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## Emerging and Innovative Trends in Global Business

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### Abstract

In the recent days global business plays a vital role. It takes place between two or more regions, countries and nations beyond their political boundary. This helps a lot for the government to carry on its work successfully. This will enhance free flow of labor, capital, and there will be increase in profit for the organization. It also enhances the flow of technology from one country to another country; this will help in further production of a country and also to plan its resources accordingly to cater to the needs of its customers. It all vests with the managers of international business to carry out the business very smoothly as it leads to trade agreements among various countries, and to maintain high ethical standards and to develop compliance protocols for import and export operations. This global business is a remedial measure or a tool which removes a barrier between national borders in order to facilitate the flow of goods, capital etc. Globalization is a new phenomenon. It began towards the end of nineteenth century, but it slowed down during the period from the start of the First World War until the third quarter of the twentieth century. This slowdown can be attributed to the inward-looking policies pursued by a number of countries in order to protect their respective industries... however, the pace of globalization picked up rapidly during the fourth quarter of the twentieth century. Survival in the new global business market calls for improved productivity and increased competition. Due to the market becoming worldwide, companies in various industries have to upgrade their products and use technology skillfully in order to face increased competition. This paper stresses about the global business and its recent trends, challenges of global business and ways to overcome challenges and threats to global business etc.

### Key words

Globalization, global business trends, innovation

## Introduction

Global business is the one which is carried on among the country. It not only enhances the mobility of the factors of production, but helps the country to have a cordial relationship and to exchange its surplus with other countries. The goal of global business is to increase material wealth, goods, and services through an international division of labor by efficiencies catalyzed by international relations, specialization and competition.

## Globalization

Globalization refers to the increasing unification of the world's economic order through reduction of barriers to international trade as tariffs, export fees, and import quotas. It describes the process by which regional economies, societies, and cultures have become integrated through communication, transportation, and trade. This has led to the growth of global business in the economy.

## Meaning of global business

Global business consists of transactions that are devised and carried out across national borders to satisfy the objectives of individuals, companies, and organizations. These transactions take on various forms, which are often interrelated. Primary types of international business are import-export trade and foreign direct investment (FDI). The latter is carried out in varied forms, including wholly owned subsidiaries and joint ventures. Additional types of international business are licensing, franchising, and management contracts.

## Global business trends

- **Managing Complexity** - The top skill that everyone needs is managing complexity. The complexity of dealing with immense and fast changes, the economic crisis, the job market, global competition and new technologies will require a high level of complexity management.
- **High Agility Enterprise** – High anticipation will create much innovation. New innovations to serve customers, finding more profit, and empowering employees and customers will transform business in to a global business.
- **Global Connectivity** - The pervasive mobile internet will connect everyone in business, customers-everywhere, and all the time, across borders, supply chains and industries. Entirely new business models, supply chains, customer care networks, markets and industries will be a boon to the global connectivity.
- **Blended Reality** - The convergence of TV, computer, net, wireless, telephony across interactive fast real-time broadband networks with GPS information will become a blended reality for global business.

- **Personalized Medicine** - People are living longer and spending more to enhance their cognitive, emotional and physical performance. Radical new choices are coming that will challenge our values and laws. This global marketplace will be the largest in the 21st century, driven by Boomer's wealth and biotech's future innovations in stem cells, synthetic biology, and cloning that will transform health care making it boldly predictive and personalized market place.
- **Green and clean sustainability** - Billions will be invested in alternative energy, clean tech and climate change. The new administration will embrace, whole hog, the sustainability trend. Customers are going green. Consumers will want increased corporate accountability in protecting and saving the environment at global level.

### ➤ **Improved Technology in Transportation and Telecommunications**

In years past, people across the globe did not have the ability to communicate and could not interact without difficulty. Nowadays, a phone, instant message, fax, or video conference call can easily be used to connect people. Additionally, anyone with the funds can book a plane flight and show up half way across the world in a matter of hours. In short, the "friction of distance" is lessened, and the world begins to metaphorically shrink.

