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**Introduction**

This assignment is expected to address the practical research problem and how it affects work performance and productivity. Chapter one provides the essential background information, rationale for the research, presentation of the issues, scope of the study, background information relating to this assignment.

This assignment adds potential practical value in assisting the Organization in addressing the performance issues. It offers evidence to shed light on what previous studies have done in the same field by not inventing the wheel. This course also draws attention to any strengths or weaknesses of the earlier studies and offers evidence that will either prove or disprove the objectives outline.

Academic researchers and professional researchers' have shown interest within the Public and Private Sector organizations. Strategic planning and marketing concepts are considered a rich research area of many researchers who already made their contribution. However, these concepts play integral roles in the business as it indicates financial performance. Although there is still no clear depiction, of how corporate goals affect employee performance and organizational performance, due to this contradictory matter, the research question arises, whether strategic planning and marketing concepts improve work performance.

All academic sources used in this study are fully acknowledged and disclosed, in line with the MLA System Referencing.

 What is International Business?

Business is any activity that seeks profit by providing goods or services to others. International business is any activity involving business operations across national borders. The historical origins of international commerce are found throughout the world and in most recorded history. The major factors that influence international trade include social, cultural, political, legal, and economic factors.

The levels of participation in international trade are the involvement of individual consumers, companies, states or provinces, and countries settings on which international business affects people including the local state or provincial national and international. Cultural history labor unions and government regulations are all sources of issues that affect ethics in international business.

 **Terms and Definitions**

* A domestic Company is a company that conducts business in only one country
* An international company is a company that conducts business across national borders
* Globalization is the increasing integration of the world economy
* Global dependence is the concept that all countries depend on each other for trade.
* Multinational companies have investments in other countries but do not have coordinated products offerings in each country. They are more focused on adapting their products and services to each local market

**Ethics**

 Code of ethics are statements that explain what a company or group believes is proper and improper conduct. Ethics is a moral principle by which people conduct themselves personally socially or professionally. On the other hand, business ethics is a set of ideas about how a company should conduct business concerning legal, social, and environmental issues.

**Terms**

* Social responsibility is the duty to do what is best for society
* Stakeholders are individuals or groups of people who have a direct interest in involvement or investment in something.

**Cultural and Social Influences**

The cultures of both trading partners can affect every aspect of a business relationship. The subcultures of a country may be formed around geographical regions, political subdivisions, musical tastes, religious beliefs, and many other orientations.

**Subcultures**

* This is a smaller group or subset within a larger culture.
* Culture shock is a reaction that newcomers to culture may experience reactions may include feeling uncomfortable, afraid resentful, and /or intriguing
* Cultural baggage is a set of cultural attitudes that include the beliefs values and assumptions that people carry with them throughout life.
* Cultural bias is a preconceived attitude of favoring or disliking a particular culture.

International Communications

 Communication



 International Communication

 ** **

 Nonverbal communications Verbal Communications

The diagram above shows the international communication process.

Importation, Exportation and International Trade

 International Trade – all business activities conducted between individuals’ companies and governments from different countries. The processes of international trade include activities such as buying selling shipping receiving paperwork, granting credit, making payments, servicing products, and a wide variety of additional tasks.

 A good is a tangible item that is made manufactured or grown. A service is an intangible benefit provided by a company to individual customers, other companies, and governmental organizations.

 Importing involves identifying the need searching for suppliers creating and finalizing the purchase agreement receiving the goods and confirming the purchase is complete. Exporting involves assessing the demand, identifying customers, making sales contacts creating and finalizing a purchase agreement delivering the goods and services, and completing the transaction.

Companies and countries trade with each other for a variety of reasons that include earning profits adding unsaturated markets and smoothing out seasonal sales.

Countries need to maintain a balance of trade because most economists believe that a negative balance of trade or a trade deficit is bad for a nation’s economy.

 International trade organizations play many roles such as helping to expand international trade and raise the standard of living in the participating countries.

**Governmental and Legal Influences**

1. The type of government present in a country has a major impact on business. There are two basic types:
2. Democratic
3. Totalitarianism

 Democracy – a government system in which the nation’s citizens hold political power

 Totalitarianism - a type of government system in which citizens do not influence the government policies and laws.

