

# Decision-making in Global Management

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## Abstract:

As globalization deepens, so does business competition. Decision-making, as a key influence on the survival of companies, must establish a globalization strategy to cope with various crises. This paper used case study as the method to analyze the importance of decision making in a global context. SWOT is normally used to analyze the company's whole situation and make a wiser strategy to grow by strengths, weakness, opportunity, and threat. After the analysis of case study, which demonstrates that company should embrace a globalized strategy to face the challenges posed by the international cooperation in decision making aspect. Moreover, further studies on this note should be taken on as the time changed.

**Key words:** decision making, globalization, SWOT

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## 1. Introduction

Globalization, defined as a tendency (Aharoni, 2024), involves the interconnectedness among diversified culture, economy and population so on. There is no possibility to resist the trend of globalization, especially for business. As there are so many multinational companies, which like Tesla, Microsoft and Amazon etc. Those companies have base in their own country, but branches are all over the world. As (Halilovich, 2023) mentioned that globalization is a process to embrace advanced technology, but there are still risks under it. Loss of job opportunities for domestic people is an evident proof of the disadvantage of globalization brings (Voronkova et al., 2023). That requires the company to do right and in-time decision making to guarantee the profit and sustainable development of their own.

Decision making, to some degree, determines the fate of a company because it shapes the direction and organizational culture accordingly (Sahoo & Goswami, 2023). According to (Yang, 2023), who posed that there are so many models for decision making, which includes lots of factors to be taken into considerations. SWOT model is the most popular and simple one to provide a rough picture of the situation of a company and it also evolved for a long time (Palazzo & Micozzi, 2024). Figure 1 shows an example of SWOT diagram, which includes the strength, weakness, opportunities and threats. According to the diagram, the company can be navigated in a clearer understanding of the operation currently implemented and future to be designed (Alabool, 2023, August).

Therefore, discussion of decision making in a global context is necessary to be showed in this paper and provide suggestions for business owner, especially for those who want to be more and more stronger and bigger no matter in size and reputation of their companies.

SWOT Analysis	
<p><b>Strength</b></p> <ul style="list-style-type: none"> <li>• Personalization</li> <li>• Accessibility</li> <li>• Cost-effectiveness</li> <li>• Feedback</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Dependence on technology</li> <li>• Lack of human interaction</li> <li>• Ethical issues</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Improved accessibility</li> <li>• Improved learning outcomes</li> <li>• Enhanced collaboration</li> <li>• Innovation</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Resistance to change</li> <li>• Potential job displacement</li> <li>• Data privacy concerns</li> <li>• Quality concerns</li> </ul>

Figure 1: Example of SWOT

## 2. Methodology

Case study has been taken to be analyzed the importance of decision making in a global environment. Tesla, as a famous and popular vehicle manufacturer, was analyzed by (Huang, et al., 2023) to understand the situation of Tesla in China by SWOT. But this paper use SWOT to analyze Tesla in a global context. This case study was conducted in a multinational company, where their employees are from Denmark, China, UK, USA and Japan so on. By selecting these employees can deepen researcher’s eyesight in a more international horizon to see the performance of Tesla world widely.

## 3. Findings and discussion

<p><b>Strength</b></p> <ul style="list-style-type: none"> <li>• High popularity</li> <li>• Advanced battery technology</li> <li>• First to market</li> <li>• Excellent fashion design in car industry</li> </ul>	<p><b>Weakness</b></p> <ul style="list-style-type: none"> <li>• Followers limited in young people</li> <li>• High pricing</li> <li>• Incomplete service network</li> <li>• Quality problem</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• International expansion</li> <li>• Energy solution supplier</li> <li>• Unmanned technology</li> <li>• Global EV’s growth</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Competition from China in EV</li> <li>• Security and privacy leaks</li> <li>• Unstable lithium price</li> <li>• Emergence of semi-solid state battery</li> </ul>

Figure 2 SWOT of Tesla

From the table above, it shows a very clear situation of performance of Tesla in the world market. Although it was the first EV brand that arouse so much reputation in the globe and attract so many young followers for its fashion shape design, there are still some concerns for Tesla to care about, which is the rapidly growing competition from China. As (Huang, et al., 2023) mentioned that there are so many new EV brands come into being in a decade recently, such as, Xiaopeng, BYD, HUAWEI and even XIAOMI. Among them, BYD has the longest EV manufacturing history in 1995 and Tesla was established in 2003. As for HUAWEI and XIAOMI, these two companies are famous mobile phone producer, but they also transfer to the channel of EV.

Therefore, facing the fierce competition from China's EV, what kinds of decision that Tesla would make matters the fate of it in the future. Despite the outside reasons, Tesla also needs to focus on improving their product quality and complete the service network as much as they can.

#### 4. Conclusion

At the end, decision making matters the fate of a company, especially in the global context. If the decision makers know what their strength, weakness, opportunities and threats are, it would be a wiser decision they can make. After all, the competition in business sector is not only money oriented, but also a more comprehensive mixture in certain climate.

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