

The global mindset research paper examples

[Business](#), [Management](#)



Components of a global mindset

Intellectual Capital

Intellectual capital is the skills, knowledge of an individual. It also encompasses the knowledge of how businesses operate in the global industry. Intellectual capacity also entails the ability to establish global networks as well as being aware of the need for interdependency for global success (Aswathappa, 2010). Due to the high integration of global networks, interdependence also determines the success of a business that is operating on a global level therefore the expat should have knowledge on how to maintain the linkages as well as the factors that lead to the failure of the global linkages. Another part of intellectual capital is the ability to resolve conflicting interest between the foreign stakeholders and the business headquarters. The other feature of intellectual capital is the ability to handle cultural issues by understanding the history of the foreign area, identifying cultural differences, as well as taking advantage of cultural similarities (Rego, Cunha & Clegg, 2012).

Psychological Capital

Psychological Capital is the set of psychological attributes that are required in handling matters in the foreign country successfully. Cultural sensitivity entails the respect of cultural differences, exhibiting positive attitude, flexibility and openness to diversity and the desire to learn among other attributes. Psychological fortitude means that an individual has self-confidence, the ability to adapt, and resilience (Rego, Cunha & Clegg, 2012).

Social capital

Social capital is the ability to relationships that are based on trust. After a relationship based on trust is established, it is easy influence others.

Collaboration is another aspect whereby one can effectively address his/her needs as well as others needs. Collaboration also enhances the team spirit among the people working together. Therefore, sustainable relationships are built by individuals who are able to generate positive energy, to connect with other people, as well as to collaborate with them (Rego, Cunha & Clegg, 2012).

Barriers to Global Mindset

First, the lack of proper communication because of facilities or because of language can act a huge setback to the global mindset because it will negatively affect the coordination of activities thereby leading to inefficiencies (Aswathappa, 2010). The other problem is the lack of flexibility, whereby the business insists on its position, without regard to the foreign businesses position thereby leading to a stalemate or the loss of a business relationship. Another barrier to the global mindset is cultural misunderstanding, whereby a business fails in the recognition of cultural differences and similarities after which the differences are respected, and the similarities are exploited (Rego, Cunha & Clegg, 2012).

Development of a Global Mindset

In order to ensure that a business takes advantage of the global mindset, the top management should have exposure to international business so that they can be able to take advantage of the global and to make informed

decisions (Cornuel, 2005). The management can also hire a diversified team of employees; the employees with international business exposure will assist in taking advantage of globalization as well as increasing colleague's exposure, knowledge and skills on matters of globalization (Cornuel, 2005). Another approach that a business can use to develop a global mindset is through the reward of international experience.

Benefits of Global Mindset

Globalization presents various opportunities and challenges; a global mindset gives management an upper hand in dealing with globalization issues. A global mindset ensures that the management is able to communicate effectively with customers or suppliers who are in a foreign country thereby shortening the time of doing business, which can also increase turn over in case there is increased frequency of doing business (Aswathappa, 2010). In addition, the speedy and convenient information exchange enables management to make informed decisions fast and assists management in identifying opportunities when they come up and the best approach to use to exploit them. Through convenient access to reliable information, the management is able to minimize risks (Story, 2010).

Global mindsets and business creation

Globalization has made it possible to take advantage of markets and sources of supplies beyond borders (Story, 2010). A business that wishes to take advantage of the global market should make sure that it has employees who have a global mindset in addition to international business exposure, for purposes of effective communication and successful business relations.

References

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