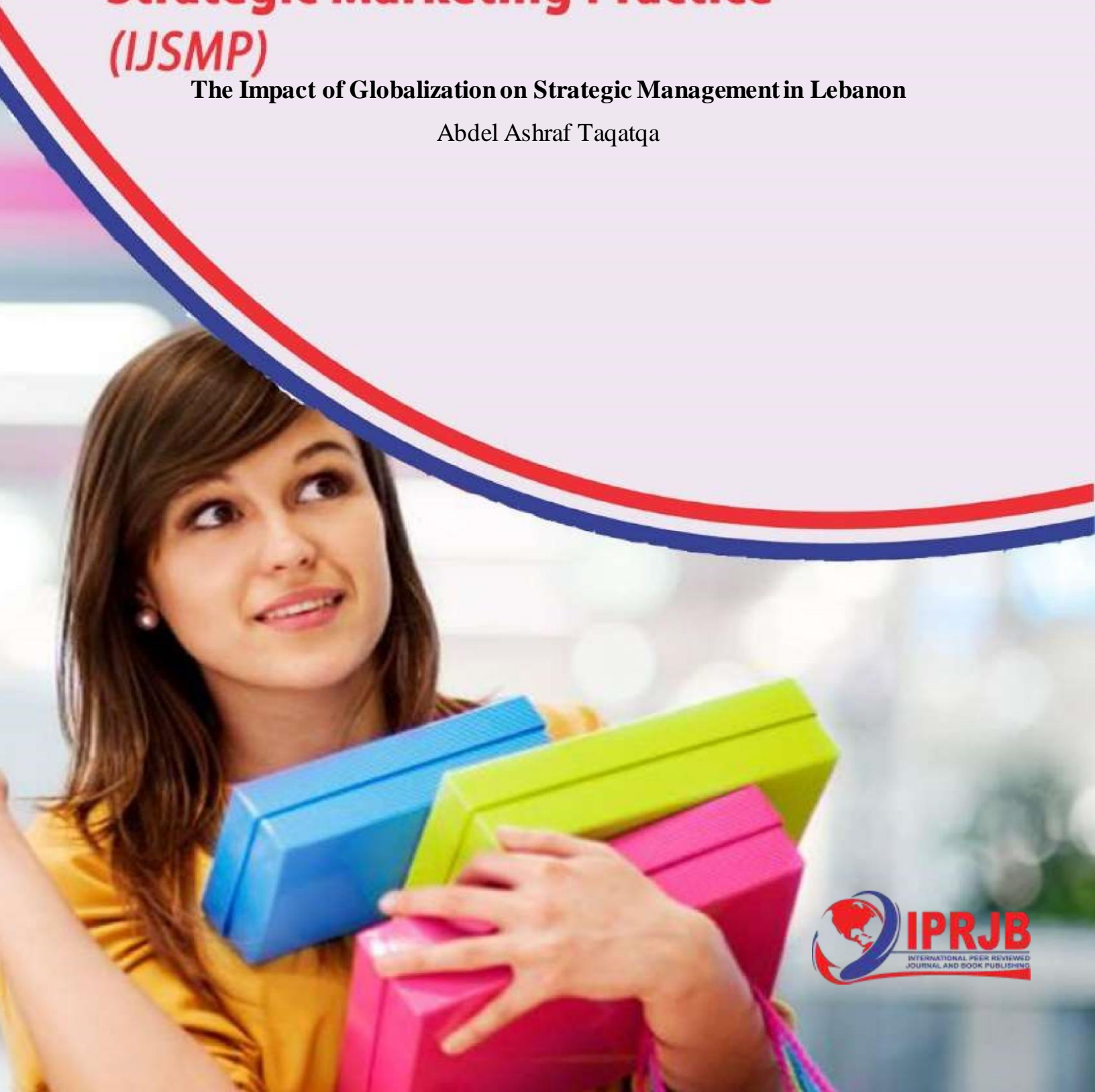


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The Impact of Globalization on Strategic Management in Lebanon

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Abstract

Purpose: The study sought to analyze the impact of globalization on strategic management in Lebanon.

