

# Looking Forward To the Debate of Future Business towards Globalisation

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**Abstract—** The concept of globalisation in the last years has been a hot topic luring much attention and debate. In the attempt to bring back the debate from a different perspective; this paper seeks to anticipate the debate among business leaders of our time and organisations to the menagerie of terms and existing issues; to alert them of the possible but tangible change that is yet to come. This change will subsequently alter the way we do business in its full spectrum; it will obsolete many techniques and methods to impose the new world

**Index Terms—**About four key words or phrases in alphabetical order, separated by commas.

## I. INTRODUCTION

Globalisation like any others precedents notions is a humankind idea. We are perennially told that we live in a ‘global society’, that the world is fast becoming a ‘global village’ and that this is an age of ‘globalisation’ (Lang, 2006). It has entailed rapid intensification of cross-border trade, services, and capital flows; greater to and from movement of people and ideas; enhanced welfare through efficiency gains, greater fair play and higher growth even though it may have increased income inequalities and undermined nation states.

Where is the increasing integration of the world’s nations taking them? Will globalisation ultimately lead to a “new way of doing business”? We believe that the problem is not to get the proper answer because they are there or here, the problem instead is to think ahead and the right questions to enable future business (Harvey, 1995).

The reality on our ground as an observer is that, the big portion of literature of globalisation is mainly from sociologists, political theorists, economists, historians, anthropologists, and journalists (Guillen, 2001). From our humble opinion with due respect to others authors of our time, globalisation is a term variously employed, even by experts within a single discipline. The motive behind this view is that, there is substantial debate about it, not only its definition and its occurrence per se, it also encompasses its significance, and how it shapes our future.

Then we heard a new word we liked: “globality” which refers on speaking to a new reality rather than a linear process led from the centre. A dialog process that engages everyone and every country (Castro, 2016). Have we noticed that the nations of the world have become increasingly interconnected? Let us think about it said Erlana Castro, regional head of business and operation of General Motors, South America during her lecture on Global branding in Sao Paulo in 2017.

Yet globalisation, the increasing connectedness of the world, is not a new phenomenon (Harvey, 1995). Most agree that globalisation rests upon, or simply is, the growth in international exchange of goods, services, and capital, and the increasing levels of integration that characterise economic activity (Guillen, 2001). In this sense, globalisation is only another word for internationalization (Lang, 2006). Importantly, globalisation is an economic activity that is fuel and furnace of cross-border integration

Historical trends are rarely linear neither in space nor in time. There are parts of the world where nationalism is just fructifying through conflict emanating in new nation states, such as in the Balkans and Africa, even as it diminishes elsewhere through post-nationalist unions such as the European Community and Asian said Sheel (2009).

What is currently happening around us is not scary at all, but it requires some attention from us. In the evening, you turn on your Asian-made television set to watch your favorite programme. Every day you drive your American, Japanese, South Korean or German-made car to work (Castro, 2016). Call customer service to discuss a particular service and warranty of a product and you may well be speaking to someone in India due to time difference. If you live in a big city like many of us, we have likely encountered people who have immigrated to our countries.

As the pace of globalisation continues to increase, new opportunities and challenges will arise for leaders and communities (Lamy, Rudd, & Woods, 2012). While globalisation has brought immense benefits to many sectors, certain countries and individuals remain vulnerable said Erlana Castro. She carries on by underlining the fact that there are many more markets today in which consumers expect products that have harmonised globally. Erlana strongly believe in today’s global economy, and emphasises on the fact that, if companies want to survive, they have to respond to it, and meet new competitors (Castro, 2016).

Because prophesying the future is subsequently fraught with hazards, since history is neither linear nor a natural science. We are just trying to be more vigilant in observing the world around in order to warn people who constantly pay attention to what we have to say. Nevertheless, just as a study of the past is a meaningful way of figuring out the present, the present in turn is a creaky window opening into the future (Sheel, 2009).

In responding to the question on what are the best and worst things about globalisation, Kevin Rudd said “The spreading of wealth is the key benefit in my view: globalisation is lifting economic growth rates and living standards around much, though not all, of the developing world, and in developed countries as well.” The worst thing Kevin said: is the disconnect between the volume of activity that now requires regulation at a global level and national political systems

incapable of agreeing on global forms of governance to do that (Lamy, Rudd, & Woods, 2012).