**International Disputes**

 The three methods for resolving international trade disputes are :

1. Litigation – a legal process used to resolve a dispute through the court system
2. Mediation - a process of intervention between conflicting parties that promotes resolution of their conflict outside the court
3. Arbitration: a process to resolve disputes in which each side presents its case to an independent individual the arbitrator who makes binding decisions.
4. A free trade agreement is a treaty between countries in which the countries agree to not charge taxes duties or tariffs on goods that they trade
5. Common law is a set of laws based on local customs traditions and precedents

Economic and Geographic Influences

The most common types of economic systems are economies command economies and mixed economies. Economics is the study of how a society chooses to use resources to produce and distribute goods and services for people's consumption.

 The market economy is an economic system in which economic decisions are made in the marketplace.

Command economy or planned economy is an economic system in which a central authority makes all key economic decisions.

Economics :

1. The mixed economy is an economic system in which the marketplace determines some economic decisions, and the government makes some decisions.
2. The degree of development of the natural human and capital resources of a country determines its ability to trade.
3. Four stages that define the level of economic development are underdeveloped, developing industrialized, and post-industrial. countries in the latter two stages of economic development are capable of doing the most international trading.

**ABSOLUTE VERSUS COMPARATIVE**

An absolute advantage for a country means that it produces a good or service more efficiently than any other country in the world. A comparative advantage for a country means that it specializes in producing goods and services that it can create more efficiently

**Geography and Trade**

 Four basic geographic features are topography, deserts and rain forests, bodies of water, and climates. success in international business involves taking advantage of positive geographic features such as having a trade center near a body of water and a flat plain. Geography affects trade through location time zones, and proximity, close trading partners often are physically close together on a world map

**Currency and Risk Management strategies**

 Money and the currency exchange system allow companies to conduct international business. Money is anything that people accept as a form of payment. Currency is in the form of money used by a specific country or region. The currency exchange rate is the rate at which one county's currency can be traded for another country’s currency. Hard currency is a currency that can be exchanged for other currencies at uniform rates in financial centers around the world. Soft currency is an unstable currency the value of one currency changes when it is traded for another. National leaders use both market and non-market methods to make sure exchange rates are at least a neutral factor in business.

**Commercial Risks**

The types of commercial risks in international business include exchange rate risks transaction risks and insurable risks. Individual companies use various methods to reduce transaction risks. This is partially done by setting up different types of payment programs for goods and services.

**Money**

Insurance is used to cover a few specific types of risk such as damage to fires, weather or storms earthquakes, and natural catastrophes. Throughout history, money has been accepted in many forms including paper stones and beads.

The four characteristics of money are acceptability, market value, simplicity, divisibility, and portability.

**Types of Risks**

1. Risk is the possibility of loss when there is uncertainty associated with the outcome of an event.
2. Commercial risk or trade risk is a risk present in day to day buying and selling processes between companies
3. Exchange rate risk is a risk that occurs when the currency exchange rate fluctuates as a transaction takes place
4. Transaction risk associated with a buyer making installments payments on a purchase.

Business Ownership and Entrepreneurship

* Three types of business ownership are the sole proprietorship, the partnership, and the corporation.
* Sole Proprietorship is a type of business ownership in which one person owns the business.
* A partnership is a type of business ownership in which two or more people own the business.
* A corporation is a type of business ownership in which many people whom the law treats as one person own the business.

**Types of Corporations**

* Most small businesses are sole proprietorships, owned by individual owners. Partnerships allow each partner to bring different skills to the business. Corporations have many owners and can attract large amounts of capital.
* Subchapter corporations is a corporation that is taxed like a partnership.
* A limited liability company (LLC) is a company whose owners and managers enjoyed limited liability and some tax benefits.
* Multinational Corporations MNC is an organization that operates in more than one country.

**Modes of Entry**

* Mode of entry is the method a company uses to sell products in another country
* The selection of a particular mode of entry determines the approach a company will use to sell goods and services in another country.
* Modes of entry include indirect exporting, direct exporting, turnkey projects, licensing, franchising, joint ventures strategic alliances, wholly-owned subsidiaries, and foreign direct investments.

Entrepreneurship and Intrapreneurship

1. Entrepreneurship is the process of starting up a new company or business
2. Global entrepreneurship is the process of selling new products, starting a new operating division, or starting up a new company in another country
3. Intrapreneurship is the process of starting a new business that is spun off from an existing business.