### ➤ **Movement of People and Capital**

A general increase in awareness, opportunity, and transportation technology has allowed for people to move about the world in search of a new home, a new job, or to flee a place of danger. Most migration takes place within or between developing countries, possibly because lower standards of living and lower wages push individuals to places with a greater chance for economic success.

### ➤ **Diffusion of Knowledge**

The word 'diffusion' simply means to spread out, and that is exactly what any new found knowledge does. When a new invention or way of doing something pops up, it does not stay secret for long. A good example of this is the appearance of automotive farming machines in Southeast Asia, an area long home to manual agricultural labor.

### ➤ **Non-Governmental Organizations (NGOs) and Multinational Corporations**

As global awareness of certain issues has risen, so too has the number of organizations that aim to deal with them. So called non-governmental organizations bring together people unaffiliated with the government and can be nationally or globally focused. Many international NGOs deal with issues that do not pay attention to borders (such as global climate change, energy use, or child labor regulations). Examples of NGOs include

Amnesty International or Doctors without Borders. As countries are connected to the rest of the world (through increased communication and transportation) they immediately form what a business would call a market. What this means is that a particular population represents more people to buy a particular product or service. As more and more markets are opening up, business people from around the globe are coming together to form multinational corporations in order to access these new markets.

### **Innovative Trends in Global Business**


Innovation leads to developing an idea or invention that increases the efficiency, raises productivity and creates value for the customers. It is very much needed for the sustainable growth. Technology is the most powerful driver of innovation. It can also produce new innovations.

Business Innovations are as follows:

- Product innovation
- Process innovation
- Marketing innovation
- Organizational innovation

### **Positive Aspects of global business**

As more money is poured in to developing countries, there is a greater chance for the people in those countries to economically succeed and increase their standard of living.

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- Global business encourages creativity and innovation and keeps prices for commodities/services in check.
  - Developing countries are able to reap the benefits of current technology without undergoing many of the growing pains associated with development of these technologies.
  - Governments are able to better work together towards common goals now that there is an advantage in cooperation, an improved ability to interact and coordinate, and a global awareness of issues.
  - There is a greater access to foreign culture in the form of movies, music, food, clothing, and more. In short, the world has more choices.

## Negative Aspects of global business

Outsourcing, while it provides jobs to a population in one country, takes away those jobs from another country, leaving many without opportunities.

- There may be a greater chance of disease spreading worldwide, as well as invasive species that could prove devastating in non-native ecosystems.
- There is little international regulation, an unfortunate fact that could have dire consequences for the safety of people and the environment.
- Large Western-driven organizations such as the International Monetary Fund and the World Bank make it easy for a developing country to obtain a loan. However, a Western-focus is often applied to a non-Western situation, resulting in failed progress.

## Career opportunities in global business

The world has become a global marketplace, and all types of businesses are seeking to expand their operations across national borders and into the world. Multinational corporations, joint ventures, financial institutions, law firms, consulting firms and manufacturers of both goods and services cater to an international clientele. Most internationally-oriented jobs in the business world involve marketing, sales, finance, operations and strategic planning and are found in the United States although some positions might involve working abroad. Typically, businesses with overseas operations will hire foreign nationals rather than expatriate Americans. Hence there are many opportunities in global business.

## Threats of global business

The explosive growth of information technology tools, including the Internet and electronic commerce (e-commerce), has had a significant effect on the way we do business. The nature of global supply chain and global trade as managed by multinational firms has fundamentally changed. Doing business beyond national borders, indeed, has become easier, but it does not necessarily mean that customers want the same products in countries around the world. Attention to local market demands remains a global business imperative.

## Conclusion

The world has become a global marketplace where the transfer of goods and services is not hampered by national borders instead it encourages, trade, government activities and development with technical skills, foreign language facility, cultural sensitivity, experience, and/or education and training. Thus global business enhances global development of our economy.

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