IJSET
INTERNATIONAL JOURNAL OF SOCIAL SCIENCE, EDUCATIONAL, ECONOMICS, AGRICULTURE RESEARCH, AND TECHNOLOGY

INTERNATIONAL STRATEGIC MANAGEMENT (STUDY IN THE UNITED STATES OF AMERICA)

Maisyura[1], Rico Nur Ilham[2], Lidya Beru Tarigan[3], Eka Astria[4], Etia Farianti[5]
[1,3,4,5] Faculty of Political Science And Social Science, Universitas Malikussaleh
[2]Faculty of Economic and Business,Universitas Malikussaleh
Corresponding Email: riconurilham@unimal.ac.id

Abstract

International strategic management is a comprehensive and ongoing process of management planning aimed at developing and implementing strategies that enable businesses to compete effectively in an international environment. The process of developing an international strategy is of course often referred to as "strategic planning". Strategic planning is usually the responsibility of senior management at company headquarters and in the company's domestic and international operating branches. Most large companies also have population planners who provide technical assistance to top management in formulating strategy. For example, five Disney planners first collected the demographic and economic data policy makers needed, and then used that data to select France as the location for Euro Disney. International strategic management leads to the formulation of various international strategies. It is a comprehensive framework for achieving the company's fundamental goals. Conceptually, there are many similarities between developing strategic capabilities in one country and developing competitive strategies in many countries. According to Hill and Jones (2012), international strategic management is “the process of establishing, developing, and implementing corporate strategic actions aimed at gaining competitive advantage in global markets”. Method Descriptive qualitative method is a research method used to gain a deep understanding of phenomena through description, interpretation and analysis of qualitative data.

Keywords: ***International Strategic Management***

1.INTRODUCTION

1.1 Background of the problem

International strategic management is a comprehensive and ongoing process of management planning aimed at developing and implementing strategies that will enable businesses to compete effectively in an international environment. The process of developing an international strategy is of course often referred to as "strategic planning". Strategic planning is usually the responsibility of senior management at corporate headquarters and in the operating branches of domestic and international companies. Most large companies also have population planners who provide technical assistance to top management in formulating strategy. For example, Disney's five plans first collect demographic and economic data that policy makers need, and then use that data to select France as the location for Euro Disney. International strategic management results in the development of various international strategies. Which is a comprehensive framework to achieve the company's fundamental goals. Conceptually there are many similarities between developing strategic competencies in one country and developing competitive strategies in many countries. According to Hill and Jones (2012), international strategic management is “the process of establishing, developing, and implementing corporate strategic actions designed to gain competitive advantage in global markets.”

According to Lasserre (2017), international strategic management is “a combination of activities that companies carry out to formulate and implement strategies that enable them to gain competitive advantage in international markets.”

1.2 Basic phenomenon (The main problem)

Potential downsides of doing business across United States borders:

1. Overseas operations may be seized by national factions.
2. Companies face social, cultural, demographic, enviromental, political, govermental, legal, technological, econic, and competitive diffrences when doing business internationally. These forces can make communication diffcult within a company.
3. Weaknesses of overseas competitors are often underestimated. Keeping informed about the number and nature of competitors is more difficult when doing business internationally.
4. Language, culture and value system differ among countries.
5. Gaining an understanding of regional organizations such as the European Community Economy, the Latin American Free Trade Area, the international Bank for Reconstruction and Development, and the international Finance Corporation is difficult, but often necessary, in conducting international business.
6. Dealing with two or more monetary systems can complicate internatioanal business operations.

1.3 Formulation of the problem

1. United States Definition of International Strategic Management?
2. How to improve international strategic management in the United States?
3. Describe international strategic management planning in the USA?

1.4 Objective

The goal of international strategic management is to enable compaines to gain competitive advantage in international markets and operate successfully in a global context. Some of the key objectives of the international strategic management include:

1. Develop a global competitive advantage

The main goal of international strategic management is to develop a competitive advantage that differentiates a company from competitors in international markets. This involves identifying the factors that give companies an advantage in global markets and developing strategies that capitalize on these advantages.

2. Expanding international market share

One of the important goals of international strategic management is to expand a company's market share in interrnational markets. By devising the right strategy, companies can enter new markets, reach international customers, and increase sales and global markets.