**Leadership Challenges**

 The expansion of international trade has contributed to the increase of global factors that makes it difficult for effective leadership within a multinational enterprise, technology, globalization, cultural factors, language barriers, structural factors, and decision-making authority. Some of the leadership challenges are managing a diversified workforce, managing the competitive forces from other countries, increase in temporary employment, the management of production and quality, redundancy, reducing the labor force, and flexible work hours. Language and cultural barriers posed high risks to the leadership capabilities and effectiveness. Failure to address matters promptly can make the processing time-consuming and difficult. Changes in emphasis on the labor force, as foreign operations mature the emphasis are put more innovative initiatives, taxation, and relocation activities. The impact of Technology, their clear risk, and constraints that can make this difficult and these are, (1) the long-life cycle of investment with the sophisticated risk of the unattractive or culturally unacceptable system. (2) Risk management the enterprise faces technical problems and the severe goes down, (3) fractured delivery (4) The need for regional policies and processes, conflicting policy (5) Data Protection concerns, the main constraint to complete integration, tends to affect by employment law, employee relations, work councils, procedures governing dismissal and setting upon employment contract. The complexities that make culture difficult to adopt, is during the expansion into other countries and creating employment opportunities from within the home country, this can result in disloyalty and trust, which have further ramifications, for example, it is difficult to retained quality employees.

Hofstede's study of cultural values across countries, individualism and collectivism, Power Distance, Uncertainty, masculinity, and femininity, concluded that certain countries shared similar characteristics and based on the evidence, but evidence has shown that there are differences between the groupings of countries across cultures. For an effective leadership capability to survive in an environment with such challenging factors, organizations will need to focus their attention on rare resources locate the quantitative and qualitative persons required to compete internationally. They are capable of sourcing employees from various countries; however, it is more efficient and effective to some extent. Organizations are made up of people and since leadership deals with the human factor; this has negatively affected leadership capabilities nationally and internationally. Leaders operating in Multinational organizations must ensure a balance and diversify the labor force with require competencies, such as skill abilities, experience, cultural abilities, knowledge, etc. If the company does not address the communication and cultural issues, it can make the process very difficult and time-consuming regarding employment opportunities. They must adapt to the different types of cultural deficiencies during the recruitment and selection process in different countries. The language barrier is also necessary for the process across countries in getting employees to accept certain cultural norms, values, and beliefs in terms of employability and opportunities. To ensure this initiative is successful the following approaches are applied, Ethno Centric, Polycentric, and Geo Centric Approach. Ethno Centric Approach: This is the best way to maintain a unified corporate culture, value is created by transferring core competencies to a foreign operation. Polycentric Approach: Reduces cultural myopia. The drawback to this is that it limits opportunities for the host country nationals to gain experience outside their own country. There is a gap between the host country managers and parent country managers. The Geocentric approach is consistent with building a strong unifying culture and informal management network. Such as immigration, a policy of the national government may limit the ability of a firm to pursue this policy.