The emergence of nation states towards the end of the highly localised middle Ages was critical to modernisation said Sheel (2009). They facilitated trade and market integration, centralisation and scale economies. The imperial extension of nation states was an important element of the globalisation surge in the nineteenth century. In the twentieth century, nationalist sentiment fueled bitter conflict in Europe, as well as the anti-colonial movements that followed (Sheel, 2009). Every movement always brings the counter-movement said Erlana, as we are more connected to diversity than to commonly she said, as our business becomes more global and as our brand portfolios get more diverse, we need more of a global market focus, in order to be successful (Castro, 2016). Since the concluding half of the 20th century believe many advocates, the international community has become more interconnected and interdependent in economic, cultural and environmental matters than ever. It seems the world is rapidly becoming a single community, a global village (Castro, 2016). Some see this as a good thing; others are not so sure. Apple can combine American design with Chinese assembly lines. With many products made everywhere, trade has been in effect, denationalised.

In addition, due to the pace of change as underlined above and the new ease with which rich-world companies that can contract out work have eliminated the old boundaries; in this paper, we intend to press the button in order to alarm people on how the possible but effective change is set to occur in the coming years.

While globalisation may well beat another retreat, it is nevertheless becoming clear that several emerging economic and political challenges cannot find solutions within this nation state framework. The institutional structure that would succeed the nation state is, however, still unclear said Sheel (2009). We want above all the uncertainty of this current period, to anticipate the debate of doing business in a more globalised society yet to come.

## II. HISTORY OF GLOBALISATION

It is generally recognised that a singularity known as “globalisation” is rapidly altering lives in every corner globally. However, here is little scholarly agreement we find through our research about how to define globalisation and when it began. Globalisation said Guillen (2001) is one of the most contested topics in the social sciences. How and why it has moved to such a dominant position in our vocabulary is an attention-grabbing anecdote said Harvey, (1995).

For us, in the way we understand and perceived this concept, globalisation is the process by which nations become increasingly integrated. We strongly agree with many advocates of our time that, this is occurring primarily due to advances in technology that have enabled people, goods, money, data and ideas to travel the world much faster than before; and the reduction of trade and economic barriers, which has greatly increased trade between countries.

Why are we viewing it like this? The response to this perception is clear for us as sociologist Anthony Giddens underscore Guillen (2001) proposes to regard globalisation as a decoupling or “distanciation” between space and time, while geographer David Harvey in 1989 and political scientist

James Mittelmann in 1996, quoted by Guillen (2001) observe that globalisation entails a “compression” of space and time, a shrinking of the world.

For Sheffield, Korotayev, & Grinin (2013), globalisation is the growth of the sizes of social systems and the increase in the complexity of intersocietal links. Thus, in certain respects they argue, globalisation may be regarded as a process connecting the past, the present, and the future—as a sort of bridge between the past and the future. The title and the composition of the present volume reflect this idea (Sheffield, Korotayev, & Grinin, 2013). Globalisation, however believes Guillen (2001), is also an ideology with multiple meanings and lineages.

Above all and although no consensus exists, we are in the understanding that social scientists and historians have proposed many different starting points for the history of globalisation to date. Specialists of some academic disciplines, economists in particular, are inclined to shorter timeframes, whereas historians are likely to describe a much longer process.

In her lecture of January 2017 in Sao Paulo, Erlana Castro emphasises on the rise of the global market. Something has changed in the market over the last decade she said, most of the business today are primarily global, but challenges and opportunities increase also when crossing international markets she quoted (Castro, 2016). Before introducing the concept discusses in the next chapter of this paper to argue on our anticipation to the debate, Erlana advises business leaders to reinvent themselves first before another external factor forces that reinvention (Castro, 2016). In others words, Erlana was requesting companies to revisit their strategy as the call of globalisation is real and is changing the pace of every day’s business. Obsolete yourself first before others declare you been obsolete she concluded on this point.

