Globalization and the Challenges of Managers

(Gender, Work Experience, Education Level)

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ABSTRACT: Certainly, the features of the present era, which is called information era, include rapid changes and evolutions in all aspects of human life. Globalization phenomenon is one of these changes in human life in realm of economy. Globalization gradually makes the organizations all over the world incur growing changes in their structure and content. However, lack of coordination with these changes and failure to properly predict them lead to failure of organizations in fulfilling their objectives. This has created new challenges for managers and made them provide proper organizational structure and behaviour with these situations. They always refer to the fact that the necessity for globalization is to have global behaviour in a new and modern structure and it is not possible to fight with new markets by previous and old behaviour. This issue leads to presence of various work forces, new technologies and more competition in markets. In the present era, managers should be ready to deal with new environmental and organizational situations by acquiring multifaceted skills and attraction of knowledge-oriented work force with high cultural diversity. Thus, leading companies and organizations are those who can predict these triple changes and revolution sooner and in optimum condition, the organizations of new era can establish these revolutions in their own benefit with the help of their managers. Thus, this paper seeks to investigate the conditions of new era for managers and organizations and study their challenges and problems to be able to achieve a proper solution for this era.

Keywords: Globalization, Environmental condition, Challenges of managers.

INTRODUCTION

Globalization

Globalization! A word which we frequently confront with in most cases. It suffices just to spend some minutes studying audiovisual media. In fact, confrontation with "globalization" has become interestingly an unavoidable issue and all society members, with any social status and awareness, are dealing with this issue including organizational managers and structures. Thus, the issue of "Globalization" has become an important and wide issue in modern society such that it doesn’t know any limit and confinement and is rapidly penetrating in all societies. Globalization is like a big sphere that is seemingly out of control of universe. It is such strong sphere that nobody can resist against it. Thus, it can be said that globalization is a contradictory process full of opportunities and threats; it is a mixture of fears and freedoms, a process which suppresses local assemblies of government-nation and on the other hand, frees them. Due to globalization, some cultural believes and values have obtained the possibility of becoming global and universal and be present in various areas (Lindauer et al., 2002). While, these facilities were not present in past. Meanwhile, on contrary to this possibility, some individuals and social groups feel that globalization process leads to weakening and ruining of their cultural believes and opinions (Kotler et al., 2010). Globalization sometimes makes new facilities to be offered to local groups so the possibility of proposing new requests. For example, some movements happened due to use of these facilities. Globalization is a contradictory process full of opportunities and threats; it is a mixture of fears and freedoms, a process which suppresses local assemblies of government-nation and on the other hand, frees them. The important point is that globalization does not only have wide and major effects, it also plays significant role in our everyday life. However, four fundamental aspects of modernity become more significant in global era including: 1) capitalism, 2) industrialization, 3) official, executive power, 4) military power.

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Globalization is a posterior process which is along with other social processes such as post-industrialization and post-modernity or capitalism deconstruction. Information technology has weakened the foundations of industrial communities to install the columns and bases of information community (Coffer, 2001). As transition from agricultural era and entrance to industry era has brought out some challenges and problems for human, stepping in information era will be challenging for human being; however, this individual should deals with stronger and deeper challenges. Information era requires speed, flexibility, innovation, etc. and the organizations of this era should consider this point. What is certain is that in globalization era, there is no choice for organizations and their managers, thus they should prepare themselves to confront with these situations (Schiffman et al., 2009). Since in these conditions, both organizations and managers' performance changes in nature and implementation, the cause of this change should be essentially searched in human sources. Thus, the only factor for organizational success in information era is the employees and managers. The managers of this era require intelligence, expertise and wider outlook for confronting with their challenges. This paper seeks to identify and explain these challenges and make managers more familiar with these challenges and help them confronting with these challenges. Thus, it is requires first to study the challenges and managers problems in present century and then refer to new conditions to clarify this issue.

Challenges of managers on 21st century

In his seventies years of publication, Business Harvard Review journal asked this question from five famous and well-known thinkers and theorists, "what problems and challenges are forming for entering to 21st century?". In responding to this question, none of them considered challenges to enter 21st century as technical, however, they mostly argued that these challenges are cultural. Peter Deraker argues that: concerning human issues like political, social, economic or business issues, prediction is useless, what if we want to draw and imagine the outlook of seventy or eighty years later. Through past, it is possible to know future and be prepared for confronting with it. In recent two decades, business is neither economic nor technologic, if there is no fighting and war, however, it is related to population. The most important and effective factor in business is not considerable increase of population, despite what has happened in past forty years, however, it is pervasive reduction of population in Japan, Europe and America (Lozano et al., 2002).