Methodology: The research was conducted entirely on desktop review method. Secondary data, or data that doesn't require actual observation in the field, are the focus of desk research. Because it requires little more than an executive's time, telephone rates, and directories, desk research is generally seen as a low-cost strategy in comparison to field research. As a result, the research used data that had already been collected and reported. Secondary sources such as internet journals and libraries made this information readily available.

Findings: The results show that the impact of globalization on strategic management is far reaching and has changed the way managers view their roles and responsibilities, the way they think about strategy, and the way they go about developing and implementing strategies. They must also be able to effectively manage resources and operations across multiple countries, as well as develop strategies that are tailored to different global markets. Globalization has led to an increase in competition, a shift in the way organizations approach their customers and markets, and the availability of resources and information. Organizations in Lebanon can leverage the opportunities created by globalization in several ways such as focusing on customer segmentation, leveraging new technologies and expanding their operations in new markets.

Unique Contribution to Theory, Practice and Policy: It is possible that the theories of globalization of markets and transaction costs will serve as the foundation for future research in the field of strategic management. Policymakers, researchers, and academics from all across the world will all stand to gain from this study's findings. The country's senior strategic management executives will also use the study's conclusions to boost globalization across the board. The study suggests that urbanization firms increase the effectiveness of their primary operations and activities by adopting strategic management principles.

Keywords: *Impact, Globalization, Strategic Management, Lebanon*

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INTRODUCTION

Globalization is a process of interaction and integration among people, companies and governments of different nations, a process driven by international trade and investment and aided by information technology. Globalization is a process of interaction and integration among the people, companies and governments of different nations (Frynas, 2015). It is driven by international trade, investment, technology, and the formation of new markets and business opportunities. Globalization has had a profound impact on the way organizations and businesses operate. It has led to increased competition, lower barriers to entry, and the emergence of new business models. It has also led to changes in the way organizations and businesses are managed and governed, including the adoption of new strategies and approaches to strategic management. Globalization has changed the way managers view their roles and responsibilities (Hitt, 2016). Managers must now be able to think strategically and act globally. This means they must be able to identify opportunities and risks from a global perspective, develop strategies that are adapted to different global markets, and manage resources and operations across multiple countries. Managers must now be able to think strategically and act globally (Hanson, 2016). This means they must be able to identify opportunities and risks from a global perspective, develop strategies that are adapted to different global markets, and manage resources and operations across multiple countries.

The roles and responsibilities of managers have also been affected by globalization in other ways. For example, managers must now be able to analyze the environment in order to identify potential risks and opportunities, and develop strategies that will help them to capitalize on their strengths and address the challenges posed by globalization (Bindra, 2019). They must also be able to effectively manage resources and operations across multiple countries, as well as develop strategies that are tailored to different global markets. Globalization has brought about a variety of changes to the economic landscape of Lebanon. It has increased competition and opened up new markets, while also creating new challenges for businesses and organizations. In this paper, we will discuss the impact of globalization on strategic management in Lebanon. We will look at how globalization has changed the way businesses and organizations operate, the challenges they face, and the opportunities they have to take advantage of. Globalization has had a profound effect on the Lebanese economy (Kahwaji, 2020). The country has experienced an increase in both foreign direct investment (FDI) and portfolio investments, as well as an influx of international companies and organizations. This resulted in increased competition for local businesses, as well as opportunities for them to expand across borders. Globalization has also increased the availability of capital, allowing businesses to invest in new technologies and markets.

