

Corporations conquering the world essay

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Corporations conquering the worldINTRODUCTIONWe are now living in a new world economic order. This means that we are in a world and time of free economic enterprise. The walls that divide nations in terms of economic operations have slowly been erased and bridges have been created in a way we make business. Regionalization of economic relations has slowly been eradicated. Corporations are slowly building a one-world with one-market policy.

This situation entails an open door economic policy which manifests free enterprise. The world becomes one market for everybody. Every business has the opportunity to sell their products so long as they have something to sell. With the emergence of open economic enterprise, corporations nowadays operate around the world. This is the evident trend of today's business. Most corporations have different branches and offices in different places around the world. Corporations want to conquer the world to expand their domain of business and profit. No business today that does not desire global expansion.

Many corporations invest in third world countries for the purpose of lowering their expenditure and increasing their profit. This is due to the fact that third world countries offer low labor cost as compared to industrialized countries. With low labor cost, corporations can increase their profit. Corporations also invest in third world countries to expand their market on the goods and services they offer. Third world countries offer a dense population that gives a great opportunity for business to sell products because the market is huge. The growing number of population entails the demand of goods and services

from corporations and thus must be addressed. This is one of the reasons why corporations engage themselves in doing business across the globe.

In this paper, we will try to look at the different obstacles in building a strong corporate culture. We will try to analyze such obstacles and try to come up with the answer on how to deal with those challenges that will hopefully give birth to a strong corporate culture. THE CHALLENGES It is of truth that when corporations engage business in different parts of the world they hire people from the part of the world that they engage business and transact business with. The major obstacle that corporations face in doing business overseas is how to manage the diversity of people's cultures. Diversity is manifested in the following instances. First, diversity in some organizations is deeply rooted to culture that practices become more of a tradition that cannot be easily erased. Second is the strong conception of people that one culture or race is dominant than the other.

Some differences are deeply rooted to culture that it is hard to eradicate. This problem is evident in the European countries and Japan conduct business. Japan is known for its deep commitment to cultural practices.

People are more likely to make organizations adapt their culture rather than them adapting to organizations. The problem of differences had proven to be big. In an organization that European and Japanese employees are working, the problems due to cultural differences persist. It is very hard to combat such problem because the very causes of it are persons deeply dedicated to their cultures. Person who are deeply committed and dedicated to culture are hard to influence because their culture has already been embedded hard

to their lives. This is a problem that really hampers the growth of multinational corporations. Culture that becomes part of people's lives that dictates how they think and act is very hard to overturn.

Europeans are more liberal and honors human freedom. Japanese are more on the practice of conformity. The two poles have a hard time making the good out their difference because of the grasp of Japanese people to their culture is strong. Japanese workers instead of giving ideas for the betterment of the whole organization settle to conformity to Europeans' ideas. Japanese are submissive to others as a manifestation of their culture and this gives big impact to corporate progress. The strong hold of Japanese people to their culture blocks the growth and success of an organization because instead of giving ideas to help attain success, they always settle to the ideas of other employees.

They always conform to others as a sign of their known way of respect. Instead of arriving to a better judgment because more than one brain exchanges ideas, in a Japanese way of respect, only one brain is being used in the company's attainment of goals. The strong hold of employees to culture as a part of their known way of life hinders the success of managing diversity. The strong conception of people that one culture or race is dominant than the also blocks the success of managing diversity. It is of great reality that racial discrimination is still evident in organizations despite the efforts to manage diversity and to convert diversity for the success of organizations. In team working, an organization cannot utilize much of diversity because of the fact that some employees tend to look at other

employees as of lower societal rank than them. This is evident still in the organizational relationship of whites and blacks in the US.

The conception of white supremacy is also evident in their relation to ASIAN people in a work place. Such conception makes white people not respect opinions from other people of different race. They view ASIANS as people with lower intellectual capacity than them that they are not capable of arriving at a great idea for the organization.

