

Globalization and competitiveness: human implications

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The world has been witness to major upheavals during the last two decades. We can look back on the amazing development of information technologies and telecommunications, the new world economic order and the increase of free exchange, the coming of age of new regional powers and the growth in the number of industrialized nations, the end of the Cold War, the increasing democratization of political systems, and many other changes. These developments are causing structural mutations that are continually changing the world we live in at a dizzying speed. The world has already become one "small village" with six billion citizens. It is in the perspective of the global village that the concept of globalization takes on its meaning.

Naturally, all of these changes present new challenges and threats as well as new opportunities not only for individuals and organizations, but also for national and multinational entities. Nevertheless, in order to prosper and reach their goals and aspirations, each and everyone in his own way must continually strive to adapt to the new reality, to allocate and reallocate adequately his resources and to survive in the neverending struggle known as competitiveness.

Globalization of economies and competitiveness imperatives force enterprises to adopt new business strategies and organizational structures. Today, competition does not only pit one company against another but more often, one network against another. In other

words, the strengths and weaknesses of a company, and its threats and opportunities are strongly influenced by alliances that the company is able to forge with its various partners in its socio-economic environment. One of these new strategies and organizational structures is known as the network enterprise, an enterprise that concentrates its activities in areas where it has specific expertise and creates the most value while at the same time associating with other partners that each have specific expertise in their respective areas of operation (see [1–3] as well as [4]).

Traditional decision making systems have been totally upset due to the globalization of economic activities, democratization of collective activities, competitiveness imperatives and growth of business networks and the network enterprise. First of all, the globalization of economic activities exposes the company to a multitude of political, economic and social systems located in the four corners of the world. Also, the democratization of collective activities requires a much greater involvement of individuals and groups in the decision making process. On their side, the competitiveness imperatives and the necessary rationalizations that result require greater consideration of strategies for externalizing activities. Finally, "networking", with an extreme example being the virtual enterprise that outsources almost all its activities [5], dramatically increases the number of partners, each one with its specific value system, objectives and constraints.

The conjunction of these different factors increases the number of decision makers which the company must maintain relationships with, and the relationships themselves change significantly, becoming more open, democratize and cooperative [6]. The large number of decision makers also makes the negotiation process more complex. Companies which are not well enough prepared to deal with this might adopt avoidance behavior that could actually prevent them from benefiting from opportunities such as globalization of activities

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and business networks. As in any other game, individual gains depend not only on the objective characteristics of the game but also, and more importantly, on the players' perceptions of these characteristics and their skill in handling the complexity of the context, understanding the rules of the game, anticipating the behavior of other players and identifying and taking advantage of opportunities for cooperation.

The complexity of the negotiation process challenges both business people and researchers to develop decision making models that take into account the multiple stakeholders and conflicting objectives and that also favor consensus seeking in collective decision making. This special edition of *Human System Management* is a modest contribution to this goal. The specific topics and questions that follow are dealt with in the four articles in this collection.

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