One way to present competitive station for various countries is to transform quantitative superiority and qualitative superiority. The other meaning of this is the organized attempt for growing knowledge workers. However, this will not be the only competitive factor in world of economy, although, determining factor in most industries of advanced countries. Organization always needs to acquire information about events and environment (Tomasevski, 2003). Information about customers, technologies and new competitors should be acquired. Only by this information, business will be able to allocate its sources and knowledge for maximum efficiency and prepare itself to confront with the challenges due to sudden changes in world of economy and nature and content of knowledge. Development of proper methods of data collection and analysis of external information will increasingly become main challenge of business and information experts. Knowledge will mobilize sources. Scientific employees are the owner of production tools despite production workers. They displace their knowledge with themselves, thus, they can take them by themselves. On the other hand, scientific demands of organizations are continuously changing. Thus, in advanced countries an increasing number of valuable workforces with high wage include those who cannot be governed, in traditional meaning (Ravillion, 2003). In most cases, they cannot be considered as the employees of organizations in which they work, however, they should be considered as contractors, experts, consultants and organization's partners. A growing number of these individuals consider themselves distinct due to their knowledge and not due to the organization where they work. Thus, dynamic workforce also changes. Competitive environment is changing with certain delegacy and with high level of lack of trust which means permanent change of competitive strategies. In this environment, a dynamic method is required for formulation of strategy and its implementation which is one of the challenges that managers of 21st century confront with. Formulation and implementation of strategy will be dynamic when it is not considered as a concentrated process, but as a constant process of learning such that operational and supportive strategies are in extent of each other. Decentralization process is organizations' planning all over the world is indicative of the significance of dynamic method while constant change of strategy in organization has higher speed rather than formulation process and strategy implementation. In addition, there is the risk that organization losses part of its competitive power and cannot use organizational source optimally. Thus, some balance should be made between these two (Teal, 2007). This can be supplied through high level of communication and coordination in organization and accessibility of formulation tools and implementation of strategy. In addition, structure and culture are required where change is considered an ordinary and common issue and not an exception. Today's manager should be creative, thus, they should pass the following procedures:

The revolution of managers in third millennium:

1. First level, individual with extraordinary capabilities.
   With the help of talent, science, skill and desired work habits, he shows successful collaboration.
2. Second level, member of collaboration group.
He spends and uses individual and personal capabilities for achieving objectives and help effectively with others in a work group.
3. Third level, efficient manager.
He directs individuals and forces to effective and efficient follow up of predetermined objectives.
4. Fourth level: effective manager.
He performs his responsibilities, follows up a clear and effective approach and creates bigger practical criteria.
5. Fifth level: creative manager or leader.
He achieves excellent and sustainable achievements by a combination of personal modesty and professional courage.

What are the specifications of fifth level leaders?

Compared to parallel managers, fifth level leaders are modest, dignified and usually shy individuals in addition to having all features and characteristics of fourth level managers and they have a contradictory combination of human modesty and professional courage in their work. They are incredibly ambitious, however, at first glance, this ambition is for organization rather than for their own. Moreover, they think of greater objective, i.e. building an excellent company away from selfishness and pride. He wants to be even more successful in the next generation. Therefore, he chose his succeeding managers so that he becomes more approximate to the mentioned objective, while, in more than ¾ of parallel companies, self-centered leaders of fourth level choose someone who fails or has weak performance and they just think of their own success. Managers of fifth level have respectable modesty and rarely present themselves, they are seemingly normal person without fanfare who gain extraordinary results. They have strong and definite willing and continuously seeks to obtain stable results and perform what is required for elevating organization. In this way, it is not important that how much decisions are sensitive or difficult. They do not believe in discrimination for relative benefit and delegate the responsibility to the best person who they know. Moreover, family relation or duration of their responsibility does not guarantee for them the delegation of sensitive position to them (Van Ginnekren 1998). Fifth level leaders consider chance as the reason for success and relates it to external factors other than him, and in undesired conditions, they look at mirror and take the responsibility. According to the results, all of the directors of Rahsepar Ta’ali companies including industrial, consumption, services or production companies have fifth level managers in critical conditions or at the time of transition, out of which ten managers have raised from the organization and in all eleven companies, main positions including managing director have been delegated to fifth level leaders. According to Jim Collins hypothesis, people are divided into two groups: some have the potential to become the leader of the fifth level, and some have these capabilities. There are potential fifth-level leaders in the society. Moreover, most individuals have the capacity to become fifth level leadership, we just should know to search for and we should note that so many people have the capability of growth until fifth level, fifth level characteristics enable you to apply other findings and other findings of this study help you to reach fifth level.