Then, if the definition of globalisation is still unclear to this extent, we associate this hot topic with the following trends to clarify our understanding of this concept of disruptive changes in the business arena of our time. One of these trends been the rise and expansion of multinational corporations with business interests and employees in several countries, including McDonald’s, Coca-Cola with its exceptional expansion, Toyota, Sony, IBM, Unilever, Nike and Shell. Please don’t look at Coca Cola in particular warned Erlana to business leaders in Sao Paulo, it remains the exception of our time as it is very difficult to reinvent a different product like coke at this time (Castro, 2016).

Another trends that we have associated to define globalisation, is the emergence of global financial markets in centers such as New York, London, Sao Paulo, Frankfurt and Hong Kong, providing businesses around the world with easier access to financing although the global super financial regulator is improbable in the abrupt future underscores Sheel (2009). On top of this, as Peter Drake the father of management said, “Culture eats strategy for breakfast”, there is another trend created by the inordinate levels of immigration as observed the last decade globally, changing the ethnic, cultural and religious composition of several countries and leading to the establishment of multicultural societies. Culture implies the way we relate to the world around us. It remains a difficult thing to take away from a person as we get knowledge from our culture.

Talking from the beginning of globalisation, as we all know today; it began in the 16th and 17th centuries when the

Portuguese and Spanish empires spread into Africa, the Americas and Asia seeking gold, silver and spices (Sheel, 2009). The Dutch, French and British empires soon followed, with the Dutch East India Company becoming the world's first multinational privately held company, with ownership divided into shares at the time (Harvey, 1995). The character of this first wave of globalisation was by rapid growth in trade and investment between the European powers and their colonies, including the American colonies (Lang, 2006).

Before a wrap up on the beginning of globalisation, our claim is that: the first era of globalisation began to break down with the advent of the First World War, and later collapsed between the two world wars, in part due to the raising of tariffs and increased immigration restrictions (Harvey, 1995; Lang, 2006; Sheel, 2009).

Despite the fact, that many authors in the academic arena and outside place the applicable beginnings in very recent times. The first of Thomas Friedman's influential books on globalisation, *The Lexus and the Olive Tree* (2000), puts the dawn of globalisation in the early 1990s triggered by the end of the Cold War and the explosion in use of the Internet that remains in our opinion, the global born media of our time. In his sequel, *The Earth is flat*; Friedman changes the date forward to the beginning of the 21st century.

Globalisation: Yesterday, Today, and Tomorrow argue Sheffield, Korotayev, & Grinin (2013) differs predominantly by its focus on the systemic aspects of globalisation processes. Political, economic, geographic, ecological, social, cultural, ethnic, religious and historical processes are analysed and the discussion of their single and joint impacts on globalisation (Sheffield, Korotayev, & Grinin, 2013). Our view or intake in the history of globalisation today is that, it has involved complex interactions among these economic, political, socio-cultural, and biological factors. This is because, economic crises had political consequences and vice versa. Looking from our novice eyes, we have noticed that cultural and social realities stimulate or disrupt political and economic integration one way or the other.

Because of the explosion of trade and technology, the current rate of globalisation in our opinion is exceptional. Author and journalist Thomas Friedman indicated that today's globalisation is unique because what corporations once accomplished is now being done by individuals, allowing them to reach around the world "beyond, faster, cheaper, and deeper." However, like nationalism, institutionalised religion (as distinct from individual spiritualism) also appears to be in long-term decline in the wake of science, reason, liberty and globalisation argue Sheel (2009); there are many publications dealing with particular aspects of globalisation with left or right inclination to demonstrate the new world. Yes, the new world of push and pull, living ecosystem, networked, constant conversation, pattern recognition to enrich the receiving culture said Erlana Castro during her lecture in Sao Paulo.

However, the growing complexity has increased the interrelatedness among all countries. Recurrent economic and political crises that have global consequences demand new approaches (Sheffield, Korotayev, & Grinin, 2013). Examples are everywhere, which we experience every day. One has to pay attention, simple as that to understand the world around us.

