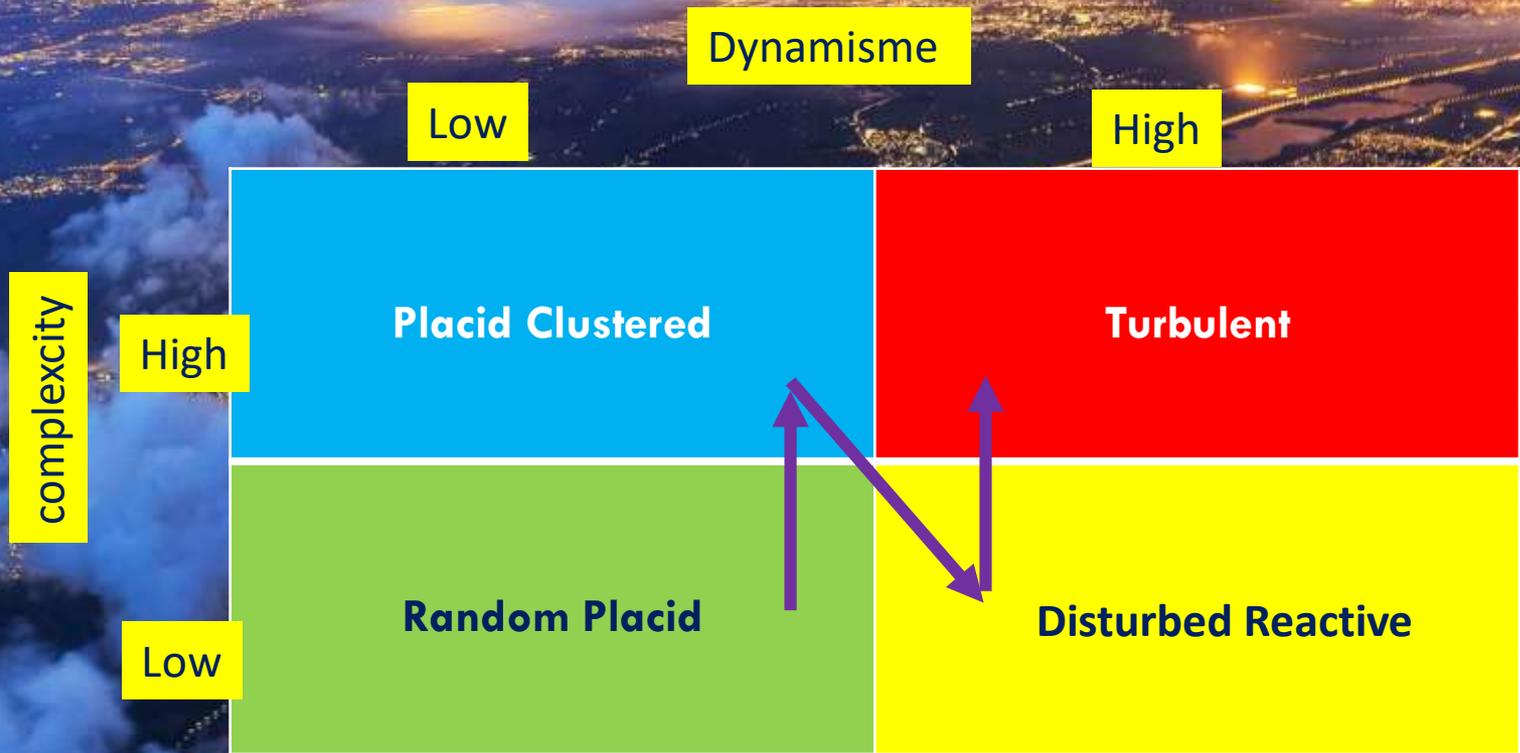




GLOBALIZATION AND BUSINESS

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Env Model - Emery & Trist



Vortical environment



Uncertainty

unpredictability

indefiniteness

Doubt

hesitancy

indeterminacy



Globalization

A dark, industrial interior of a factory or warehouse. The ceiling is high with a complex network of metal beams and pipes. A person in dark clothing is visible in the lower center, standing near some equipment. The overall atmosphere is gritty and industrial.