Globalization has impacted businesses and organizations in Lebanon in several different ways. The most obvious is the increased competition from international companies and organizations. This has forced businesses to become more innovative and efficient in order to remain competitive. Additionally, globalization has enabled businesses to expand their operations across borders, allowing them to take advantage of new markets and opportunities (Chehimi, 2019). The concept of strategic management is a process whereby organizations and businesses identify, analyze, and

respond to changes in the external environment. It involves analyzing the organization or business's mission, objectives, strategies, and plans in order to develop an action plan to achieve these goals. Strategic management focuses on the long-term goals of an organization or business and seeks to create value for stakeholders (Presenza, 2017). Globalization has had a major impact on the economy of Lebanon.

The country has experienced increased foreign direct investment and a growing trade deficit due to the influx of foreign goods and services. This has led to increased competition and lower prices, which has had a significant impact on the way organizations and businesses operate. Furthermore, the increased competition has forced organizations and businesses to become more efficient and to focus on cost containment (Elhajjar, 2022). This has had a major impact on strategic management in Lebanon, as organizations and businesses have had to become more agile and responsive to changes in the external environment. Globalization has had a major impact on the business environment in Lebanon. The influx of foreign goods and services has led to increased competition and the emergence of new business models. This has led to changes in the way organizations and businesses are managed and governed, including the adoption of new strategies and approaches to strategic management. Furthermore, the increased competition has also led to an increased focus on innovation, as organizations and businesses have had to differentiate themselves in order to remain competitive.

Statement of the Problem

The Lebanese economy has been heavily impacted by globalization in recent years. Since the end of the civil war, the country has experienced a period of economic growth and liberalization. This has enabled the country to open up to the global economy and become increasingly integrated with world markets. The growth of globalization has allowed businesses in Lebanon to take advantage of new opportunities and become more competitive. However, despite the opportunities that globalization has presented, it has also posed a number of challenges to businesses in Lebanon and their strategic management processes. The first challenge is the increased competition that has resulted from the process of globalization. As businesses in Lebanon have become increasingly integrated with world markets, they have had to compete with larger, more established international firms. This has led to increased competition, which has put pressure on businesses to be more efficient, innovative, and cost-effective in order to remain competitive. In addition, the process of globalization has led to the emergence of new technologies, which have enabled businesses to improve their efficiency and reduce costs. However, this has also led to a decrease in the number of jobs available in Lebanon. As businesses have become more efficient and cost-effective, they have been able to reduce their labor costs, resulting in fewer jobs and lower wages for workers. This has had a negative impact on the Lebanese economy, as it has led to an increase in unemployment and poverty. Finally, globalization has also had a negative impact on the environment. As businesses in Lebanon have become increasingly integrated with world markets, they have relied more heavily on natural resources, resulting in increased pollution and environmental degradation. This has had a negative impact on the health of the population and the environment, as well as posing a risk to the sustainability of the Lebanese economy.

Theoretical Review

This study will benefit from the globalization of markets theory which was proposed by Theodore Levitt's (1983) and transaction cost theory by Ronald Coase (1930).

Globalization of Markets Theory

This theory suggests that firms must be able to compete in a global market in order to be successful. The theory suggests that firms must be able to access a global market and exploit their resources on a global scale in order to be successful. The theory is particularly relevant to globalization because it suggests that firms must be able to access a global market and exploit their resources on a global scale in order to be successful (Velthuis, 2015). For example, firms must be able to access global markets and exploit their resources in different countries and regions in order to be successful. This means that firms must understand the cultural and economic aspects of different countries and regions in order to be successful.

Transaction Cost Theory

The transaction cost theory suggests that firms should choose their organizational structure based on the expected costs of conducting transactions. According to the transaction cost theory, the costs of conducting transactions include not only the expenses associated with producing a good or service, but also the costs associated with negotiating and enforcing contracts, enforcing property rights and monitoring the performance of suppliers and other partners (Cuypers, 2022). This theory suggests that firms should choose the organizational structure that minimizes the transaction costs associated with producing a good or service.

