International Management, Differentiating Factors, and its Relation to Culture

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ABSTRACT

The world has globalized more than ever today. Companies from different countries compete in the global market place fiercely. The quick development of globalization is referred to various factors involving the immense usage of technology and its accompanying uses in international management. Political developments allow cross-border trade agreements and global competition for increasing numbers of consumers has been improving around the world. Emerging economies are gaining more power, the middle-class consumer profile is growing and the need for enhanced productivity and consumption in developed states instigates their economies. The increasing globally interconnectivity flattens the world. Thus, in the world where the globalization is uniting countries, economies and cultures, the issue of international management has gained much importance. The aim of this article is to review the issue with respect to international management, the effect of culture and make implications regarding to intercultural management resting on comprehensive and credible international publications.

KEYWORDS


INTRODUCTION

International management is the process of constituting strategies, designing and operating business systems as well as conducting business with people around the world to develop sustained competitive advantage. Competitive advantage is a distinct ability which cannot be easily imitated or which cannot be imitated by the competitors. With respect to this globalization is important. Globalization is the increasing convergence and interconnectedness of national economies as well as declining commercial barriers. It is imperative for an international manager to understand globalization and its implications to develop a competitive edge for its business. Global competition is signified by networks of international linkages which converge states, institutions and people in an interdependent global economy. Economic convergence stems from the reduction of trade barriers and the increased flow of goods, services, capital, labor and technology globally. Emerging economies along with developed ones now generate as much trade, capital and knowledge flow as do by developed economies. Therefore, international management and international business today are to rival with everyone from everywhere for everything (Deresky, 2017, pp. 25-29).
AN OVERVIEW OF INTERNATIONAL MANAGEMENT

Management is an issue which concerns all the businesses and not-for-organizations too. Management is to do business by means of people in the simplest sense. However, it has differentiating characteristics with respect to international management.

The term international refers to business operations which includes crossing the frontiers among nation states. This definition therefore implies crossing country level economic, financial, sociological and commercial variables as well as the country itself. Cross-border operations do not only involve the exchange of tangible goods but also involves the exchange of intangible assets such as services, capital, management practices and philosophies. Internationalism also refers to both the crossing of national frontiers and having access to external environment which involves considerable diversity as well as interacting with various international factors at the same time. Crossing national frontiers also signifies mental differentiations emerging by new experiences. Management is to handle both people and business issues in organizations. The duty of managers is to plan, organize, lead, coordinate and control the entire issues in a business organization in order to accomplish value adding activities which is also a historically and socially process of construction of merits in a business. Moreover, management is not only confined to for-profit-organizations since it involves the entire socially constructed operations which occur in various types of organizations across the globe (Phatak et al., 2009, pp. 5-7; Eden et al., 2011; Hodgetts, Luthans, 2000, pp. 2-10; Barlett, Ghoshal, 2000, pp. 2-5; Mead, 1994, pp. 3-6; Hodgetts, Luthans, 2000, pp. 3-7).

Management is the issue of planning, organizing, leading, coordinating and controlling the assets of an organization in order to meet its objectives as effectively as possible. Furthermore, international management is the issue of planning, organizing, leading, coordinating and controlling the assets of an organization in an international context including cross-border operations to accomplish its goals and objectives as effectively as possible. It is important to stress the business activities as for-profit organizations in the definition of international management in accordance with mentioning certain business tasks and their sub-tasks emerging on an international scale. International management is not to cross border with a one-way point of view, but it is the crossing of border in multiple lines and with numerous goals. International management is to enhance the learning experience in terms of doing international business too. Since a company would confront different political, commercial, social, financial and economic environments, it is just to be natural to enhance the learning capability of an international company and its personnel. International management is to implement management concepts and methods in an international environment. International management is constitution of strategies and the design of management sequences which accomplishedly utilize multinational opportunities and to be able to respond to international threats. Furthermore, international management is how business organizations become international, how they remain in international environment and how individuals from different cultures work together, get along with each other and rival against each other. In such a process, individuals utilize human resources, capital, technology and know-how across countries. International management is implemented by international managers who should have a good understanding of unique multicultural and multidimensional environments. Therefore, the issue of international management is considerably influenced by unique cultures and multinational subjects where the international business is conducted (Phatak et al., 2009, pp. 5-7; Eden et al., 2011; Barlett, Ghoshal, 2000, pp. 2-5; Hodgetts, Luthans, 2000, pp. 2-10; Mead, 1994, pp. 3-6; Hodgetts, Luthans, 2000, pp. 3-7).

International management is consisted of pure international concepts which is the management of a business organization in a multicultural context. It involves subjects as the internationalization process of a company, decisions on entry modes, management of foreign subsidiaries, expatriate managerial topics and so on. Moreover, international management is a scientific field which comprises of management across different cultures. International management is the field of business studies which comprises of international operations and interactions of businesses within a multinational
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