**Leadership Styles**

Organizational culture refers to the set of beliefs, attitudes actions, and behavior that typify the members of the organization. A performance culture is a variation and refers to beliefs, attitudes, actions, and behavior that actively promote and reinforce the achievement of the organization's goals and objectives the culture is characterized by the predominant belief that the organization members should tie performance to organizational goals and actively work towards the achievement of the overall targets. Performance Culture is not synonymous with working hard. The leadership styles suggested by Ed Schein are, Democratic, Participative, distributed, and transformational Leadership, they facilitate an open-door communication culture, allowing all employees to make suggestions regarding issues sounding their performance and goal attainment. Employees proactively seek and respond to feedback and self-development opportunities; they understand how their actions add value to the organization. An open culture supports the achievement of strategic goals and competitive advantage. Culture change does not happen overnight. However, Management can foster the development of an appropriate culture by promoting positive actions that seek to reinforce the desired behavior. The structure constantly supports, promotes, and reinforces a cultural environment, for example, competitive advantage, clear define understood performance, and targets. This requires a clear line of sight between the new culture and leadership styles suggested by Ed Schein. In the short term, the new culture will influence the daily performance needs to be understood. Finally, all employees of the organization must be seen to be involved in the process. As such, culture cannot be seen to be a process that is driven by the Human Resource Department alone, as line management must be seen to be a critical part of the Leadership system. The employees are a part of strategic planning and implementation of organizational goals and objectives. The climate facilitates their progress and growth in their professional careers. Specifically, target setting supports the development of a career action plan stating career goals and outlining the activities involved in the attainment of their individual goals. In an open cultural environment, the leader provides continuous feedback and evaluation on the plan and determines the revisions or self-improvement options to pursue. Responsibilities are standards, even when applied to different employees in the same unit. The ability to accurately determine the responsibilities that accrue is therefore critical to the achievement of organizational goals and team performance. Effective communication of expectations and implications of goals and performance is critical; the key is that all employees must understand the importance of filling leadership roles. This can be done by relating the concepts to personal issues, explain what is in it for me? Issues and applying the benefits of open culture and senior leadership behavior in an organization, future and current needs for example personal and professional development, positive attitudes and behavioral changes, recognition, and rewards. Active encouragement of career planning and continuous self-examination development traditional communication channels such as an internal newsletter and staff notice boards. Promotion of an environment culture that emphasizes giving and receiving feedback and the adoption of positive reinforcement techniques, in which appropriate behavior is rewarded. Other contributions such as improving corporate, departmental, section, work unit, and individual performance by defining measurable work to be completed, improving the quality of organizational outputs by specifying measurable work completion standards, improving the timely delivery of outputs by scheduling completion times and tracking progress, strengthened individual capacity by identifying training and development needs, guiding and providing training, align corporate goals with individual objectives and organizational strategic objectives and motivate staff to eliminate performance deficiencies and to improve performance and achieve the strategic capability and maintaining competitive advantage within the international markets. Many firms underestimate the complexities involved in international operations; evidence has suggested that business failures in the international arena often link to poor leadership capabilities. The primary reason for their failure stem from an understanding of the essential cultural differences in managing a multinational operation at all levels within a foreign environment. Certain management philosophies and techniques have proven successful in the domestic environment. Their application led to frustration failure and underachievement. The styles of leadership suggested by Schein provide a firm foundation for people development and effective goal attainment. It allows for key roles and responsibilities to be filled by lower-level staff, leading, and directing the provision of tools for success, facilitating the superior performance, guiding, coaching, and timely feedback and critique. The roles and responsibilities support strategic goals by facilitating a common understanding by others, supporting leadership, motivation, teambuilding efforts, increasing morale, improving performance, and increasing productivity. Communicating reasonable expectations as to the behavior desired from each member of the organization, leading to the alignment of corporate, individual, and team objectives, and enabling the creation of the Buy-in necessary to support appropriate culture. Employees are involved in the direction to follow and the overall strategic pathway, communicating clearly, what must be done and providing input on expectations of the standards to be achieved. The employees are also actively involved in the performance management process; it is used as a tool that facilitates the progress and development of their personal and professional careers. There is also continuous feedback and evaluation on progress against objectives and options to pursue. The staff takes the responsibility for proactively seeking feedback from top management on issues and timely responses on the decision result.

FACTORS INFLUENCING INTERNATIONAL MANAGEMENT LEADERSHIP

Countries differ widely in their cultures, values, and the ways the values manifest themselves in the nation’s arts, social programs, politics, and ways of doing things. A study by Professor Geert Hofstede identified other international cultural differences. Hofstede stated that “societies differ in power distance in other words, the extent to which the less powerful members of institutions accept and accept an unequal distribution of power”. Other research has concluded that people differ in terms of individualism and collectivism, Individualism is the extent to which people place value on themselves, they define themselves by referring to themselves as singular persons rather than as part of a group or organization. For them, individual tasks are more important than relationships. Collectivism is the extent to which people emphasize the good or society they tend to base their identity on the group or organization to which they belong. At work, this means that relationships are more important than individuals are or tasks, employers – employee liner are more like family relationships. Countries that value individualism in the USA, Great Britain, Australia, Canada, Netherlands, and New Zealand. Countries that value collectivism is Japan, Columbia, Pakistan, Singapore, Venezuela, and the Philippines. India may be placed near to Collectivism.

Power Orientation was also known as an orientation to authority, is the extent to which less powerful people accept the unequal distribution of power, people prefer to be in a situation where the authority is clearly understood, and lines of authority are never bypassed. On the other hand, in a culture with less orientation to power, authority is not as highly respected, and employees are quite comfortable circumventing lines of authority to accomplish jobs.

 Uncertainty Avoidance was also known as the preference for stability, is the extent to which people feel threatened by unknown situations and prefer to be in unambiguous situations. In many countries, people prefer unambiguity while in many other countries people can tolerate ambiguity.

