

# Strategic management

Business, Management



Strategic Management Strategic Management Globalization refers to a of modifying the economic setting, as well as, the life styles of the people. Globalization is influenced by several factors that include: political, technological advancement, social-cultural and economic forces; their pace and strength affects global issues. Economic improvement has been witnessed over the years as a result of globalization; many multinational countries have expanded and increased their thematic areas. New technological forces are being witnessed globally; therefore, all aspects of life should be incorporated into the advanced technological system for better output. Political influence on globalization is taking a center stage in many countries because the more politically stable a country is, the higher their chance of improving and strengthening their international ties in terms of trade. Educational enhancement came along industrial revolution; several institutions admit international students, as well as, inter-University program hence strengthening international business. Appreciation of different cultural practices has been upheld; many people enjoy learning and being part of new cultures. Several people pay handsomely just to be entertained with cultural activities. Entertainment industries have enjoyed the fruits of globalization; it does not matter where an artist comes from because their arts are always received well in all regions of the world. Musicians performing in their locals languages have been able to conduct shows in foreign countries; their revenue has increased from international sales and live concerts. Environmental awareness has been enhanced because several summits and conferences have been held to discuss on natural resource management. Policies and regulations have been formulated so that

industries can conform with and comply to because their contribution to environmental degradation is immense (Haberberg & Rieple, 2007 p. 3). Treaties were signed to ensure that harmful gases were not emitted directly into the atmosphere; failure to which a polluter pays principle would be put to practice. Substitutes to non renewable resources were established to ensure that deplete able materials would be used sustainably. Poverty levels have been alleviated because economic powers of many countries were improved; therefore, the living standards of many persons have changed for the better. International labor laws have been put in place which governs all countries that are member states to international trade unions; its main aim is to ensure a workable environment. It was aimed at reducing the chances of oppression of third world countries by developed nations. Infrastructural facilities, as well as, transport networks have been upgraded to ensure an easy flow of resources; people and goods, from one place to the next one. All countries were urged to improve their air and water lines, and to intensify their security forces. Advanced communication lines were devised so that better trade coordination could be achieved; time saving through teleconferencing was also promoted (Haberberg & Rieple, 2007 p. 3). Preparedness and quick response to disasters was supported because hi-tech systems were developed. Prediction of terrorism and crime attacks was supported. Regardless of its positive effects, globalization poses considerable challenges to the world. Industrial operations have led to high rates of environmental degradation, for example, many harmful gaseous substances have been emitted into the atmosphere leading to global warming and depletion of the ozone layer. Carbon dioxide and sulfur substances

accumulate in the atmosphere increasing the temperatures, as well as, interfering with natural atmospheric conditions. Climate change has been witnessed globally because of deforestation and modification of people's life styles. Several diseases associated with change in lifestyles for instance cancer has recorded high rates of occurrence (Haberberg & Rieple, 2007, p. 4). Development of genetically modified organisms has caused several impacts on people's health and has caused immense environmental damage. Terrorism has increased because of the modern technology; terrorists have the power to manufacture sophisticated weapons that they use to cause harm for instance the September 11th 2001 attack at Washington DC and New York City by the al Qaeda. Weapons of massive destruction have also been developed, especially by super power countries to protect their territories from resisting enemies. Cultural and social norms have been eroded because many people acquire new practices that are contrary to the societal real values. Exposure to media has led to copying of certain practices; movies are not based on real issues, but some individuals believe on them hence they start living in an imaginative world. Internet has become a source of research but has negatively influenced young minds; the youth gain access to pornographic materials, which erode their brains. Drug and human trafficking have increased over the past few years as a result of industrialization. International trade has faced resistance because of several factors, which include tariffs, quotas, embargoes, licenses, investment restrictions and cultural practices. Several countries economically sanction some countries on their trading values so that they can uphold their diplomatic measures. Embargoes are aimed at having trading countries and

non-governmental organization improve their trade habits and to countercheck their interest levels. Tariffs are always imposed on imports and exports by all countries; some of them may place high taxes on the goods making it had to conduct business as usual. Many international companies face harsh conditions, for example, limitation on imports (Haberberg & Rieple, 2007 p4). The amount of goods that a company is to supply a certain region may be less as compared to their production levels, as well as, operational costs. Licensing conditions differ according to each country; some have place high conditions for certain products especially if they are harmful to the lives of citizens and the environment. Currency regulation may also barricade international trade. Investment by foreigners has limits and standards to meet, which may be harsh. Some cultural practices and traditions limit some trading activities, for example, in an Islamic country, practicing pig farming, as well as, establishing pork processing companies may not be possible. Reference Haberberg, A. and Rieple, A., 2007, Strategic Management, Oxford: Oxford University Press