

CONCEPTS FOR IMPLEMENTATION OF GLOBAL MANAGEMENT IN MACEDONIA AIMED AT INTERNATIONALIZATION OF THE NATIONAL ECONOMY

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Abstract: *The world economy prevails that the greatest merit for the development of powerful nations of the world due to strong management. Changes occurring in the overall living as a result of the emergence of new technologies and information systems inevitably led to changes in management with managers giving guidance as individuals to find their place in the structure of the organization, and their knowledge and skills in the best possible way to fit into the overall setting.*

With the advent of globalization, the boundaries of organizations disappear with its growth and expansion they exceed local, regional and national frameworks and develop into widespread throughout the world. The scope of such services management significantly increases and complicates and managers will also be experts on development and organization, planning experts, experts on linguistic styles and multinational cultures, mediators, and much more. Through its universality management allows fine organization and structuring of available resources to achieve effectiveness and efficiency, thus achieving the higher performances leading to najprisutnata reality before which set the modern concepts of management. The broad framework of its diversity does not limit nor narrows the possibility of freedom in creating the organizational and hierarchical structure, which opens the field for modeling okrozhuvanjeto.

Big impact has management in the development of the economy is indisputably proven. Management throughout human history was her constant companion and motor shekel which dragged and still pulling ahead in the new development.

Good implementation of features enables management and economy of the Republic of Macedonia to engage in international business activities.

Keywords: *management, internationalization, globalization.*

1. ALTERNATIVE POSSIBILITIES OF GLOBAL MANAGEMENT IN THE EFFECTIVE AND EFFICIENT UTILIZATION OF AVAILABLE RESOURCES

Taking into account the knowledge that today are available to science and practice indisputably is proven that the importance of the management in the development of a society is of particular importance. The management throughout the human history was a constant companion to the development and motor force that influenced and is still influencing to the direction of new development.

Today in modern scientific thought is widely accepted that the greatest merit in development of the most powerful countries in the world is due to strong management. The changes occurring in the overall living as a consequence of the emergence of new technologies and information systems inevitably led to changes in the concept of management where managers have a the final word in giving guidance how the individual should take its place in the structure of the organization and with its knowledge and skills in the best possible way to fit in the organizational setting. With the advent of globalization, national characteristics of organizations are lost and they with their growth and spread beyond local, regional and national frameworks with widely disseminated throughout the world. In such circumstances the scope of management significantly increases and complicates and managers are also profiled in experts from several areas: the development and organization, planning, linguistic styles and multinational cultures, mediators and others. Through this universality, the management provides organization and fine structure of the available resources to achieve effectiveness and efficiency, and thus exercise of the higher performance of the organization that is leading to the modern concepts of management. The broad framework of its diversity does not limit nor narrows the possibility of freedom in creating the organizational and hierarchical structure, which raises the most optimal box modeling environment.

From this aspect is undisputed that the successful implementation of managements' functions enables the economy of the Republic of Macedonia to join to the international production systems.

Today, to live and survive in a world of strong competition among businesses worldwide, presupposes a respect of the imperative that every manager needs to apply, and that is to know quickly and

decisively to bring key decisions about the organization he leads. Adoption of strategic decisions often carries with it risks that can have long term implications to the operations of the company. The critical and difficult strategic decisions are actually everyday operation of business entities, in often limiting conditions regarding the flow of capital, investment in training and development, lack of resources or forced savings because of poor economic conditions. Each decision that will be made by the manager is strategic because it needs to maximize the economic impact of existing resources and it can be determined by action that would have the lowest risk, and thus bring maximum profit organization in general.

From here we can conclude that the strategic decisions depend on the character of each individual and that is what gives individuality to their essence. The strategic decisions of the executive and other managers are the choices that determine the direction where an organization will move from which derives its success or failure. In today's business world that is changing rapidly, it must be followed by quick adaptations in the domain of strategic decision making.

