

## **Global Issues in Management**

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### **I. INTRODUCTION**

Management is considered as an important key for leveraging opportunities as well as a key to manage risks. Globalization has been an important aspect. Globalization of business can have a profound impact on the decision-making processes of managers responsible for making these complex interrelated decisions. It refers to the integration of an organization's operations, processes and strategies into diverse cultures, products, services as well as ideas.

Despite the deep impact of globalization as well as growing of global business majority of the companies such as fortune 500 are still lacking behind with the demands of global managers, considering all the necessary skills which are required. Some experts have argued that most U.S. companies are not positioned to implement global strategies due to a lack of global leadership capabilities. Work place diversity can be a challenge—not just because of language issues but also because of different cultural norms and values. Globalization is not without its drawbacks. Even organizations whose operations are spread across a single nation have learned that managing work place diversity is a challenge in itself. Even if the employees in the foreign operation or branch speak the same language as those in the organization's home country, if it is not the primary language for the international workers, communication can be a difficult process to deal with.

### **II. GLOBAL ISSUES IN STRATEGIC MANAGEMENT**

The fact that the world is becoming more competitive. And will continue to do so for the foreseeable future as the costs of transportation and communication continue to fall. This means that the valuable skills for workers in the future will be external strategic skills, not internal production skills. Competition is a comparison. The way businesses and workers have been compared in the past will not be the same as they will be compared in the future.

From the beginning of the industrial age, the key to competitive success was lowering internal production costs through increased efficiency and the economies of scale, increasing quality while lowering costs. The managers at the top of the organization standardized systems that were run by the workers whose role was simply following orders. However, these methods of management planning have now spread throughout the world now, reaching a point of diminishing returns as the basis of comparison.

As the world shifts to an information economy, workers must go beyond following orders. They are expecting us to take decisions on our own. As decision workers, our success depends increasingly on the quality of our decisions. The quality of our decisions depends on understanding our situation and how to use opportunities in the environment. The research also shows that executing strategy is less and less about long-term planning and more and more about making better decisions every day on every level of the organization. In today's world, the latest research shows that real strategy is no longer determined from the top down but created from the bottom up. At all the successful information companies Amazon, Google, Facebook, the workforce is not divided into deciders and doers. Those doing make competitive decisions every day.

The difference between success and failure is your front-line people's ability to recognize and leverage new opportunities. For small organizations, whose owners are on the front lines, this is a less of a problem. However, for larger organizations, it is a problem because no business school trains people in competitive decision-making, that is, recognizing opportunities in the market and moving to take advantage of them before others can.

### **III. SOCIAL THREATS TO GLOBALIZATION**

It is not that globalization is free from social threats. The 2001 terrorist attacks on the World Trade Center and the Pentagon left many business analysts floundering with an unprecedented international threat. Small businesses tied to local markets can be especially vulnerable to the consequences of terrorism in their home markets. Cyber-attacks are another example which hampers the big as well as small businesses.

#### **IV. GLOBAL ISSUES IN HR MANAGEMENT**

HR is one of the most important tools of any organization. In fact, HR offers a lot of valuable information to professionals as well as organizations as a whole but practically as well as theoretically. With the increase in globalization, companies are

Managing workplace diversity is also one of the biggest challenges. Companies should develop leaders capable of generating growth and effectively managing a multicultural workforce. It is critical that businesses not only familiarize with local ways of doing business, and understand the needs of local consumers, but also develop a global mindset among their employees. Multinational companies should create diverse values systems as it is very important for workers to communicate as well as coordinate their activities to reach common goals and achieving the targets. It also becomes the responsibility of HR leading the organization in uncharted waters of globalization.

Organizations need a lot of candidates to recruit from other countries also. Therefore recruiting candidates from other countries is also a challenge as communication from overseas is not an easy task. At times cultural differences also lead to professional misunderstandings. Globalization also makes for a larger labor pool from which to choose, but it also increases the possibility of language and cultural barriers in the recruitment process. If the company does not address such barriers, it can make the recruitment process increasingly time-consuming and difficult. Human resource managers must adapt to the different customs and cultures when hiring employees in different countries. Language as well as cultural barriers also may necessitate hiring bilingual employees and adapting employee documents, such as employee manuals and training materials, into different languages which itself is a big challenge. It has a significant effect on the labor force of an organization as it allows for more diversity within the corporation as well as economic growth for the countries in which the company is hiring. However, unless the corporation is creating new jobs in different countries and not simply moving existing jobs from one country to another, job growth for one country equals job losses for another. Human resource managers should be aware of the negative effect downsizing can have on employee morale because decreased morale often leads to decreased production which affects the overall productivity of the organizations.

#### **V. GLOBAL ISSUES IN MARKETING**

Globalization refers to the breakdown in barriers that prevent the exchange and integration of finances, trade and ideas across the world. Globalization creates opportunities for many countries to experience economic growth which has led to dramatic changes in business practices. Companies such as IBM, Intel, Microsoft, and Philips have started to outsource specialists from different parts of the world, causing job shifts and changes in companies' structures. It also has a deep impact on consumer behavior. Consumers travel more for business now. As such it has become a challenge as well as maintaining ethical business practices such as labour, product safety, corruption is a challenge itself.

There are numerous global challenges which are being faced in management and effective measures should be taken to eradicate them. Managers should understand that some processes can be performed universally. As such they should understand appropriately how to best localize products to retain cultural identity in the regions they operate. It will also minimize the cultural affect caused by the rapid global expansion. They should not only be aware about workplace diversity but also empathetic towards other prospective also.

Submitted by-

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