The effect of globalization on organizations

The emergence of globalization leads to high social, political, economic and value movements and in addition to reducing the time and place distance, it yields new interpretations of politic, economy, culture, government, authority and security (this phenomenon have some challenges and conflicts and can lead to revolution of concepts and change the principles in international relations). It is under these situation that globalization can be discussed. The advantages and deficiencies of globalization should be investigated through economic outlook. In 2000, the sum of gross domestic product of countries was 31000 billion dollars, 73% of products and services of the world were produced in industrial countries. America produces 32% of the world GDP, Europe produces 25% and Japan produces 16%. Developed countries have produced 6% of GDP and developing countries have produced 21% of global GDP. This means, one billion individuals all over the work produce 80% of world GDP and five billion individuals only produce 20% of the world GDP (Hill, 2009). In 1940s, globalization rapidly spread and revolutionized the nature of international and national business in countries. Globalization has been effective in east Europe and Russia and opened the borders of these countries to international trade. In this regard, European Union was spread. North American union expand from America and Canada to Mexico and provided the ground for development of regional unions. These changes along with rapid development of information technology and progress in transportation facilities directed the world to integration (Shaharabi, 2011). In such environment, knowledge and skillful workers are completely transferable. Small organizations and services units that are traditionally considered non-trade have entered global competition. Collaboration of big multinational companies and small local organizations have increased and the volume of global trade has become manifold. Thus, it is clear that globalization leads to promotion of capabilities and increase of organizations’ efficiency by making resources fluid and removing efficiency barriers. This is considered an obligation in most developing countries. The presence of international competitors in these countries and increase of competitor forces lead the local organizations of these countries to move toward empowerment. International business is well known in developing countries. Although the behavioral patterns of organizations are not the same in all countries, they have any similarities. Currently, globalization is an issue which is the main issue in socio-economic analysis. “David Handerson” considers globalization as integration of markets and defines the following as its feature: free displacement
of products, workforce services, capital and creation of unit market; economically no one is external and all people are equal in the market. In a work which is moving toward integration, organizations face with new challenges and opportunities. This trend, along with technologic changes, have created different situation than past (Van der Pijl, 1998).

In new world, frameworks have changes and most old hypotheses have no application. Competition and selection have expanded and privatization, liberalization and de-regulation turned to global concepts. Nowadays, there are a few organizations which can satisfy the needs of customers by relying on themselves. The relation link in supply chain is followed up by both customers and suppliers. By focusing on the market, dividing and prioritizing it, Organizations define main activities to use their strength to enter unions and agreements (Kotler et al, 2010).

Analytical model of the study

There are three stages that should be followed for analysis and investigation of the subject: 1. Situational change, 2. Organizational change, 3. Managerial change. This means that first change happens in social, economic and political situation in various dimensions that affect the structure and content of organizations and change them, in this condition, managers cannot govern the organization by the previous methods and should change all their methods and strategies. Meanwhile, they can create new challenges and issues for organizations’ managers in terms of structure and behaviors.

Change in condition → Change in organization → Managerial change

Model1. Research analytical model.

Future organizational challenges

In recent decades, some changes happened and is developing in the world. These changes have changed the organizational environment and faced the organizations with new challenges for survival. The new and emerging challenges include:

Challenge due to paradigm:

In newton physic, science has been along with certainty and is quantifiable. In scientific phenomena, cause is obvious and clear. Thinking is linear and future is controllable. By emergence of quantum, prediction is not possible with full trust and reliability. Chaos is part of the environment. New sciences have changed the way and form of perception, design, guidance and management in organizations (UNDP, 2000). In new paradigm, the world is nonlinear and there are some dynamic complexities in it, moreover, chaos is considered as one kind of order.

