

# Briefing memo on globalization

[Economics](#), [Globalization](#)



The discussed chapter of the book is not confined to one specific field of business, but rather seeks to analyze General Electric impact by globalization trends and GE management's response. In this way, the article provides interdisciplinary knowledge, which ties political economy of globalization, strategic management, corporate culture and marketing. 2. The author makes the argument that General Electric activities were positively affected by globalization, as this company had all necessary resources for extensive export and investment activities abroad.

Its massive scale of production, renowned and recognizable brand, and support of American government and multinational financial institutions were the basic prerequisites for GE's successful export and investment activities abroad. These changes resulted in significant reorganization of company's structure (initiated by Welch). 3. Author gives examples of new GE policies, directed at financial investment abroad, internal reorganization of management practices, corporate culture and leadership.

The spread of GE headquarters in Europe and other continents and acquisition of new productive capacities abroad (Central and Eastern Europe) are discussed. Important evidence provided by the author refers to extensive use of international labor force and management specialists. 4. The author's evidence corresponds with existing trends and facts. Globalization process within GE is obvious: GE management globalized 'the intellect of the company', that is qualified labor force, which significantly de-Americanized it.

Besides this, GE relies on local cadres in managing its headquarters overseas. Other facts, such as Welch cutting American labor force in GE by <https://assignbuster.com/briefing-memo-on-globalization/>

50% since 1986 and doubling the number of abroad labor force signify true nature of author's argument. 5. Managers should be aware of these arguments due to several reasons. First of all, globalization trends are inevitable and each company is affected by the same economic laws and processes.

Without knowing the experience of such influential companies as General Electric, it would be difficult to organize the process of change in a given company. Secondly, author's argument provides not only interesting descriptions and facts, but practically probed strategies of positive and effective globalization of activities. Article discusses the subject of technological development within General Electric and focuses on application of its technologies in medical sphere. It's confined to GE technological innovations in medical sphere.

2. The author's main argument may be summarized as follows: technical innovations in GE are no less important, than technical breakthroughs in computer industry, represented by such companies as Microsoft, Apple and IBM, and General Electric continues to spend its resources on R &D. In proving his argument the author focuses on GE Medical Systems Information Technologies department activities, directed at creating a digital system of patients' records in hospital, implementing new techniques of medical data analysis, etc.

3. The author gives much evidence in support of his argument through his analysis of past and present technological development in General Electric. Koprowski lists such important innovations as building a superconducting magnet, which resulted in creation of magnetic resonance imaging. General

Electric also created the first computer system, which was used for electrocardiograms' analysis. Nowadays GE continues to implement his technical innovations in medical sphere.

Author claims that Picture ArchivingCommunicationSystem (PACS), which stores medical content, is a good demonstration of GE innovative investment. Besides this, PACS created Excite (magnetic resonance technique), which provides perfect resolution, used in imaging patients' body. Other major innovations of GE in this sphere are connected with scans, radiograms, lighting ergonomics, 3D tomography etc. 4. Author's evidence and arguments are well-grounded, however, he fails to present a general picture of technological and research process within company.

The article is confined to medical sphere, and innovations discussed do not bear revolutionary character, but merely rationalize existing techniques. The digitalization discussed in the article could be realized by other companies and is not specific to GE. Moreover, the article lacks proper analysis of fundamental research in GE. 5. Managers should be aware of this argument, because it provides examples of practical application of company's technical innovations, which helps connect the process of R&D with commercial goals.

Without such connection, R&D in the company is not effective and management is not optimistic about its necessity. Works Cited Lowe, Janet. Welch: An American Icon. " Chapter 6: The Globalization of General Electric". New York: Wiley, 2001. Koprowski, Gene J. " General Electric's Tech: Past, Present, Future". TechNewsWorld. August, 2003. 13 October 2008.