Empirical Review

Simona (2021) looked on how strategic management affected the growth of ISP. The essay drew on a variety of research techniques, including citations, state-of-the-art analysis, statistics, original sources, induction, and deduction. According to the findings, Slovak Post might improve its ability to compete in the global market by offering a new Internet service provider (ISP) service that would be well received by customers and help advance the country's e-government.

Samer (2021) provided an insightful analysis of femvertising's prevalence in Lebanon and its influence on consumers. A total of 318 people were selected at random to fill out a questionnaire for online data collection. The hypotheses were examined using structural equation modeling (SEM). According to the findings, the Lebanese public views advertisements that promote women's empowerment favorably. Consumer attitudes regarding femvertising are affected by a number of factors, including but not limited to: gender, trust in marketing, support for women's rights, and feminist self-identification.

Ahmad (2020) studied educators in Lebanon to determine the connection between strategic leadership, strategic performance, and core competency. Using a quantitative (convenient) sampling strategy with a sample size of 106 observations, regression analysis revealed that core competency significantly impacts both strategic performance and strategic leadership. Strategic

leadership, on the other hand, has not demonstrated its substantial mediating function in influencing strategic performance via core competency.

Kennedy (2019) determined the impact of strategic planning on these businesses and strategic partnership on the performance of travel and tours companies was order. The participants in the study were representatives from 19 different tour operators in Nairobi City County. Primary data was gathered by giving respondents semi-structured questionnaires. Despite not being fully implemented, the study found a favorable and statistically significant relationship between travel and tour agency success and strategic planning, strategic collaboration, expansion, and a focus on customers.

Hussein (2018) looked into how different factors, such as Telkom Kenya Ltd.'s embrace of technology, strategic alliances, learning culture, and product reengineering, affected the company's performance. Statistical Package for the Social Sciences (SPSS) was used to examine the primary data gathered through surveys. The results of the study showed that the degree to which a company adopts new technologies is a strong predictor of its success ($B=0.52$, $P0.01$). Organizational performance was also found to be highly impacted by strategic relationships ($B=0.29$, $P \text{ value}=0.010.05$).

Douglas (2018) investigated whether or not globalization has affected Zambia's small and medium-sized enterprises (SMEs). The study combined qualitative and quantitative approaches using the mixed method technique. Fifty (50) different Zambian SMEs were represented in the sample of 104 people. The research concluded that globalization has had a detrimental effect on SMEs.

The impact of decision support systems on the growth of strategic management in Gaza's academic institutions was analyzed by Al shobaki (2016). A questionnaire was designed using the descriptive method and administered to a stratified random sample. One of the most significant results of this research was the identification of a positive correlation between the use of decision support systems and the advancement of strategic management at the Islamic University of Gaza. To better comprehend the process of developing strategic management and to commit to this process in order to improve its performance, senior management has come to firmly believe in strategic management's significance to the business.

Okoth (2015) evaluated the strategic change management strategies and implementation difficulties at Maryland Global Initiatives Corporation. An extensive interview guide was used to acquire the primary data. Content analysis was utilized in the study of the data gathered. The research found that Maryland Global Initiatives Corporation does employ change management practices like increasing interdepartmental cooperation and participation through meetings and project matrices, reorganizing with the help of outside managers, and holding regular offsite strategy sessions with all relevant department heads and middle managers.

Kokonya (2015) established globalization and strategic alliances among Kenya's commercial banks. The research used a census-style questionnaire. Both secondary data from different sources and primary data in the form of questionnaires were used in the study. There were both structured and open-ended questions in the surveys. The research showed that Kenyan commercial banks use

various strategies like joint ventures, equity strategic alliances, licensing agreements, outsourcing agreements, distribution contracts, and supply contracts to gain an edge in the global marketplace. Gaafar (2013) analyzed the impact of strategic planning activities on private sector organizations in Sudan. Data for this study were collected through questionnaires which were accompanied by a letter expressing the research project and promising respondents of the privacy of their answers. The result confirmed that all four variables of strategic planning activities are positively correlated with organizational performance in Sudanese private sector organizations.