Challenges due to globalization

Nowadays, most big manufacturers sell their products all over the world. Some of them, such as Coca Cola, have higher revenue out of country. Globalization makes economic and social forces, values and opportunities convergence. Pan Dits argues that globalization roots in 1920s and later. Due to it, the life of individuals becomes more similar and English language becomes the global language of media, computer and business. In these challenges, organizations have various motivations to be present in global community. The main motivations include: a. The ability to earn higher income by the use of existing technology, b. accessibility to overseas technology, skills, knowledge, capital, human force and natural resources of other countries, c. increase of customers, d. increase of the possibility to compensate seasonal deficiency of customer inside the country, e. increase of life cycle of services and products, f. decrease of supplying time and reduction of site costs, g. opportunity to obtain higher profit using scale efficiency in production, support and marketing and h. opportunities to obtain credit.

Currently, globalization has imposed many pressure on organizations, 25% of selected organizations of “Fortune” famous journal disappear every 10 years, markets rapidly change. Customers seek new standards of performance in quality, diversity, manufacturing order, comfort, time and innovation (Iran Nejad Parizi, 2007). Independent constant change, presence of global oscillation and short life-cycle of products have increased the pressure for global unions and companies. Regional trade agreements have aggregated the pressure of competition. European Union, north America unions… are samples of these agreement. Globalization has created some challenges for organizations including change in the place of global market and removing trade borders, change in quality standards, creation of sensitivity toward cultural topics, cultural differences and attention to subcultures.
Challenges due to technology change

Orientation of technology development is toward artificial intelligence, expert systems, robots, telecommunication, trans-transmitters, biotechnology and information technology. This orientation has created some challenges for organizations including change of managerial work nature, removing of control and inspection, reduction of organizational dependency of employees and conformity of employees with technology changes.

Environmental and ecologic pressures

Environmental pollution has increased and endangered the human life. Currently, pressure on organizations for preserving environmental issues is increasing and social and human movements for preserving environment have been formed.

The challenges of knowledge era

Currently, we are living in knowledge era. New economy includes knowledge transaction. Knowledge provides capital and constitutes the bases of individual and organizational power. The present information would be doubled every three or four years. Thinking power is considered as the most valuable asset of organizations. Organization increasingly becomes dependent on knowledge, innovation, managerial skills, information technology about customers and suppliers. This knowledge determines competitive status in market. Nowadays, the most biggest challenge of managers is knowledge redistribution in addition to creation of knowledge capital (Iran Nejad Parizi, 2010). Knowledge has attracted the attention of managers as the most important source of organization. It is required for promotion of employee’s capability, improvement of products and services and making higher performance. Each source would be depreciated and outdated due to usage, however, the more it is used, the more it would increase and enrich.

Social turbulence

Social changes have accelerated. The collapse of the former soviet union, transfer of economies by concentrated planning toward open economy, prevalence of certain disease such as HIV and threat of human relations’ health, increase of urbanization, change of life styles, social relations, emergence of new security issues… have increased the speed of social changes. Rapid social changes have created challenges for organizations in approving the emerging demands of communities and proper response of these changes.

Challenges of changing work place

Contemporary, four main forces have been effective in work place including the following:

Information technology and information organizations: Toffler argues that advanced world cannot be governed even 30 second without information technology. In current period, technologic advances have accelerated. The application of information technology in business has changed working styles. The applications of artificial intelligence have increased and increased the dynamism of occupations. In this period, learning is the heart of efficiency. In fact, learning is new form of working. Heart of information era is network which prepares information rapidly in proper time. The big problem in this regard is the speed of transfer. Internet network and its related information along with communication technologies grow with higher acceleration. Computer network will be completed in future as a global neural system. Political specialized divisions are achieving an electronic census and this is unknown for traditional powers. Internet has committed to other technologies that for all individuals, whether rich or poor, it provides the same access and facilitates its use (Tao et al., 2005).

Structure and size of organization: Gradually, more organizations realize that the main source of business is not capital and equipment, it is knowledge, information and ideas. Thus, organizations incline toward restructuring, making integrated organizations, global networks and smaller central organization. in overall, the structure of organizations are changing toward virtualization, decentralization, integration and flexibility. In future, the speed of organizational structure change, reengineering processes and use of organizational change will increase as learning instrument. Making stability in organizational change is one of the future challenges of organization.