3. Weaknesses of overseas competitors are often overestimated, and strengths are often underestimated. Keeping informed about the number and nature of competitors is more difficult when doing business internationally`

4. Language, culture, and system differ among countries.

5. Gaining an understanding of regional organizations such as the European Community Economy, the Latin American Free Trade Area, the International Bank for Reconstruction and Development, and the International Finance Corporation is difficult, but often nesessary, in conducting international business.

6. Dealing with two or more monetary systems can complicate international business operations.

1.5 Benefits

The benefits of international strategic management for US companies include several aspects, including:

1. Global market expansion

By implementing effective international strategic management, US companies can expand their market share in various countries. This provides an opportunity to increase sales, gain new profits, and achieve long-term growth.

2. Competitive advantage

International strategic management assists US companies in developing a competitive advantage that differentiates then from competitors in global markets. This involves selecting the right strategy, leveraging unique expertise, and adapting to the needs and preferences of globaal markets.

3. Access ti global resoursces and talent

By operating in international markets, US companies can access diverse resoueces and talent from diffrerent countries. This can increase innovation, broaden business network, and provide a copmetitve advantage through local knomledge and cross-cultural capabilities.

4. Risk diversification

International strategic management allows United States companies to reduce risk by diversifying their operations in different countries. Thus, the impact of markets fluctuations or goverment policies in one country can be reduced by distributing risks globally.

2. LITERATURE REVIEW

2.1 United States International Strategic Management Definition

International corporate strategy management is a key component of global business operations with the aim of achieving competitiveness on the worldwide market. This includes identification, planning, and execution of the strategic plan that will enable American businesses to operate successfully and successfully in the global market. Only 13.5 percent of brute domestic product in America is made up of exports of goods and services, making the majority of this country's economy a global one. What is happening in America clearly illustrates the need for economic reform. In another section, as a percentage of domestically produced goods (PDB), ekspor is composed of 187 percentage points of economic activity in Singapore and 22, 6, and 45, 6 percentage points of economic activity in Tiongkok. Angka Singapore is very high due to the country's recent global expansion of its exports of goods like tea and other goods.

Globalization is the process of doing business around the world, so decisions strategic is created based on the company's global profitability and not just domestic considerations. Global strategy seeks to meet the needs of customers around the world, with the highest value at the lowest cost. This can mean locating production in countries with the lowest labor costs or abundant natural resources, locating complex research and engineering centers where skilled scientists and engineers can be found, and locating marketing activities close to the markets to be served. A global strategy involves designing, producing, and marketing products with global needs, rather than considering individual countries. Global strategy integrates actions against competitors into worldwide plans. Today, there are global buyers and sellers and instantaneous transmission of money and information across continents. It is no exaggeration that in any industry that is, or is fast becoming, global, the riskiest posture is to remain a domestic competitor. Domestic competitors will see more aggressive companies use this growth to capture economies of scale and learn. Domestic competitors will then be confronted with attacks on the domestic market using different (and possibly superior) technologies, product designs, manufacturing, marketing approaches, and economies of scale.

2.2 How to improve international strategic management in the United States

To improve international strategic management in the United States, the following steps can be taken:

1. Perform global market analysis

Perfrom a thorough analysis of the global markets to indentify oppertunities and challenges in different contries. Review market trends, consumer preferences, trade policies, and other factors that can affect a company’s international strategy.

2. Develop a targeted global strategt

Devise an adequate strategy for entering international markets and managing global operational. Consider factors susc as target market selection, product adaptation, competitive advantange, and supply chain management and global risks.

3. Strengthen culyural diversity management

Pay attention to different cultures and values in international operations. Lear how to manage cultural diversity by understanding norms, languages and business practices in different countries.