Instead of exchanging ideas for the success of the organization, they never listen to other races. People of dominant race settle in their own judgment. They do not trust people of other races or cultures because they think that they have the brightest ideas on the organization. They think that they are always right thus blocks the opportunity to find and use the greatest idea in managing a particular organization towards its success. The strong conception of a dominant culture of race causes the management of diversity in some organizations to fail. The difference in cultures is not only manifested internally by corporations in their quest to do business around the world.

It is also evident in their relationship to the countries they conduct business with. Diversity of is very evident in different countries. No country in this world has the same cultural practices and that have the same laws. The differences in laws entail different obstacles for businesses to conquer. This is an obstacle that is a must to deal with. No corporation can dictate a country in making their own foreign policy. Only a country can dictate a

corporation to follow their business and economic policy. This is a reality which is inevitable.

Diversity also entails that different countries have different laws and policies regarding business and trade. In terms of taxation, no country is the same with the other. Some countries levy bigger amounts of taxes than other countries. Some countries have strict foreign policy relations and some do not. In making business around the world, this is one of the things a corporation must expect since they are not dealing anymore with their homeland. They are now dealing with countries that are different from their own and have the independent power to govern their own. Corporations, thus, are left with no choice but to adhere to the differences and must cope with these in order to make its expansion of business succeed.

Corporations are now faced with the fact that they must conform to the diversity of countries or face the danger of a business collapse. Aside from the sociological problem that multi-national corporations are facing, they also face geo-economical problems. The challenges that emerge from this aspect of doing business around the world is the difference in labor cost that countries offer, the difference in man-power capability and the difference in knowledge because of regionalization. Different countries offer different things to multi-national corporations. A branch of one corporation may require a different approach in dealing with the specified differences.

For a corporation to be flexible enough to cater the differences is a challenge to corporations. Another notable challenge for multi-national corporations is the distance of the head office to its branches. The branches of multi-

national corporations are surely scattered around the world. This makes it hard for a corporation to manage everything because the very priority of a corporation is to make its parts to be on the same page and to be able to do particular roles that are embedded to them. These roles are of significance in the search of multi-national corporations for fulfillment and success.

DEALING WITH DIVERSITY Corporations must manage diversity well in their effort of expanding their business around the world. Diversity offers great deal of challenges and must be dealt properly. Corporations must manage the diversity on individual difference and social group.

The emphasis on individual differences is on the micro level background of the person while the emphasis on social differences is on the macro level background of people in an organization. The focus on individual differences would mean that approach is on the uniqueness of different people in terms of their emotions and personality. The individual emotions and personalities are being looked upon by managing people in order to best know the contributions that the organization can get in the uniqueness of its people. In individual differences, the practice of diversity is seen in the efforts of organizations in dealing with differences in the attempt to make everyone travel the path towards the common good for the organizations. The emphasis of managing diversity in individual differences is really on the individual's self-concept, personality and emotions. The emphasis is on understanding the person in his belief of his own capacity to succeed. This is very important in an organization because the person's view of his capacity is vital to organizations' success. An organization must look at the self-esteem of people inside itself.

The managing diversity in individual differences is a way in which to understand people's personality inside an organization and a way to find ways how to maximize the status of people. The personal view in himself of an employee affects the efficacy of his performance in an organization. Cultural practices affects individual's self- concept.

Individual's self- concept is most likely patterned to the self- concept that is dominant to a particular culture. An individual's emotions and reactions to particular situations in life are also effected by culture and these differences in individuals must also be dealt with significance in doing business all over the world. The emphasis on of managing diversity in social differences is different from the emphasis on individual differences. The emphasis on social differences is on the cultural background of a person. It is indeed true that different people from different social contexts work in an organization. A lot of different cultural practices are seen in different employees. In social differences, the focus of management is on the beliefs and values an employee banners. These beliefs and values are of course products of culture.

Culture dictates how an individual lives his life. In managing diversity in social differences, they try to understand the cultural backgrounds of employees. In understanding the cultural background of employees, they will be able to device plans and means on how to utilize each social uniqueness. The focus is on how to incorporate different social beliefs and values of employees for the benefit of the organization. Each employee in his beliefs and values must be utilized for the success of the whole organization. We can see the utility of organizations on social differences of their employees in <https://assignbuster.com/corporations-conquering-the-world-essay/>

different situations. For instance, if a car company has a Chinese employee, in the event of having a Chinese customer, the Chinese employee will be used to entertain the Chinese customer.