Movement of comprehensive quality management: the ability to attract and preserve customers, supply their needs and provide high quality goods and services are the axes of activity of all organizations. In global market, quality is defined and determined in global level. Customers have the right to select and quality is important. The competitive advantage would be obtained from continuous increasing innovation and refinement of various ideas all over organization.
Diversity and mobilization of workforce: workforce displacement has increased in borders. In 2001, about 25% of USA workforce was foreigners. The gap between workforce supply and demand has created this condition.

In future, organizations will be confronted with diversity of workforce in terms of culture, age, gender and ability. The future challenge of organization is how to use these differences as assets. In addition to mentioned items, other challenges will be presented to organizations and managers in future. These challenges have less significance. However, they can play significant role in success or failure of an organization (Horowitz, 2004). These challenges include, flourishing workforce: most organizations employ the unemployed workforce or other organization temporary. This increases the flexibility of these organizations and the accumulated knowledge of employees. This is like the condition when the football player, who was reserved in his team and whose talents were not used, temporary enters another team for certain time to represent himself. Change of customers’ expectation: currently, the diversity and quality of goods and services required by customers have increased. Change of employees’ expectation: employees seek new skills, new roles and new occupational expectations and organizations should think of them. These new skills include problem realization, problem solving and communication skills between realizers and solvers. New roles: Peter Draker argues that the composition of workforce would change from physical workforce to knowledge worker in near future. Workforce requires high skill and knowledge in all levels. This workforce gradually would be mentioned as the most critical human capital. New expectations: workforce seeks to be challenging and solve new problems, he wants to be free to discover and innovate. They need flexibility, responsiveness and responsibility. They want to work with managers who empowers them, pays attention to them and elevates them. Organizations should create a structure where the knowledge workers can use their knowledge, and where there is the possibility of gap between workers and their contacts with other workers. This interaction between knowledge workers leads to improvement of ideas and growth of forces (Simons et al, 2004).

CONCLUSION

What is clear is that it is possible to create proper and required economic institution, to create policies, to search and find appropriate method and guide the result of globalization in better course; however, the most problematic issue is how to embed proper attitudes in proper social structures. All social and economic systems require a collection of coordinated and compatible attitudes to become successful. The concern of third world is that due to high expenses, the new technologies remain deprived of the results of this revolution. They don’t want to preserve their first world supporters against use of produced plants and animals through change of genes. They seek to find an opportunity to participate in this revolution and use its fruit. Self-esteem is one of the main poles of successful globalization. Courageous individuals seize globalization: my culture would enrich, my experiences would expand and my economic situation would improve. Timid people fear globalization: my culture would ruin and vanish, I don’t want new experience and I know the economic harms of globalization. It might be the case that the advantages of this phenomenon are more than its harms, however, I just see its disadvantages. However, on contrary, others would enter the knowledge based global economy. The geographical exploration period has ended and a new era has replaced it which is called scientific exploration era. Cautious communities are not wealthy and would not become wealthy. These communities won’t experience courageous travels or explorations which we require. According to the abovementioned reasons, in 21st century some changes happen which include all aspects of human life and challenges management and organization. In overall, the changes originated from environmental changes lead to emergence of the following factors:

1. Creation of information community: Nowadays, the human progress in communication technology has created fundamental changes in life that many sociologists speak of the emergence of new era: “information era”. Briefly, for information community, some features can be proposed including dependency of economic growth on technical changes in realm of information and reconstruction of industry or information technology. Replacement of communication technologies as economic tools, information which has replaced the machineries which are economic instruments and introduction of production related sectors and distribution of technologies and information services are other features of information communities. “Ali Malek Pour”, the researcher of information community, argues that entrance to information community can be evaluated with different criteria and this indicates multifaceted information community. He adds: technologic, economic, cultural, occupational and political criteria are qualitative and quantitative indices which define the entrance to information community, the community where the increase of production technologies and distribution of information is satisfied and when the production of product has been mainly replaced by data production, can be called information community. This university professor emphasizes that a country enters information community when the occupations based on information, production and distribution increase. He refers to the cultural criterion of information community and adds that information community is surrounded by communication and information waves and messages and all these indicate that information community is a real and emerging phenomenon which cannot be denied by anyone. One of the changes in new era is transition from industrial society to information society, which leads to high volume of information, acceleration of information transfer and information based decision making and knowledge-based economy.