Much can be said here but as the future business is concerned, before introducing the globalisation of markets to support our anticipation to the debate, we can firmly say that nowadays,

many companies outsource their manufacturing operations to developing nations. Although globalisation is a very broad concept not only with respect to the diversity of regions, cultures, and actors, but also with respect to the diversity of analytical approaches that can be employed to study it think Sheffield, Korotayev, & Grinin, (2013), our intake with outsourcing of multinationals corporations remains a tangible argument to anticipate this debate in order to alert business leaders moving forward.

In summary, agreeing with Sheffield, Korotayev, & Grinin (2013), we simply saying that the special character of the Globalisation Yesterday, Today, and Tomorrow is to delivers a broad international and multicultural spectrum of issues associated with business, trade including the impact of globalisation on particular cultural-geographic regions.

### III. THE GLOBALISATION OF MARKETS

In current years, globalisation has turn out to be a major theme in every debate of international marketing strategy. Supporters of the philosophy of "Global" products and brands, for example professor Theodore Levitt of Harvard says that in a world of growing internationalisation, the key to accomplishment is the development of global products and brands, in other words, an emphasizes on the marketing of standardized products and brands globally (Levitt, 1983).

It is without any doubt that we can firmly say that the technological breakthroughs of our time reflect more the conversion of the entire world. Today, speciality is the semantic of the past as it does not hold value in the future. The main question here is for business people to be agile in taking into account all transformations happening around us. The market is globalising, and the main challenge is how to become global?

If change is still a slogan in some business people mindset today, it means the dialog process that engages everyone and every country remains a myth to their eyes. In the new world of globality, despite the requirements of deep cultural knowledge and deep media behaviour, the need of a more global market focus is a golden key to success. "Our time is driven by the Republic of Technology (whose) ultimate law...is convergence, the partiality for everything to turn out to be more like everything else." Daniel J. Boorstin. Our synthesis from professor Theodore Levitt's article of 1983 is straight forward in table 1, as it demonstrates our thought towards future business leaders in the making.

Construct/driver	Variables	Concept/description
<b>The globalisation of markets</b>	Technology - the evolution and transformation of the world	Technology as a golden force driving the world to convergence by allowing a huge integration of differents markets
	Global markets – a converged market and a move to uniform	The emergence of standardised products developed in the rich markets and introduce to the emerging

demand	markets and vice versa. Multinationals to propose uniform products to meet the needs and desires of a new mass of global consumers
Global corporations – to serve global markets	The huge demand and exigences of the emerging markets. Good quality at affordable price
Multinationals corporations – to serve the global markets with local appetites	Meeting the new competitors

Table 1. the globalisation of Markets

Many companies have become disillusioned with sales in the international marketplace as old markets become saturated and new ones must be found (Levitt, 1983). For Levitt (1983) there is a powerful force that drives the world toward a converging commonality, and that force is technology. Almost everyone everywhere wants all the things they have heard about, seen, or experienced via the new technologies (Levitt, 1983).

Those who support globalisation point out that free trade enables companies from the rich industrialised countries to invest in poorer countries, providing jobs to local citizens and improvements to infrastructure. Many multinational corporations now reduce labour costs by outsourcing portions of their business operations to the emerging countries such as India and China. This is particularly true of the manufacturing sector.

For example, American and European companies move to Asia, and still service their local consumers back home. Technology firms employ programmers in India to write programming code. Telecommunication companies place call centres in India to handle customer service. Chinese manufacturing companies sell their smartphones to the rich world and to a large consumers market of the emerging markets worldwide. There are many more markets today in which consumers expect products that have been harmonised globally (Castro, 2016).

We can ratify that the well managed companies today have moved from the strategy of customizing products to global standardized products (advanced, functional, reliable and low-priced). It's only those companies that will achieve long-term success by concentrating on what everyone really wants. This preference for global standard products in our opinion is due to a powerful force that is called technology (Levitt, 1983). It allows us through communication and transport to be eager for international products.

Although, "The Globalisation of Markets" cannot be seen as a good forecaster of events in this time due to the new political

trends of the rich world; however, the authority and sometimes outrageous language used by Levitt changed the nature of debate on the issue, and created new perspectives for business leaders to consider as they approach world markets. In today's global economy, if companies want to survive, they have to respond to it, and meet new competitors (Levitt, 1983).