Another instance is in planning to market in different places around the world. An organization can arrive to a better judgment on how to market their products with the help of their international employee. These are some of the things that managing diversity in social differences is getting ready for. Managing diversity is always looking at means on how to utilize differences in an organization.

In dealing with different economical factors such as difference in labor cost, tax, raw material cost, etc., corporations must be flexible and intelligent enough to make utilize advantages. Thus can be seen in corporations putting up factories in third world countries where the labor cost is low, transferring from industrialized countries to third world countries. This is a manifestation of brilliance because in this strategy, corporations can reduce their incurred capital and therefore increase profit. This is a product of a simple analysis that the lower the capital incurred, the higher the income. In high taxed countries, corporations must be keen enough to see if the government levy higher taxes on products or on raw materials. In this regard, the corporation can strategize more on what to do in that particular country whether it is for production or marketing.

But corporations must always have the respect to other countries' laws and customs. The strategy in making the most out of every investment must not be exploitative that it gives a dehumanizing effect to the country where the

investment is and to the people living there. The strategy is more of a thrifty approach in engaging in business but not going beyond the call of ethics.

It must always be done in the light of ethics so that corporations can still promote the welfare of people working for them and the people patronizing their products. Given the distances of head offices and its branches, “ a corporate headquarters must clearly define its role and strategic priorities to optimize the competitive advantage that lies within its global network of business units and people”(Thomas 2005). There must be a well defined role for the branches given by the head office for branches to function well.

The definition of roles is very significant in order to make every branch always in contribution to the whole corporation. Setting priorities as part of strategic planning is also very significant since it gives a corporation the efficiency in their operation. Efficiency means not wasting time on less significant things and directly doing things that are essential to the corporation. This is imperative to corporations in order for its branches to function well.

There must always be team work in different branches with the head office for a corporation to function on the same page and conquer the distance given by the fact of investing overseas. CONCLUSIONSince the birth of the new world global order which means an open market for everyone because of the one-world one-market policy, there is the emergence of multi-national corporations. Multi-national corporations are corporations engaging in business all over the world. These corporations are in the process of expansion. This process is in turn conquering the world. It the quest of multi-

national corporations conquering the world, a lot of challenges confronts them. There are challenges such as individual and cultural diversity which are very prevalent because of the fact that corporations engage business in different countries and different countries banner different cultures and traditions.

There are also the challenge of political and economic obstacles such as the labor cost, country's foreign policy and taxation. These challenges are there for corporations to overcome in order for them to be truly successful in the line of business. To overcome the challenges posed by investing and expanding all over the world, multi-national corporations must manage diversity in well. Diversity may come from different situations such as individual differences of employees, cultural differences of countries and the beliefs they apply. These diversities in inside and outside multi-national corporations must be dealt properly. Dealing with these obstacles properly is manifested in the idea that diversity and uniqueness in individual and cultural differences entails differences in capability and expertise thus, it must be utilized in the right manner. Each uniqueness can be essential parts of a whole that can be translated into a well functioning holistic system. The differences in policies in terms of taxation of every country, its foreign policy and local laws must also be dealt properly, making the corporation profit from it but in a manner that does not do away from ethics.

In this manner, the company can earn as well as giving the right compensation to its employees and right service to its costumers. Ethics must also be considered in the event of multi-national corporations dealing with the differences in labor cost in different countries. Third world countries

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offer low labor cost but the strategy must again not be exploitative. The strategy must maximize profit but not really resulting to fooling around people who work for them but just traveling the line in the middle of the two. Therefore, in the quest of multi-national corporations conquering the world to do business, great strategies must be planned and applied well to overcome the challenges that await them. Multi-national corporations must be keen and innovative enough to cater diversity but as always emphasized, must not do away with the call and light of ethics. This is imperative.

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