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Globalization

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Ever since we opened our doors to trade, we have become increasingly interdependent with our trading partners. In recent times, this phenomenon is exacerbated by the supply chain economy we co-created around the world. So, the world is at our doorstep and the global village is no longer a concept. The physical distance among people is getting shorter everyday. However, are we really getting closer to each other?

Our business strategy around the globe is often tied to our foreign policy. And our foreign policy is dictated by the way we see ourselves.

The U.S. culture is mainly an individualistic culture. We see ourselves as lone rangers. Our movies are often about an individual "hero on a white horse" that comes into town and saves the day. We believe that we are the only ones who can save the world from its demise. As a "superpower" of the world, we believe our way is the right way and our values ought to be universal ones. Since the rest of the world has been adapting to us for so long, that made it easy for us to see our privilege as a birth right.

However, as the world becomes smaller and our relationship with other countries becomes more complex, we must have a new strategy to win friends and influence people around the globe. Just by beating our enemies into submission with our "super" weapons or coercing our allies into loyalty with our money has not won us any friends or lasting world peace. Since we often operate from an individualistic point of view, we believe we can single-handedly create a new world order according to our ideology. This is a strategy that we can no longer afford.

To find a new way to lead in this world, the U.S. needs to move away from "going it alone" and take a more collective and collaborative stand in the world. In order to become more collaborative in the world, we must be willing to share our power as a leader. This has proven to be very challenging for a nation that is built on its "superhero" psyche. In the meantime, the world is shifting. Due to years of redistribution of wealth, education and skills, there is now a crop of power centers on the horizon. Other nations may still look to the U.S. to lead, but they are no longer willing to roll over like puppies. It is time for the U.S. to join the world but not to superimpose itself on the world.

Similar to our foreign policy, we have been managing our organizations and our businesses around the world as superheroes. We think our businesses are global. But are we truly global, or are we just everywhere? The reality is that our brand of globalization is often nothing more than Americanization.

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For every force that moves toward "globalism", there is a counter force that moves toward "nationalism". There is a loud section of our society that believes that "Buy American" is an act of patriotism. However, what is the definition of an American product anyway? Does it mean the product has to be made by American workers in the U.S.? Does it mean that the company needs to be owned and operated by Americans? Or does it mean that the profit has to stay within the U.S.? Sometimes this "Buy American" sentiment is part of that counter force to the unstoppable tide that sweeps across the globe wherever businesses can find better and cheaper resources to make products in order to satisfy the insatiable consumer appetite. We are those consumers. Can we still take our frustrations out on Japan, China, or India? Who next?

Ever since I started in my international marketing career and later became a global organization culture consultant, I noticed U.S.-based business organizations have not moved away from the "superhero" model very much. At the beginning, "going international" meant selling our products overseas. I remember General Mills trying to sell cake mix to Japanese housewives when the average Japanese household did not even own an oven. I remember John Deere trying to sell China tractors when the average Chinese farmer's notion of success is to have lots of children living together and working around the farm. They certainly would not put their children out of work by replacing them with a tractor. So they used the tractor as transportation instead of farm equipment. Our one-size-fits-all mentality and strategy did not work then and continues to fail now.

Next, we built manufacturing facilities overseas in order to supply our overseas market. We sent our employees overseas to manage and control the operations. Even though our products might have changed to fit the local market, the way we operate has not changed. Many of our expatriate managers could not speak the local language and had to collect local intelligence through translators' filters. Then we decided it was quicker to enter the foreign market by buying or merging with a foreign company since they know the local market better. However, we continued to try to "convert" our foreign staff to our way of running the business. Lastly, many of us started to push our entire supply sources out of the U.S. in order to feed our domestic consumers' appetite for cheaper products. While we have become totally dependent on our foreign suppliers to keep our domestic businesses going, we still believe we are the lone rangers.

We talked about global partnering. However in reality, we continue to see our foreign counterparts as less than competent and resistant to conform to our standards. Our global partners often felt their ideas being devalued and their cultures being disrespected. Our headquarter-centric attitude and behavior continue to widen our power distance and in turn perpetuates the perceived "Americanization".

As we continue to grow closer to the world, we cannot afford to think and act as if we are the only ones who have the great ideas and the resources to meet customers' needs all over the world. If we don't shorten the power distance among all parts of our global operation, we will

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have wasted valuable talents and resources, and eventually lose the competitive advantage in the global market.

Since there are increasing numbers of power centers in the world, our foreign policy as well as our global business strategy must strive for more collaboration, mutual benefits, and balancing and sharing of the power. In the process of globalization, national boundaries are becoming less important. Holding onto our national identity without strengthening our connection to the world will make us weak and irrelevant. On the other hand, today's corporations are in a perfect position and have the obligation to be a major player in helping us responsibly and strategically utilize the global resources and raise the collective standard of human lives on this planet. We can succeed without shedding any more blood or increasing our national debt.

Becoming truly global is the only way to help sustain this planet.

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