Advocates also contend that globalisation of markets allows for the mixing of people and cultures, further enabling the sharing of ideas, experiences and lifestyles. People can experience foods and other products not previously available in their own country.

**THE FUTURE OF BUSINESS**

So what does the future of business hold in this context? What will be the result of the increasingly interconnected state of the world's nations?

Because our lives today are characterised by the uncertainty of tomorrow, we would like to take a step ahead in trying to ask the right question, to be aware of the potential change that is yet to occur in our business life anytime from now. The future associated to globalisation can be tomorrow, in few hours, few months or few years.

Globalisation as early stated has become the main factor in business life during the last few decades. It affects the economy, business life, society and environment in different ways, and almost all corporations are been disrupted by these changes. These changes are increasing competition and the rapid changes of technology and information transfer.

Of course, trying to predict the future with perfection is not secure at all. However, if we are active in some field, we are unavoidable to be aware of important trends in it, and we should take our anticipations of significant future events seriously (Muroyama & Guyford, 1988). Here is the caution – times change and markets are fluid. Short-term opportunity abroad abounds, but with this opportunity comes the potential for unforeseen future risk. That said, and with eyes wide open, if business leaders are not taking aggressive steps to tax exile their businesses then they may be making a big mistake (Myatt, 2016).

Our argument is clear; globalisation in increasing competition has changed the requirements of business life. As the results, we have witnessed many disruptions, including the technological breakthroughs and the globalisation of the markets these last decades. What is amazing about this hot topic of globalisation is that, the competition born from it does not limit its scope to product only. This completion is also associated to the service cost and price, target market, technological adaptation, quick response, quick production by companies and others thinkable and unthinkable ideations. It may become rare in the future for a typical company to contemplate keeping its technological advances long for its exclusive use. That company will expect that an avalanche of alternative developments will soon build enormous competition (Muroyama & Guyford, 1988). Because in today's marketplace argues Myatt (2016), conducting business internationally is as much of a defensive play as an offensive play. In examining the upside of going global, consider the sheer size of international markets as contrasted with the size of the domestic market and you will likely find that the majority of your potential customers live abroad (Myatt, 2016).

In the future, underscore Muroyama & Guyford (1988), when analysts study a corporation, trying to measure its current



condition against its future potential, the probability of adding one important new item for study is very higher to their conventional examination of balance sheets, profit and loss statements, market growth rates for the products, and strength against competition. It is without a doubt that the tools of globalisation would serve in any future contact. This will move along and redefine business formalities and the level of globalisation (Sheffield, Korotayev, & Grinin, 2013). In addition, because customers have a large multitude of choices in the market and this affects their behaviours: they want to acquire goods and services quickly and in a more efficient way than before (Myatt, 2016). They also expect high quality and low prices talking for the emerging market in particular (Castro, 2016). All these expectations need a response from the business leaders and their corporations, otherwise sales of company will decrease and they will lose profit and market share. A company must always be ready for price, product and service and customer preferences because all of these are global market requirements (Levitt, 1983). Globalisation has made us aware of the state of our world and there is no doubt about that. However, in order to ensure that the benefits of globalisation will continue to outweigh the costs, the responsibility depend on the will and foresight of key decision-makers in business to redesign systems and regulation framework to meet the challenges of the society of the 21st century. Beyond these considerations above, business needs to understand systemic risks associated to globalisation in order to develop unforeseen event plans to prepare and respond to the risks in due course. Advocates or analysts should be aware of the twin forces of ideological change and the technology revolution that has made globalisation the single most important issue business leader has to face today.

#### CONCLUSION

The future of business is simple, innovate or die. While free markets always implied competition among firms, there are good reasons today for business people and companies to collaborate.

Our observation is that, the opening of global trade and the growth of large multi-national companies has created a more and more competitive global market. Businesses need to invest or innovate in order to survive and prosper, adapting their products or services in order to meet rapidly changing consumer preferences. Without this adaptation, businesses who were previously the dominant or sole player in their traditional home markets will be vulnerable to the global reach of competitor companies.

The future of business in other words, is about establishing the new ways to be together tomorrow. Thinking ahead of time to prevent disaster of being declared obsolete by competitors.

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