Chapter II

Global Enterprises –
Visions and Structures

In this chapter we discuss:

- The global strategic vision.
- Key elements of strategic thinking.
- The global organizational structures and the relating enterprise characteristics.
- Developing a global enterprise vision.
- Global management and organizational structures.

Global Strategic Vision

What is "Strategic Vision"?

Successful globalization requires good strategic vision and its implementation. Strategic vision refers to what an enterprise expects to be its ideal image in the long-term future. In the context of globalization, this ideal image is a primary driver for the enterprise's planning and implementation of GET. The guideline

for such an envisioning process will be the planning of a strategic vision for the enterprise's future position. In this regard, it is worth noting what Tregoe and Tobia (1990) have to say:

> *"In the companies we know that are successfully making the transition to a more collaborative organization, the key to success is developing and then living by a common strategic vision. When you agree on an overall direction, you can be flexible about the means to achieve it. .... Really powerful visions are simply told. The Ten Commandments, the Declaration of Independence, a Winston Churchill World War II speech — all present messages that are so simple and direct you can almost touch them. Our corporate strategies should be equally compelling."*

It is vital for the success of GET that we develop a strategic vision of a global organization that is as palpable as some of the visions in day-to-day lives.

Strategic Thinking

The strategic thinking process can be thought of as the procedure of strategic vision development. Senior managers are normally required to develop the best strategic vision for their enterprises. This requires them to carefully evaluate the enterprise and the trends of the entire future business environment in which the enterprise exists. Development of a long-term vision (such as in 10- or 20-year plans) can vary from industry to industry. For instance, the oil industry may have a 50-year strategic vision, however the fashion industry may have only a one-year plan, due to rapid changes in the business and its content.

Senior managers should consider how their enterprises will be in the global future, what sort of knowledge and skills they should have under control and what aspects should be developed. Production, services, markets and consumers within the global context also need be stated explicitly. In addition, they should carry out a detailed analysis of the competitors' current and future growth, and develop a desirable organizational structure in order to implement the strategic vision.

Based on Tregoe, Zimmerman, Smith and Tobia's organizational strategic framework and driving forces (Tregoe and Tobia, 1990), the procedures of strategic thinking process are expanded in the global context as follows.

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