4. Drive crossfunctional and international collaboration

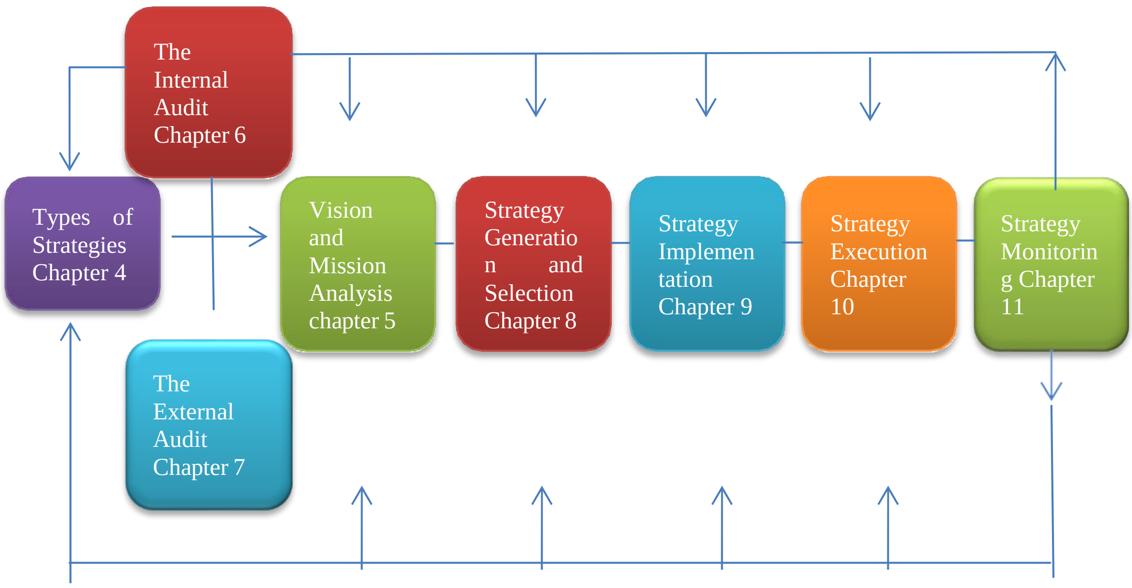
Build collaboration and synergies between different departements within the copany, including top-level management, finance, marketing, supply chain, and research and develoment teams. Ensure that international strategy is integrated effectively with other business functions.

Image Development Agency or enhancing United States International Iteration Adaptive Management Organization.

2.3 Describe international strategic management planning in the USA

Sifat Berbisnis Secara Global

Chapter 2”outside-USA Strategic planning



Chapter 3: Ethics, Social Responsibility, and Sustainability

The world market has developed from the numerous similar national markets that existed earlier, and international business practices are now better than they were several years ago. Mass communication and emerging technology have created a booming market for consumption in many different sectors around the globe. In other words, there are numerous businesses that may be in danger of failing if they only manipulate the domestic market. Globalization is the process of conducting business globally, so that strategic decisions are made based on the profitability of multinational corporations as opposed to domestic small business growth. Global strategy is committed to meeting customer needs throughout the world at competitive rates for local currency. This may mean examining exports from various nations with wages based on labor agreements or minimum daily wage, examining research centers and cutting-edge technologies where experts in illiteracy and ignorance can be found, and examining pemasaran activities that are risky.

Trade unions Across Europe

Union prevalence is a relevant factor in many strategic decisions, such as where to find a shop or factory. There is wide variation across Europe in terms of trade union membership rates, ranging from 74 percent of employees in Finland and 71 percent in Sweden to 9 percent in Lithuania and 8 percent in France. However, union membership percentage is not the only indicator of strength. In France, for example, trade unions have repeatedly demonstrated that despite low membership levels, they are able to mobilize workers in mass strikes and demonstrations with great effect. The average level of union membership across the European Union (EU), weighted by the number employed in various member countries, is 23 percent, compared with about 11 percent in the United States. The European average is held back by the relatively low membership rates of some of the larger EU countries: Germany with 18 percent, France with 8 percent, Spain with 19 percent, and Poland with 12 percent. The three smallest states—Cyprus, Luxembourg and Malta—have levels well above average. The four Nordic countries Denmark, Sweden, Finland and Norway have 67, 70.74 and 52 percent, respectively, of all employees as union members. Partly this is because, like in Belgium, which also has above average union density, unemployment and other social benefits are usually paid through unions. The high density of unions in the Nordic countries also reflects an approach that sees trade union membership as a natural part of employment. Central and Eastern European countries in general have below average levels of union membership. In Poland, for example, an estimated 12 percent of employees belong to trade unions. Trade union membership rates are clearly trending downward across Europe. Two exceptions appear to be Ireland and Italy, where union membership has been slowly growing.

3. RESEARCH METHOD

MethodQualitative descriptive method is a research approach used to understand phenomena in depth through descriptions, interpretations, and analysis of qualitative data.
Following are some descriptive qualitative methods that can be applied in the study of international strategic management in the United States:

1. Case study

Undertake an in-depth analysis of American union companies operating globally to understand the international strategies being implemented, challenging facing factors influencing their success.