Analyzing the experiences of the practice can not even be concluded that today on national, much less on international level there is no single approach to the process of strategic decision making, or defining the term for them, because not every strategic decision or the its process fits every situation, organization or person. From here the existence of extensive and detailed explanations of techniques and approaches, and even established frameworks through which the process of making strategic decisions. The results of the process of making strategic decisions, as such, should be able to evaluate, and thereby the results or success that comes as a future can be measured by the results from the previous period. However, gaining experience with the making of strategic decisions not only to evaluate the possibility to compare the effects achieved with the results achieved in the past, but the process becomes important by itself, because of the experience that it is acquired and its application in the future. Such comparisons are important because they allow improving of the position of the management team for new insight into decisions. Therefore it is said that the process of making strategic decisions turned into art for by managers familiar with his reaction to new and unexplored situations and conditions, that is how we understand these situations and how they define the problems for which decision-makers. Besides experience, which is undoubtedly there and formal techniques for making strategic decisions that help managers to improve the functioning of the organization, to prepare for new and unknown situations imposed by the environment which is constantly and rapidly changing.

Following the dynamic development of global economic processes inevitable conclusion is that any executive, but the basic knowledge and skills, should have capabilities to initiate and create their own ideas and solutions, to understand the environment in acting, his organization (business and economic), to recognize the causes of problems, comply with the principles and the principles that make up global management, and thus has its clearly defined strategic thinking, which is expressed and implemented through the adoption of effective and sound strategic decisions.

According to scientific thought global management is a universal activity and under the general concept is a special form of management that uses the factors of environment and internal factors on performance in the world market.

The success of Global Management is the advantages of multinational companies using the strategies, functions and principles of it, realize maximum efficiency in operation, optimal management and long-term stability.

The basic features of global management: strategic planning, international organization, international personnel policy; international communication, negotiation of international operations; culture of international operations.

These functions are accomplished the ultimate goal, which is a competitive advantage in business or national economy. Today as a brake on this tendency occurs more external factors, such as: competitors, resources, technology, suppliers, consumers, labour supply, economic conditions, legislative, political, governmental, socio-cultural, international and other conditions.

The modern way of doing business, which is characterized by destruction of national barriers do not refer to the connection of global management, competitiveness and market, something which again suggests a whole system of chain reactions, which arise as a consequence of their mutual interaction. The importance of competition policy for the national economy and the fact that all activities of the European Union are based on the belief that the competitiveness of companies is a prerequisite for successful performance of European businesses internationally.

2. MULTINATIONAL CORPORATIONS AS INVESTORS IN MACEDONIA

To date in the Republic of Macedonia (RM) were made numerous analyzes in order to discover the reasons - why Macedonia is not attractive for multinational corporations (MNC). Out of them comes almost unique conclusion that still can not speak to the overall stability of the security and political climate, corruption, contract enforcement, unpredictable government policies, inefficient judicial system, fully constructed tax system and the small market is one of the biggest reasons that deter foreign investors to choose RM as preferred destination for their business activities. MNC Macedonia seen as the country where

there are still unresolved property rights, changing policies, long decision-making process at central and local level, inadequate banking services and underdeveloped and insufficient infrastructure.

As one of the few advantages of Macedonia for potential foreign investment, experts say the good location of land transport links, educated and cheap labour and open trade regimes.

Analyses show that the strategic task of the country should be achievement of the gross investment rate of around 25%, which is based on part of domestic savings, but most foreign investment. The priority should be attracting MNCs, mostly through independent projects of foreign investors, or through our partnerships with domestic firms.

In Macedonia there is no institution that can analyze the quality of foreign investment by MNCs in the country for the simple reason that no such data exist. What we have official institutions are data from the National Bank of Macedonia (NBM), which posted total foreign investment by year and by country.

With a large percentage of the total investments in Macedonia, part of Cyprus, Liechtenstein, and a few years investments have started to come from British Virgin Islands, Marshall Islands, Cayman Islands. These countries, due to tax exemptions present in them, the world's known as a "tax haven". Companies seeking to avoid taxes in their home country establish their own subsidiaries in these countries and by investing them in other countries.

3. INVESTMENT POLICY AND MNC

Investment policy is an economic category that considers key and one of the most important factors of economic development - investment. From their size, structure and efficiency of use is determined process of economic development of a country.

