The Re-industrialization Strategy in the Global Economy

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ABSTRACT

The purpose of this research paper is to further understand and identify strategies and policies that impact the retail industry when providing goods and services to its customers in the home county environment. And the need to develop in sourcing capacities for rapid and adaptive organizational responses.

INTRODUCTION

The re-industrialization of the retail industry does begin to synchronize economics and social change? Since information may be presented in a number of formats, the term information applies to more than just the printed word. Other literacy's such as visual, media, computer, network, and basic literacy's are implicit in information literacy. In order to be prepared to succeed in a global, high-tech, information rich society, all employees on every level must be proficient in information literacy and have a plan to ensure success.

For example, Target stores operates approximately 1,500 stores in 47 states, including more than 175 Super Target® stores that add an upscale grocery shopping experience, retrieved from website. Target understands that "creative destruction" occurs when the technology that emerges from the speciation event is ultimately able to successfully invade other niches, possibly including the original domain of application. By creating a photo processing, pharmacy and Food Avenue® restaurants and almost every store includes an in-store bakery, deli, and meat and produce sections, retrieved from website. Not only does Target leads in one of the more profitable retail organization, Target maintains the overall aim of the team approach is to help those involved in the design of new systems (or redesign of existing ones) to identify feasible allocation options and decide which are the most appropriate (Waterson, Older Gray, Clegg, 2002).

RESEARCH QUESTIONS

This paper will address the following research questions:

Question One: Can cultural and social norms present a challenge for the retail industry?

Questions Two: Can competition in the retail market grow or must it look for new

markets?

Question Three: What criteria in the retail market should be considered in order to compete in today's global economy?

NEW NATURE OF INTERNATIONAL COMPETITION

The Tavistock pioneers believed that their research projects should not be only attempts to increase knowledge, but that they should also embrace the improvement of work systems that were unsatisfactory in human terms. This decision led them to develop and approach and methodology which they called the socio-technical. This meant that technology, which, in their definition covered both machines and the associated work ...when new work systems were, implemented (Mumford, 2006, p.318).

Acknowledging the "tightening of budget constraints and the introduction of managed competition schemes in the health sector bring to attention the role that investment in technology plays in determining performance and quality improvement," (Ancanari, Di Mauro, and Giammanco, 2008). That is the same for the retail industry. What permits the new technology to have some basis of viability is the existence of niches, or peripheral elements of existing niches, that exhibit a somewhat different set of selection criteria.

ROLE OF TECHNOLOGY

Communication depends on the interaction of individual and situation, and members of the team are spreading untruths or addressing issues that are offensive to other should not be. What defines effective communication for any given situation is a function of what the individual brings to it in terms of his or her mental schema, the implication being that there is no a priori criterion for effective. According to Goris, Pettit, and Vaught (2002), "Communication is vital to all functions of organizations. To be operationally meaningful, however, a specific perspective of the organizational importance of communication is needed." The retail industry acknowledges that all forms of communication through technology are vital. The path to technological maturity holds great uncertainty. As a result, a primary challenge in managing technological emergence is how to structure development activities before the full character of the technology and of its market relevance is established. The retail industry may have started off with basic forms of communication; however, today's retail industry utilizes technology as one their main means of communication. Katz (2004), states that the transitional phase of a technology life cycle starts with the emergence of a dominant design. As product and market uncertainty lessens and R&D efforts become focused on improving the dominant technology, design cycles shrink.

LABOR COSTS

The benefits of establishing company spending policies are substantial. A spend management study from Triple-Tree, a research-based investment banking firm, shows that a 1 percent decrease in operating costs has the same impact on profitability as a10 percent increase in revenue. And a study from research and advisory firm Gartner Inc. cites, similarly, that a 5 percent reduction in operating costs in the expense-management process has the same effect as a 30 percent boost in sales.

Creating better cost controls is a high priority for many small and midsized businesses. There are no hard and fast rules to crafting company spending policies. It should be viewed as a creative process where common sense prevails. The end product should be considered a dynamic document that con be refined by the management team, as needed, to better fit the organization. (Vergantino, 2007)

OUTSORUCING AND LABOR COSTS

A prime example of outsourcing and labor costs effectiveness would be Wal-Mart. Wal-Mart leads to lower retail employment (from zero to 414 retail jobs), but significantly higher retail wages (as much as $1.95 per hour) at the county level, (Hicks, 2008). Wal-Mart has no effect on aggregate labor markets, though aggregate wages are positively affected, although the impact is very small (roughly $160 per year), (Hicks, 2008). Wal-Mart store led to a modest increase in the number of retail establishments, a permanent retail employment increase of roughly 54 workers, and no impact on retail wages. They also found that entrance of a Wal-Mart in a contiguous county reduces retail employment in a county, (Hicks, 2008).

Finally, if Wal-Mart enters a market and significantly lowers prices and if Wal-Mart enters a market attracting clusters of retail firms then there could be considerable cross-county shopping and an observed increase in net employment, wages, and firms in a Wal-Mart county , (Hicks, 2008).