Masculinity was also known as assertiveness or materialism is the extent to which the dominant values in a society emphasize aggressiveness and acquisition of money and material goods, rather than concern for people and overall quality of life. Time Orientation dimensions divide people into two categories, long-term orientation, and short-term orientation. People having long-term orientation focus on the future, prefer to work on the project have a distant payoff, and are persistent and thrift. People having short-term orientation are more oriented towards past and present and have respect for traditions and social obligations.

 Structural factors, Organizational structure, and organizational culture will hamper upward commination or other managers who may act as blocks to communication. Within a highly structured organization, an open culture will be faced with several challenges, communication, decision making, conflict resolution, employees will not be free to make any contribution without following the appropriate guidelines. For example, if an employee cannot write directly to the Director concerning an issue with their vacation leave, without first writing through their immediate supervisor. Secondly, the decision-making process will take a longer time, thirdly, disciplinary procedure, etc. Management style is autocratic and powered based, not allowing the employees to make any decisions without going through the appropriate channels, and reporting lines of authority. An upward communication cannot survive in an environment due to the structural factors, rules, policies, and procedures that governed the ethical standards of the organization.

Decisions based on the present situation, for a decision on performance or finance. Leaders and managers in any organization should weigh all necessary options and outcomes of their decisions, and the effect it might have on the entire organization Understanding the validity of communication and decision-making are significant to leaders and managers in the creation of policies and communicating strategy, while leadership is functional, meaning that leadership is at the service of collective effective. Communication is critical to the success of structure; it is one of the most essential skills that contribute to any successful enterprise. While some of the important roles of effective leadership are daily stressed. Leaders must cultivate a meaningful relationship in all operations that allows for upward communication, it is complex and irreversible instead communication can define the characteristic of every leader that involves the negotiation of shared interpretation and understanding in the entire organization. Leaders need followers and followers need leaders to accomplish the desired goal and outcomes within their organizations. It opens the boundaries of leadership to those who would previously have been excluded from leadership activities. It embodies the belief that expertise should be distributed across the organization, rather than being concentrated in the hands of a few people.

The culture is characterized by the predominant belief that an organization should tie performance to organizational goals and actively work towards the achievement of all goals and strategic objectives. The culture is not synonymous with working hard, culture does not typify behavior such as, working hard with no real objective insight, creating of own vision of what the organization expects from all staff, narrow focus on job responsibilities without considering the impact on others, performance tasks to the letter and no more and treating what is done with more concern than how it is done.

In effecting the approach of upward communication and senior leadership behavior, management can foster the development of an appropriate culture by promoting positive actions that seek to reinforce the desired outcome. It is suggested that there should be (1) clarity with regards to what should be aimed at and the changes to be made, (2) constant and consistent communication of the need for and benefits of change and new values to imitate, (3) the establishment of a clear leadership structure, for examples teams with authority at the highest level of the organization (4) Provision of appropriate guidelines to staff (5) positive reinforcement, and (6) a monitoring and feedback system that will always monitor and evaluate progress, the change effort and suggests corrective recommendations when progress seems to be behind goals.

**Conclusion**

The learning gained understanding key concepts of how countries interact on an international level in gaining competitive advantage in the global market. The impact of Globalization brings countries closer where each country depends on each other for trade. Secondly, the importance of operating ethically, making the business alignment with the code of ethics that sets standards to be complied with. Thirdly, the cultural and social influences if not respected, can negatively affect the business relationship. Fourthly, Communication is an important ingredient that contributes to effective business behaviors for parties involved in the process. Also, governmental policies and regulations play an important role in international trade, by influencing their political policies, whether they are isolationist, conservative or liberal, etc. In summarizing all the key concepts in international business management, I am now able to expand my knowledge in exponential growth in forming my own business and contributing to the wider society. This course has provided me with an environment to grow academically and professionally within the Turks and Caicos Islands National Insurance Board, where I am currently employed as a compliance supervisor. I hope to make this the main goal in helping local businesses within my community who hope to expand their opportunities for growth in the global market. This course was very beneficial professionally and rewarding.

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STATEMENT OF ORIGINALITY

**Student Name:** Dexter Jermaine Parker

**COURSE NAME:** Doctor of Science Degree in Human Resource Management and Development AIU –

**SCHOOL:** Business and Economics

**Assignment Title: (INTERNATIONAL MANAGEMENT -AIU)**

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**Student Signature Date: March 25th, 2022**

**Dexter Parker**