Therefore the investment policy is the most important part of developing macro-economic policy and plays an important role for economic growth of national economy and achieving higher levels of economic development of the country as a whole. Considering the goals of economic development, investment policy determines how to most effectively achieve the goals of development in each stage of development of national economy.

From here you can:

1. First Investment policy means a set of government measures that affect the realization of investment activity, i.e.
2. The second The investment policy includes measures and instruments relating to investment and economic development.

Depending on which level relate distinguish two levels of investment policy as follows:

- Investment policy head of government;
- Investment policy run businesses.

Basically, the role of government is to create a favourable environment for investment and businesses to make specific investment decisions. Therefore, no special instruments of economic policy that would have pertained only to the investment policy, but the measures and instruments of investment policy and overall measures that concern and economic policy.

In a market economy country does not interfere directly in the investment decisions of business entities. On the other hand, the instruments of monetary policy can affect the volume of money in circulation in order to encourage investment. In this regard recent example is the decision of the National Bank to limit the amounts of funds that banks can use to purchase treasury bills, or auctions for the same from one week down to once a month (Regulations and Decisions from the National bank of the Republic of Macedonia, Retrieved from <http://www.nbrm.mk>). Although this decision banks reacted immediately, the Central Bank left its stance defending the same with the explanation that this way the banks will remain more free resources that they will place in the economy which is generally known that there is a lack of liquidity means.

The instruments of fiscal policy can affect the acceleration of depreciation and the rate of reinvestment, and customs policy on the price of imported technology.

4. DEVELOPMENT POLICY OF THE GOVERNMENT AS A PREREQUISITE FOR THE CREATION OF ATTRACTIVE CONDITIONS FOR FOREIGN DIRECT INVESTMENT (FDI)

According to the Programme of the Government of the Republic of Macedonia (Programme of the Government of the Republic of Macedonia, Retrieved from <http://vlada.mk>) prepared a Public investment Programme in Macedonia 2010-2012 (Public Investment Programme in Macedonia 2010-2012, Retrieved from <http://www.finance.gov.mk/files/u1/PIP-2011novo.pdf>).

Starting in 1995, in the Ministry of Finance is established a database of investment projects of public infrastructure of the Republic of Macedonia, based on data submitted by the competent ministries and who constantly innovate.

In preparing the program is removed from the conclusion that actions taken to intensify the reform process in the country, especially the transformation processes in the public sector seeking to accede to the application of appropriate methodology in the implementation of public investment planning and monitoring their implementation.

In preparing the program takes into account development policies in the sectors and priority infrastructure projects contained in the Programme of the Government of the Republic of Macedonia for the period 2006 - 2010 year (Programme of the Government of the Republic of Macedonia 2006-2010, Retrieved from <http://archive.vlada.mk>). Enclosure Programme 2010-2012 the contribution of the Government in implementing the strategy to increase investments of MNC in the country, will be expressed, primarily by organizing, supporting, regulating, promoting and encouraging development activities, and adoption of appropriate legal and economic regulations.

Government of the Republic of Macedonia emphasized the priority given to creating conditions for successful implementation of the Stabilisation and Association Agreement with the European Union (Stabilisation and Association Agreement with the European Union, Retrieved from <http://www.sep.gov.mk/Default.aspx?ContentID=24>) and the Treaty with the World Trade Organization (Treaty with the World Trade Organization, Retrieved from <http://www.wto.org.mk.mk.gd/>).

These agreements, along with contracts or agreements with other countries in the region and beyond a free trade constitute a solid basis for increased economic cooperation with foreign countries, qualitative restructuring of the economy, and thus the total development (Free Trade agreements, Retrieved from

<http://www.mchamber.org.mk/%28S%28tqvesj45khgpqrcnusici45%29%29/default.aspx?Ild=2&mld=83&sml d=0&cld=0&pId=1>). This would lead to improvement of inflow of foreign direct investment by MNCs in Macedonia.

Republic of Macedonia, a small country with proclaimed permanent orientation towards open market economy, the priorities of development puts other forms of economic cooperation with neighbouring and other countries, especially member countries of the European Union.