THE IMPACT OF MANAGEMENT & LEADERSHIP

According to Scott and Davis (2007), an organization is effective if it can (1) secure scarce and valued skills and resources from outside the organization (external resource approach); (2) creatively coordinate resources with employee skills to innovate products and adapt to changing customer needs (internal systems approach); and (3) efficiently convert skills and resources into finished goods and services (technical approach, p.17).

The Action- Learning Teams can identify what trainings are being made available to employees and how are leaders modeling communications policies? The Action- Learning Teams can implement training and educational venues for all employees as some of the key steps to understanding and implementing communication policies. The process works and encourages participants to focus on self-improvement. "Many team-building processes degenerate because team members are primarily focused on solving someone else's problems. This process works because it encourages team members to primarily focus on solving their own problems," (LaRue, Childs, and Larson, 2006, p. 20).

Chen and Nath, (2008), "the socio-technical theory implies that any organization or organizational work system consists of two interdependent subsystems – the social and the technical subsystems technical subsystem is concerned with "the processes, tasks, and technology needed to transform inputs to outputs," and the social subsystem is concerned with "the attributes of people."

Organizational leaders shifting to informational literacy intertwines people, technology, information, communication and performance. Information literacy is the ability of understanding a given task definition, creating effective strategies to obtaining the right information, finding and using information and ability to make sense of that information (Bruce,2002). A paradigm shift is needed. A paradigm shifts occur when "difficulties or anomalies begin to appear in the functioning of the existing paradigm which cannot be handled adequately" and when they exists "an alternative paradigm that will account for all that the original paradigm accounts for and that offers real hope for solving the major difficulties facing the current paradigm" (Bruce, 2002). Acknowledging the information infrastructure of the retail industry is one of the first steps the leaders must take in containing the existing paradigm deficiencies.

Sussan, Kooros, and Semetesy (2006) stated that unemployment is a serious socioeconomic and political problem and has always been a key factor in U.S. policy maker's agenda. Countries and regions, that depend heavily on certain industries, might experience significant fluctuations in their unemployment rates in the dominant industry. Therefore policy makers need to diagnose the real problem and to understand the relationship between symptoms and causes of a particular challenge. As organizational leaders implement strategies for all employees to obtain a suitable understanding of how to gain essential information, the organization will reach its highest potential. It is necessary to have relatable information system to proactively compete in the 21 century. At time an organizational leaders can recognize that a paradigm shift can determine the very survival of their existence. Or continue to believe that change is not needed or a new organizational design would not make a difference. The fact of the matter is, as information literacy continues to be a major part of organizational change, employees on all levels must be equipped to evolve. The goal becomes improving the organizational culture as the set of shared values and norms that control the organizational members' interactions with each other and with suppliers, customers, and other people outside the organization also supports effective performance (Scott and Davis 2007, p.9).

POLITICS OF TRADE

According to Bansal & Sharma, (2008), "easier access to knowledge, increased and broad based use of technology and rapid introduction of innovative customized products to meet the customer demands are the key features of the changing banking scenario." For example, Horio & Watanabe, (2008), states that "a service-oriented economy is expected to play a significant role in relieving the constraints on an economy by means of information substitution for constrained production factors such as energy." The "powers to be" often have the knowledge and the political powers to decide and make some the decisions for the retail industry. However, the retail industries need to implement a plan that releases excessive political constrain. The first is the "master strategic plan."It usually looks at the overall organization and attempts to build a high-level communication strategy that links the enterprise-wide business vision and mission with broad communication principles and priorities, (Moorcroft, 2003, p.4).

CONCLUSION

The core technology within the retail industry can be identified as strategies to efficiently provide goods and services for all of customers through well organized knowledge, policies, data systems and advanced technologies. As well as, "out a view of innovation as the core process within an organization associated with renewal," (Tidd, Bessant & Pavitt, 2005, p. 67) is their goal. Information Literacy is essentially important for an organization to survive and produce desired outcomes. Effective communication has made it possible for organizations to explore and fulfill their organizational mission. To remain compliant and efficient to the needs of the consumer, the retail industry must continue to develop and master new information skills, technology and train their employees to become informational literate.

Sussan and Heil (2008) stated that in order to retain and rebuild the U.S. economy's preeminent global positions, immediate action needs to be taken. When politicians decide that defense spending and military interventions are worth the nation's financial resources, the day may also come when global competitiveness is seen as an objective that requires the additional allocation of valuable and scarce resources. Many organizations are placing greater emphasis on:

If an organization realigns their performances for continued effectiveness utilizing organizational structure as the formal system of task and authority relationships that control how people coordinate their actions and use resources to achieve organizational goals makes increased effectiveness possible, (Scott and Davis 2007, p.8). Therefore, the practice of technology will be linked with people, technology, information, communication and performance for increased technological advancement in the retail industry.

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