2. Qualitative interview

Conduct interviews with managers or executives of US companies involved in making international strategic decisions to gain first-hand insight into their thinking, experience, and strategies.

3. Participant Observation

Observing directly the activities and interactions that occur in the context of international strategic management in US companies, through field visits or direct observation through collaboration with these companies.

4. Document analysis

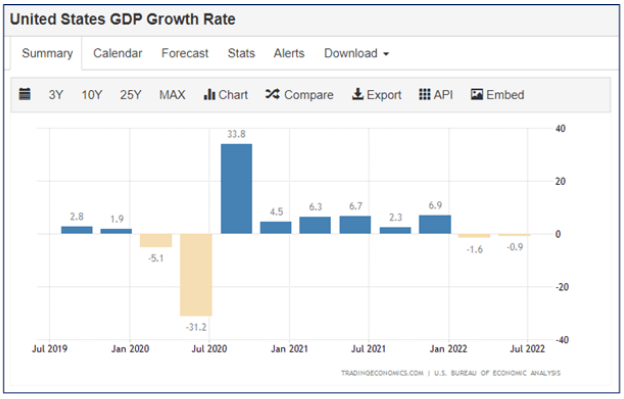
Analyze written documents such as annual reports, corporate strategies, policy documents, and other related literature to understand the international strategy approach taken by US companies.

5. Content analysis

Conduct content analysis of interviews, reports and key documents to identify themes and venues relevant to the context of international strategic management in the United States.

6. Literature Review

Undertake a comprehensive iterative review of previous research and studies on international strategic management in the United States to gather and analyze relevant information.



Graph 3.1

From the graph above it can be concluded that the development in the United States has decreased. In July 2019 the development of US was 2.8 and in July 2020 it decreased drastically by -31.2 and in July 2021 there was a rapid increase of 33.8, and in July 2022 it decreased again by -0 ,9.

Literature Study

1.international business:

Convers a wide range of topics, including global, anvironmental analysis, market entry strategies, global supaya chain manajement and internasional risk manajement.

2. Global strategy:

This books focusess on global strategy and provides insigth into how companies can create and sustain competitive advantages in internasional markets. Covers topics such as global strategy development and implementation, cultural manajement, and internasional partnership.

3. Internasional manajement:

This books Explores topic related to internasional strategic manajement, including risk analysis, market entry strategy, manajement of global diversification, and manajement of multicultural teams. This books also emphasizes the importance of understanding culture in an internasional business contexs.

4.global marketing management:

This books examines global marketing strategy and the challenges faced by companies in entering internasional markets. Covers topics such as global market identification, marketing adjusment, global producs development, and internasional communications.

5.Global operations and logistic:

This books axamines global supply chain management and internasional operations. Introduces key concepts such as global suppy management, internasional logistics manajement of global suppy chain strategy.

4. RESULTS AND DISCUSSION

4.1. Solution

The potential disadvantages of cross-border business in the United States and how to overcome them are:

1. Financial risk

Perform a thorough financial risk analysis, including currency fluctuations, interest rate risk and other market risks. Using financial instruments such as hedging Reduces the risk of currency exposure. Diversify revenue sources and customer base to reduce dependence on a market or country.

2. Political policy risks

Undertake careful monitoring of changes in political policy in the United States and destination countries. Build strong relationships with political stakeholders and participate in industry dialogues to influence policies that affect business. Develop business continuity plans that take into account uncertain political scenarios.

3. Cultural and language risks

Adjusting the company's marketing and communication strategies to take into account the local culture and language. Explore in-depth knowledge of the social and business norms prevailing in the destination countries. Engage employees with relevant cultural and language expertise or partner with local companies to help navigate across cultures.

And each company must conduct a specific risk analysis and adopt a strategy that suits their business context. In addition, partnering with experts or consultants who are experienced in international risk management can also help companies identify and overcome potential business losses across national borders.

4.2. Author's Idea

In responding to the potential loss of business across US borders, some ideas to consider include:

1. Increase local knowledge and understanding.

Conduct in-depth research on the market and culture in the target country to understand the needs and preferences of consumers locally. Employ local staff who have a deep understanding of the local market, culture and language. Develop strategic partnerships with local companies to leverage their network knowledge.