In 2011, macroeconomic stability in the country was successfully held. The exchange rate is stable and inflation is controlled framework. Given that the Republic of Macedonia continue to be plagued by lack of capital investment, despite an increase in national savings, strategic goal and priority of the government is creating conditions for greater inflow of foreign investment.

In this connection, the Government is making efforts to improve the domestic environment, in terms of increased investment activity of MNCs, particularly by creating favourable conditions for attracting foreign direct investment.

One of the key benefits of the system state that "a priori" go encourages investment and certainly a legal certainty to investors (M. Andonovski (2010) Institutional Assumptions for Improving the Conditions of Business in the Republic of Macedonia. Prilep, R. Macedonia: Economic faculty - Prilep).

The same investor in the country, will be provided by completing reforms in the judiciary, promotion of arbitration (Laws and Regulations for the Economic Chamber of Macedonia, Retrieved from <http://www.mchamber.org.mk>) or non-judicial dispute resolution (Law on Mediation, 2009, Retrieve from www.pravda.gov.mk/download.asp?id=253), more efficient provision of capital creditors through appropriate means of providing payments and creation of legal prerequisites for eligibility ownership of property by foreign persons, and others.

Despite their determination to continue with economic reforms, will be very difficult for the country to persist in their efforts without a recent twist in the field of real investment and production.

Special investments of MNCs in infrastructure is vital especially for:

- reducing unemployment and poverty
- increase the competitiveness of national economy
- higher economic growth, and
- balanced regional development in order to intensify the process of European integration of Macedonia.

5. TARGET GROUP OF INVESTORS AND TARGET SECTORS FOR PROMOTION

From the analysis and comparison of the Republic of Macedonia in terms of region, can perform positioning of the target groups of foreign investors and target sectors that still need to focus in future promotional activities:

1. Medium and large enterprises (firms) of adjacent and nearby developed countries, who need to expand production;
2. Multinational companies that are not yet present in the region;
3. Multinational companies that are already positioned in neighboring countries;
4. Companies or firms that are main foreign trade partners of Macedonia, i.e. firms that have successfully cooperated with Macedonian companies.

According to previous experience and considering the current level of FDI of MNCs, the most important are those sectors where Macedonia has its own experience and knowledge, and it would be: the sector of industry of food and beverages sector of metal industry, the Department of Energy, the telecommunications sector, and lately the tourism sector.

STRENGTHS AND WEAKNESSES OF RM IN TERMS OF ATTRACTING FDI AND STRATEGIC ALLIANCES

Strengths:

- Solid political and macroeconomic stability
- Relatively favourable tax environment
- Level of privatization and a sound level of realized economic reforms
- Renewal of existing and creation of new institutions
- Restructured and privatized banking system
- Developed telecommunication infrastructure
- Solid level of high-educated staff
- National treatment of foreign investors
- Relatively low tariff rates
- The existence of free economic zones
- Short takes time to start a business
- Ability to use tax breaks and incentives

Weaknesses:

- Poorly developed infrastructure in general
- Still insufficient recognizable locations for attracting FDI
- Limited natural resources
- Implementation gap in the primary key laws
- Bad judicial system
- The size of the market
- Administrative barriers - long procedures for obtaining the necessary licenses to perform activities at the local level (building permits, frequent changes to the purposes of land etc).
- Poorly developed technological base in the sectors
- Low level of know how (especially managerial skills)

6. CONCLUSION

From the above it can be concluded that the field of creating conditions for attracting foreign investment and thus increase the level of globalization of Macedonian economy of multinational Plan of Macedonia and more opportunities and favourable conditions are available, i.e.:

- Commitment of the Government program of economic development, responsible fiscal policy, and creating a favourable environment for attracting FDI
- Further development of financial markets
- Development of strong institutions for attracting FDI
- Adjustment of legal regulations concerning labour relations in accordance with EU standards
- Borrowing in the international financial institutions and investment Concession for the construction of capital infrastructure facilities
- Creation of a fully liberalized fiscal system to attract FDI
- Further strengthening of the banking sector
- Reforms in education in accordance with the needs of the development departments of the Republic of Macedonia.

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