2. Ultramodern technologies: revolution where information technology happened helps globalization to move with higher speed. A traditional society has been build based on some social relations which are embedded in space and
time. New era appears with new technologies. The initial investment of these technologies is high, increase production speed and become a strategic advantage for organizations and their managers who increase the production power and service supply such that companies cannot be leader without them. These technologies are representative of a strategic competitive advantage for each organization and produce knowledge-based economy which requires knowledge workers (Ahmadi, 2007). These technologies change the organizational structure, working methods and speed of work performance. This, at the end change managerial and leadership methods of organizations and creates modern structures.

3. Collaborative democracy: if democracy is considered as free, intelligent and regulative intervention of the people of a country, it has changed from representative-oriented democracy to collaborative democracy. This leads somehow to direct supervision of people in the country and sources. The collaborative democracy is used usually for most democratic models from Atten classic model to Marxist positions; however, in limited meaning, it is certain model of democracy which seeks to find a theoretical framework and institutional arrangement for higher and active collaboration of citizen in cumulative decision making. The dependency of liberal democracy to unequal asset and the incline of Marxist experience on direct democracy toward power concentration and totalitarianism lead to emergence of collaborative democracy theory from 1960s.

4. Creation of network structure: it might be the most recent organizational design, i.e. organizational network structure (Sadeqi, 2011) and a sample of what can be called organization without structure. In the advanced kind of these organizations, virtually local duties are removed and instead of these tasks and the units having the responsibility of these tasks, the company delegates these tasks to suppliers and distributors by long-term contracts. For more explanation, it can be said that in network structure, a central core is responsible for making relation with the supplying units of main services of organization. This core connects to mentioned units through networks and performs the intended activities of the organization (Sadeqi, 2011). This issue has removed bureaucratic and hierarchical structure. In another definition of these organizations, it can be described such that an organization is a network including a group of different units of organization which are linked together and collaborate with each other to achieve common strategic objectives. Network organization, in simple meaning, is a network of organizations. Network organization is an appropriate form for performing tasks in contemporary variable spaces by internal and external communication, competent and expert work group, high flexibility, making customers axial and complete collaboration with external partners (Asadi, 2000).

5. Global economy: professor Navaki Tanaka mentioned four points when expressing ideas about the future of global economy and change factors:
   a. lack of global balance by focusing on China and America economy as the most important player of world economy
   b. investigation of Baric countries (Brazil, Russia, India and China)
   c. Japan strategy and its effect on the economy of Japan
   d. economic ability of Iran in confronting with problems and its main role in Persian Gulf and Caspian sea

6. Long term perspective: usually long-term far reaching objectives include ten to thirty years period. Far-reaching objectives are strategic analysis of the issues which the country, corporation or any unit which regulations govern them might confront in future. The wide outlook of far-reaching objectives is especially useful for reconsideration of policies, change of strategies and renewal of the structure of economy of the country. The duration of long term objectives which are also called prospective law is usually 15-25 and mostly 20 year. Most socioeconomic changes are not executable in mid-terms and long-term laws are required. In fact, the long-term law determines the final path of mid-terms law. For example, long-term-objectives of technologies development in America specified that some technologies were required for national security and economic development of USA. The regulation of selection of technologies is in fact reflective of the objective of this group in performing these tasks.

7. Decentralization: in a world where the sense of competition is always increasing, the companies should show flexibility, compatibility and higher sense of responsiveness; however this is very difficult when some problems such as lack of control of manager, dependency on decision-making hierarchy happen. Today, there are big companies and institutions which have high ability; however, due to collectivism and centralization governing them, they are not able to use all their ability and power to provide services to customers. Since the current demands of customers are constantly changing and these needs should be responded in the least possible time, there is the need to make rapid and on time decisions for companies and institutions and this is achievable in decentralization of companies and institutions. Furthermore, delegating certain works to individuals and certain companies is one way to do this which is usually seen in the world of insects. Thus, in this paper, decentralization and centralization and their advantages and disadvantages would be investigated and various methods of decentralization would be discussed.

8. Self-reliance: self-reliance means independency in production chain. In contemporary world and globalization era, that country is more independent which has more to say in economy and global policy. A country such as south Korea which has economic and political authority has obtained a situation and place in the world which made many economic and political associations all over the world willing its presence. Thus, it can be said that the more a share a country has in economy and global policy, it means that his role paying and presence in global area is more so it is more
powerful. The powerful country is “stronger” in global interaction and decision-making; it also could be effective and has more independency. Instead, imagine a country that has closed its doors, is weak and secluded and is not an effective member in global economy. This country imagines that it is independent; however, it is very fragile in wider concept since its presence and lack of presence have no effect in the trend of global status.

