International business

International Business Year The tremendous growth of global capital market is attributed to numerous factors namely, globalization, privatization, and the subsequent effect of anti-inflationary measures in developed countries. United States's fiscal policies and economic growth also have contributed to the changes in global capital market in past decades. Being the economic hub of the world, US own the major portion of the total investment in global capital market.

To illustrate, recent innovations in information technology and communication eradicated the geographical distance and economic constraints in global market. Globalization enabled investors to enter new potential regions with innovative business ideas. Today companies, governments, and non-governmental organizations have access to equity fund providers. Numerous equity companies are willing to invest in global market providing international business organizations with human capital and equity capital support. For instance, companies like Hamilton Bradshaw assist international companies by supporting expansion, development, and recapitalization. Changing global economy will certainly demand more equity support and outsourcing help in future. It will promote more entrepreneurs entering the global capital market because the aftermath of the recent recession would persist throughout the next decade. Governmental policies across the world on privatization also have contributed to the emergence of capital market.

2. In order to be competitive in a free global market with no trade barriers and restrictions, a company has to expand its business to international level. In the current business environment of cutthroat competition, a company is forced to seek new potential areas and alternatives for business consistency.

To illustrate, the absence of constraints has enabled international business entrepreneurs to enter and dominate domestic markets of any area. If critiques are to b believed, many of the indigenous businesses and small scale or cottage industries are at the verge of extinction. It happens as the international giants come up with machine-made quality products at cheaper cost to acquire the local market. They have advanced technological backup and cost effective mode of business operation that enable them to manufacture products in bulk. In contrast, local business groups rely on conventional strategies and out-dated organizational structures which presumably add to their failure.

However, business expansion is not a difficult task for modern organizations as they have access to a number of fund providers and business advisors. Unlike the past, personal management of business concept has given way to rather broad and collaborative information sharing, and problem solving. It has obviously increased the productivity of business organizations in every area of their operation. As Morris V& Morris K (2005, p. 20) state, investing internationally would lessen the impact of domestic problems and help firms to ensure profit from overall performance of multiple markets. Therefore, a firm with little access to modern technology will be outsmarted by the competitors.

Perhaps it is one of the backlashes of globalization that all firms are being forced to looking forward to some sorts of international linkage or business acquisition. Despite these challenges, the situation has opened new opportunities for equity firms and outsourcing groups. At this juncture, the best option for domestic firms is to explore the latent of international market with the help of both information technology and equity firm.

References

Morris, VB & Morris, KM. (2005). Standard and Poor's Guide to Money and Investing. Lightbulb Press, Inc.