2. Adapt marketing and sales strategies

Adapt marketing and sales strategies to local market needs, including language, distribution channels and consumer preferences. Explore opportunities to collaborate with local partners on marketing and sales efforts. Adopt a pricing strategy appropriate to the level of purchasing power and local competitors.

3. Handling of financial risks

Manage currency risk by using financial instruments such as hedging or periodic price adjustments. Build financial reserves or consider local funding sources to reduce the risk of currency fluctuations. Perform routine financial risk analysis and monitor factors that may affect the company's financial stability.

4. Compliance with laws and regulations

Ensure a thorough understanding of international business laws and regulations applicable in the United States and target countries. Work with experienced legal consultants to ensure full compliance with local laws and regulations. Follow news and updates regarding business regulations and policies in the target country.

5. Market and resource diversification

Consider geographic diversification by expanding presence in multiple countries to reduce dependency on one market. Develop a strong global supply network to reduce the risk of dependence on one or a few suppliers. Evaluate and manage political and economic risks by considering the diversity of investment destination countries.

6. Development of cross-cultural skills

Train staff in cross-cultural skills and effective communication with international teams. Facilitate employee exchange or rotation programs to broaden cross-cultural understanding and strengthen global team collaboration. Develop policies and procedures that respect and value cultural diversity. It is important to continuously evaluate risks, adopt an adaptive approach, and utilize resources.

5. CONCLUSIONS AND SUGGESTIONS

5.1. CONCLUSION

According to Hill and Jone (2012), international strategic management is “the process of establishing, developing, and implementing corporate strategic actions desingned to gain competitive advantage in global markets.” Objective the goal of international strategic management is to enabale compains to gain competitive advantage in international markets and operate successfully in a global context. Develop a global competitive advantage the main goal of international strategic management is to develop a competitive advantage that differentiates a company from competitors in international markets. Expanding international markets share One of the important goals of international strategic management is to expand a company’s market share in international markets. Global market expansion By implementing effective international strategic management, US companies can expand their market share in various contries. International strategic management is an approach to managing a company’s in the context of global operations with the goal of achieving competitive advantage in international markets.

5.2.SUGGESTIONS

Understand the internasional business environment. The united states is one of the largest markets in the world with a dynamic business environment. It is important to understand the country’s regulations, policies, trends the business practices. Doing market research and gaining an in-depth understanding of your target market and competitors Will help you develop an affective strategy.
The united states has a diverse population with different needs and preperences. It is important to identify relevant market segments and understand customer needs in depth. Adopting a customer-focused approach and offering products or services that match their needs Will increase your succes.

REFERENCES

Hill, C.W.L., & Jones, G.R. (2012). Strategic Management: An Integrated Approach (10th ed.). Boston: Cengage Learning.

Lasserre, P. (2017). Global Strategic Management (4th ed.). London: Palgrave Macmillan.

Hill, C.W.L., & Jones, G.R. (2012). Strategic Management: An Integrated Approach (10th ed.). Boston: Cengage Learning.

Deresky, H. (2017). International Management: Managing Across Borders and Cultures (9th ed.). Boston: Pearson.

Lasserre, P. (2017). Global Strategic Management (4th ed.). London: Palgrave Macmillan.

Peng, M.W. (2017). Global Strategy (4th ed.). Boston: Cengage Learning.

Hill, C.W.L., & Jones, G.R. (2012). Strategic Management: An Integrated Approach (10th ed.). Boston: Cengage Learning.

Deresky, H. (2017). International Management: Managing Across Borders and Cultures (9th ed.). Boston: Pearson.

Rugman, A. M., & Verbeke, A. (2008). "A History of the Theory of International Business Strategy." In The Oxford Handbook of International Business (2nd ed.). Oxford: Oxford University Press.

Gupta, A. K., & Govindarajan, V. (2002). The Quest for Global Dominance: Transforming Global Presence into Global Competitive Advantage. San Francisco: Jossey-Bass.

Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2017). Strategic Management: Concepts and Cases: Competitiveness and Globalization (12th ed.). Boston: Cengage Learning.

https://www.studocu.com/id/document/universitas-muhammadiyah-yogyakarta/manajemen-strategis/perencanaan-strategis-luar-as-bagian-1/45493302

https://www.coursehero.com/file/52778144/Manajemen-Strategi-Bab-2docx/

https://www.studocu.com/id/document/universitas-muhammadiyah-yogyakarta/manajemen-strategis/perencanaan-strategis-luar-as-bagian-1/45493302