9. Knowledge capital: in the contemporary economy which is based on knowledge and knowledge capitals, the most successful corporations are those who efficiently use their knowledge assets. In this regard, the word “corporation and knowledge institutions” are used for describing those corporations which use their knowledge assets as the main source of competitive advantage. In a knowledge corporation, profit is the result of commercialization of new ideas and innovations which is the result of interaction between physical assets and knowledge capital including human, structural and relational capitals. Thus, the managers of knowledge corporation are fully aware that the knowledge assets of corporation constantly play significant role in revival of business. However, despite the perception of the significance of knowledge assets and their important role in competitive advantage of these corporations, managers usually do not know the value of their knowledge capital or are not able to measure and manage them. Since knowledge assets are now shown in the company balance sheet or annual reports, thus, their evaluation and management would be difficult. However, in addition to the significance of the management of these knowledge assets from internal approach, this issue is very significant from external dimension. In fact, the main challenge of corporations and knowledge institutions, especially emerging corporates, in recent years is related to attraction and supply of financial sources and should increasingly compete for attraction and supplying of required financial sources.

10. North/south countries: according to Will Bright, 159 members of United Nation (in 1984) have been divided as follow:
- 127 developing countries.
- 20 west industrial countries.
- 12 countries with planning economic system (China and Cuba are considered as developing countries).

Simple classification of countries to various groups doesn’t indicate the complex reality. Recognition of colonies and previous colonized countries is easy, however, if we want to distinguish and if our aim is to separate the wealthy countries from poor countries, we need more explanation. Since the current status of the world is not such that for example consider all north area “rich” and south “poor”. Even, regardless of other differences, it is clear that not all people living in north are wealthy and not all people living in the south are poor. The gap is well shown by figures and numbers:
1. While less than 1/3 of population of the world live in north, more than 4/5 of global revenue is due to north people (Ranking HDI, 2008);
2. Among “wealthy” countries, those that are governed by free economy, are more advanced than the countries with “planning economy”;
3. Among “poor” countries, the countries with free economy have about 12% of global revenue, while the Asian countries with “planning economy” (especially China) don’t earn 5% of this revenue. The per capita GDP in most developing countries is 150-1500 $ annually. If we ignore limitations and deficiencies, we should say that “north” represents “old” industrial countries and doesn’t just refer to western countries; however, “south” means those countries whose economic growth has postponed due to colonization.
4. “ASEAN” or “East Asian Community” include Thailand, Malaysia, Indonesia, Singapore, Philippine and recently Brunei has good change for healthy development along with significant annual growth.
5. Finally, countries like Argentine, Brazil, Mexico, Colombia and Venezuela, which have somehow well-established industrial foundation and also dynamic and hopeful communities like South Korea, Taiwan and Malaysia should not be considered at the same range with poor countries like Sahel, Bangladesh or Haiti. Thus, the expression “Third World” has no application in economy and the countries are divided into two groups. North countries are a few however strong and producer and south countries which are many but consumer.

Thus, in globalization condition, managers have critical and strategic role. That is, the role of managers is transformed from controller, allocator, demander with human resources with one culture and one language to a supportive, facilitator, a coach with emphasis on multi culture and multi-language human capital and learner and teacher. In the following table, these changes have been shown in various fields:

<table>
<thead>
<tr>
<th>Past managers</th>
<th>Components</th>
<th>Future managers</th>
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<td>Demander</td>
<td>Role</td>
<td>Supportive and facilitator</td>
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<tr>
<td>Periodical</td>
<td>Learning</td>
<td>Continuous</td>
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<td>Position</td>
<td>Power</td>
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<td>Vertical</td>
<td>Communication</td>
<td>Multifaceted</td>
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<td>Human resources</td>
<td>Look at employees</td>
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</table>
Skills and results
Comparison of individual
Time-affair-rank
Single culture
Type of culture
Multi-cultural
Retrospective and traditional
Moral consideration
Prospective and modern
Competitive
Relations
Collaborative

Table 1 shows that managers are ready to dealt with new environmental and organization situations by acquiring multifaceted skills and attraction of knowledge worker with cultural diversity. Thus the leading organizations are those who can predict these triple changes sooner and in better condition, new era organizations can make these changes to their organization benefit by the help of managers.

REFERENCES