Occurs as managers become aware of and engage in cross-border trade and operations. A high level of globalization is a multinational enterprise that begins with raw material extraction and ends with final product assembly and sales in multiple foreign locations.

Global Mindset



Global Mindset

“Global mindset to me means that the individual has a global passport, but in their head.”

“It’s the ability to understand the similarities and differences among cultures and their reasons.”

“I think it’s a natural curiosity to learn more about other cultures.”

“Rather than being frustrated and intimidated by the differences, enjoying them and seeking them out because you find them fascinating.”

“Being comfortable with being uncomfortable in uncomfortable environments.”

GLOBAL MINDSET

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graph TD; GM[GLOBAL MINDSET] --> IC[Intellectual Capital]; GM --> PC[Psychological Capital]; GM --> SC[Social Capital]; IC --> GBS[Global Business Savvy]; IC --> CC[Cognitive Complexity]; IC --> CO[Cosmopolitan Outlook]; PC --> PD[Passion for Diversity]; PC --> QA[Quest for Adventure]; PC --> SA[Self-Assurance]; SC --> IE[Intercultural Empathy]; SC --> II[Interpersonal Impact]; SC --> D[Diplomacy];
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Intellectual Capital

Global Business Savvy

Cognitive Complexity

Cosmopolitan Outlook

Psychological Capital

Passion for Diversity

Quest for Adventure

Self-Assurance

Social Capital

Intercultural Empathy

Interpersonal Impact

Diplomacy

Intellectual Capital (IC)

Global Business Savvy

Knowledge of global industry

Knowledge of global competitive business & marketing strategies

Knowledge of how to transact business & manage risk in other countries

Knowledge of supplier options in other parts of the world

Cosmopolitan Outlook

Knowledge of cultures in different parts of the world

Knowledge of geography, history and important persons of several countries

Up-to-date knowledge of important world events

Knowledge of economic & political issues, concerns, hot topics, etc. of major regions of the world

Cognitive Complexity

Ability to grasp complex concepts quickly

Strong analytical and problem solving skills

Ability to understand abstract ideas

Ability to take complex issues & explain the main points simply & understandably

Psychological Capital (PC)

Passion for Diversity

Quest for Adventure

Self-Assurance

Interest in exploring other parts of the world

Interest in dealing with challenging situations

Energetic

Interest in getting to know people from other parts of the world

Willingness to take risks

Self-confident

Interest in living in another country

Willingness to test one's abilities

Comfortable in uncomfortable situations

Interest in variety

Interest in dealing with unpredictable situations

Witty in tough situations

Social Capital (SC)

Intercultural Empathy

Ability to work well with people from other parts of the world

Ability to emotionally connect to people from other cultures

Ability to understand non-verbal expression of people from other cultures

Ability to engage people from other parts of the world to work together

Interpersonal Impact

Experience in negotiating contracts in other cultures

Strong networks with people from other cultures and with influential people

Reputation as a leader

Credibility

Diplomacy

Ease of starting a conversation with a stranger

Ability to integrate diverse perspectives

Ability to listen to what others have to say

Willingness to collaborate

Need for International Business

- **More and more firms around the world are going global, including:**
 - ▣ Manufacturing firms.
 - ▣ Service companies (i.e. banks, insurance, consulting firms)
 - ▣ Art, film, and music companies.

International Business

1-13

Increase in
and
expansion
of
technology
.

Growing
consumer
pressures.

Changing
political
situations.



Developm
ent of
services
that
support
internation
al
business.

Increased
global
competitio
n.

Expanded
cross-
national
cooperatio
n.



What is International Business?

International business: all commercial transactions between parties in two or more countries.

- These transactions include the transfer of goods, services, technology, and capital to other countries, and involves exports and imports.

