeks to address the role of the strong local firms in regional integration; how these “champions” succeeded and endured, despite facing adverse circumstances; and the factors that facilitated or impeded their participation in regional integration. The book provides insights for future firm- and government-led strategies to enhance the integration process. By complementing current narratives that focus on macroeconomic, sociopolitical, and trade considerations, Park, Ungson, and Francisco offer an enlightening and engaging read, ideally suited to academics and professionals alike.

Seung Ho Park is Parkland Chair Professor of Strategy at China Europe International Business School. He was the founding President of Samsung Economic Research Institute China. He coauthored the award-winning book *Rough Diamonds: The Four Traits of Successful Breakout Firms in BRIC Countries*, and his research has been published in leading journals, including the *Academy of Management Journal*, *Academy of Management Review*, and the *Journal of International Business Studies*.

Gerardo Rivera Ungson is the Y. F. Chang Endowed Chair and Professor of International Business in the College of Business, San Francisco State University. He was formerly a Senior Resident Scholar with IEMS in Beijing. With Seung Ho Park, he won the *Strategy + Business Award* for the 2013 Best Book on Globalization for *Rough Diamonds*.

Jamil Paolo S. Francisco is an Associate Professor of Economics at the Asian Institute of Management (AIM). He has published journal articles on financial markets, environmental economics, and household adaptations to climate change, and has led several research projects under the Economy and Environment Program for Southeast Asia of the IDRC, and under the East Asian Development Network.

Cambridge University Press  
978-1-107-12900-9 — ASEAN Champions  
Seung Ho Park , Gerardo Rivera Ungson , Jamil Paolo S. Francisco  
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# ASEAN Champions

*Emerging Stalwarts in Regional Integration*

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Seung Ho Park  
Gerardo Rivera Ungson  
Jamil Paolo S. Francisco



CAMBRIDGE  
UNIVERSITY PRESS

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## CAMBRIDGE UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

[www.cambridge.org](http://www.cambridge.org)

Information on this title: [www.cambridge.org/9781107569591](http://www.cambridge.org/9781107569591)

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First published 2017

Printed in the United Kingdom by Clays, St Ives plc

*A catalogue record for this publication is available from the British Library.*

*Library of Congress Cataloguing in Publication Data*

Names: Park, Seung Ho, 1961. | Ungson, Gerardo Rivera, author. | Francisco, Jamil Paolo S., author.

Title: ASEAN champions: emerging stalwarts in regional integration / Seung Ho Park, Gerardo Rivera Ungson, Jamil Paolo S. Francisco.

Description: New York: Cambridge University Press, 2016. |

Includes bibliographical references and index.

Identifiers: LCCN 2016026915 | ISBN 9781107129009 (hardback) | ISBN 9781107569591 (paper back)

Subjects: LCSH: Southeast Asia – Economic integration. | Southeast Asia – Economic policy – 21st century. | Southeast Asia – Politics and government – 1945– | BISAC: BUSINESS & ECONOMICS / International / General.

Classification: LCC HC441.P347 2016 | DDC 337.1/59–dc23

LC record available at <https://lccn.loc.gov/2016026915>

ISBN 978-1-107-12900-9 Hardback

ISBN 978-1-107-56959-1 Paperback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party Internet Web sites referred to in this publication and does not guarantee that any content on such Web sites is, or will remain, accurate or appropriate.

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978-1-107-12900-9 — ASEAN Champions  
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To Our Beloved Family Members  
*Ja Young, Alexandra, and Amelia*  
*Tegan Joann, Boden Kai, Ryan Makena,*  
*and Charlotte Hazel*  
*Baldwin and Josan*

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Cambridge University Press  
978-1-107-12900-9 — ASEAN Champions  
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Frontmatter  
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## Notes on the Authors

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East Asian Development Network (EADN). He has published journal articles on financial markets, environmental economics, urban studies, and household adaptations to climate change. He is currently engaged in research on ASEAN economic integration and its implications on the socioeconomic development of its member states.

## Foreword

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When the Asian Institute of Management (AIM) was established in 1968, it was with the vision that AIM would develop the next generation of socially responsible leaders and managers who would make a difference in Asia's emerging markets. It is this core philosophy that has propelled AIM to constantly improve its curriculum and degree programs, and generate research and cases that our societies can learn and benefit from.

This 2015, we are presented with a multitude of opportunities, inasmuch as challenges, with the ASEAN economic integration. Our ten member states comprise an economic bloc that could easily become the fourth largest economy in the world by 2050. Our diverse population numbers over 620 million people.

With goals of a single market and production base, the need for talent has dramatically increased. We need leaders who can adeptly navigate the shifting ASEAN business landscapes. That is where AIM, as a pioneer in management education in Asia, can and has already contributed.

Professors Sam (Seung Ho) Park, Buddy Ungson of Rough Diamonds fame, and AIM's own Professor Paolo Francisco share invaluable insights into the economic integration through their stories on the fifty-eight ASEAN organizational champions. These champions represent industries ranging from power generation and distribution to air transportation and civil construction, from telecommunications and agriculture to health care, education, and real estate.

Learning from the experiences of these successful organizations, we get to understand what contributes to their resiliency, despite periods of financial crises, challenging macroeconomic conditions, cultural diversity, and inconsistent and/or inadequate government policies.

These analyses of the ASEAN champions included in this book are important to us because they are able to provide prescriptive frameworks on how to best take advantage of the regional economic integration and how we, as leaders, can best steer our respective organizations' strategies and take calculated risks to ensure that we can achieve sustained success.

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But, most important, Sam, Buddy, and Paolo raise vital questions to remind us that the future of the region is in our able hands. How can we creatively bridge the gap between institutional voids and inclusive market growth? How do we compete with the large multinational companies? How do we grow with the economies? They see education through the enhancement of human skills as one way of addressing these questions, which I heartily endorse.

This book captures the energy of the bustling ASEAN economic community, and presents us with the exciting growth possibilities that lie ahead. I hope your reading experience is a most enriching one and you, too, will be able to capture the opportunities as they arise.

Steven J. Dekrey  
*President of The Asian Institute of  
Management (2012–2015)*

## Foreword

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*ASEAN Champions* is an excellent analysis on how a region is evolving toward the future. ASEAN is a complex region, composed of ten countries: Indonesia, Malaysia, the Philippines, Singapore, Thailand, Vietnam, Brunei, Cambodia, Laos, and Myanmar.

In today's world, many countries are connecting their economy with those of other countries of the same region. The impact of big economies, those of the United States, the European Union, India, China, and Brazil, is stimulating smaller and developing countries to better coordinate their economies. This is the case of ASEAN countries or the sub-Saharan countries in Africa.

The process presents challenges and opportunities for companies. Of course, for a big multinational company, a "mosaic" of different markets evolving toward a single one is an opportunity. For small local companies, however, it can be a difficulty because competition grows as markets open and they may not have the resources to quickly deploy internationally.

*ASEAN Champions* looks at these problems and opportunities from a wide perspective. There is no question that history helps in understanding a region and the authors get into this aspect in an attractive way. But their most important contribution is their direct access to many local companies that are playing a leading role in the region.

*ASEAN Champions* helps in understanding the relationship between global and local business in the ASEAN region, as well as the critical aspects of successful management in the area. The practical perspective of the research, well related to the conceptually proven theoretical frameworks of international business, makes this a useful contribution for academics and practitioners in international business, as well as a useful tool for decision makers of companies especially interested in the area.

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