METHODOLOGY

The study adopted a desktop methodology. Desk research refers to secondary data or that which can be collected without fieldwork. Desk research is basically involved in collecting data from existing resources hence it is often considered a low cost technique as compared to field research, as the main cost is involved in executive's time, telephone charges and directories. Thus, the study relied on already published studies, reports and statistics. This secondary data was easily accessed through the online journals and library

RESULTS

The results were grouped into various research gap categories namely as conceptual, methodological and geographical gap.

Conceptual Gaps

Studies by Simona and Samer (2021), Ahmad (2020), Kennedy (2019), Hussein and Douglas (2018), Al Shobaki (2016), Okoth and Kokonya (2015) and Gaafar (2013) had conceptual framework gap in addition, all the mentioned studies did not establish the challenges of globalization in strategic managements. The studies did not outline the challenges in a clear manner. Therefore, the current study seeks to address these conceptual gaps

Geographical Gap

Studies by Simona (2021), Kennedy (2019), Hussein and Douglas (2018), Al Shobaki (2016), Okoth and Kokonya (2015) and Gaafar (2013) had geographical gap because they were not conducted in Lebanon. This implies that the results may be inapplicable in Lebanon since the social economic environment of Lebanon and other countries differ. The current study seeks to address this gap.

Methodological Gap

A methodological gap presents itself in this study, Al shobaki (2016) identified the decision support systems and their role on the strategic management development in the Universities in Gaza. The descriptive approach was used where a questionnaire was developed and distributed to a stratified random sample to analyze data while our study will use a desk study literature review methodology.

SUMMARY CONCLUSIONS AND RECOMMENDATIONS Conclusion

In conclusion, globalization has had a significant impact on strategic management in Lebanon. The country has experienced an influx of foreign investment and portfolio investments, as well as an influx of international companies and organizations. This has increased competition, created new opportunities, and presented businesses with a number of challenges. Despite the challenges, there are also a number of opportunities that businesses and organizations can take advantage of, such as accessing new markets and technologies. The impact of globalization on strategic management in Lebanon has had both positive and negative implications. On the positive side, globalization has led to increased competition, lower prices, and the emergence of new business models. This has had a major impact on the way organizations and businesses are managed and governed, resulting in increased efficiency and cost containment. On the negative side, globalization has led to increased competition, which has forced organizations and businesses to become more agile and responsive to changes in the external environment. Overall, globalization has had a major impact on strategic management in Lebanon. It has led to increased competition, lower barriers to entry, and the emergence of new business models. It has also led to changes in the way organizations and businesses are managed and governed, including the adoption of new strategies and approaches to strategic management. The implications of globalization for strategic management in Lebanon are both positive and negative, but it is clear that the impact of globalization on strategic management in Lebanon has been significant.

Recommendations

Overall, the impact of globalization on strategic management in Lebanon is a major problem. The process of globalization has enabled businesses to expand their operations and access new markets, resulting in increased competition and product differentiation. In addition, it has led to the emergence of new technologies, which have enabled businesses to improve their efficiency and reduce costs. However, it has also posed a number of challenges, such as increased competition, job losses, and environmental degradation. Organizations in Lebanon should leverage the opportunities created by globalization in several ways. First, they can focus on customer segmentation and market segmentation in order to identify new opportunities for growth. Additionally, organizations can leverage new technologies, such as big data and artificial intelligence, to gain insights into customer preferences and behaviors. Additionally, organizations can also focus on developing new products and services that are tailored to their customers' needs. Finally, organizations can also leverage the opportunities created by globalization by expanding their operations in new markets. This can be done through partnerships with local organizations, as well as through direct investments in new markets. Additionally, organizations can also leverage the opportunities created by globalization by focusing on technology and innovation, as this will enable them to develop new products and services that are tailored to their customers' needs.

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