

Conclusions

Globalization is an increasingly pervasive phenomena in the world economy. For SMEs it presents both opportunities and threats, the extent and nature of which will be a function of several factors. The most important of these would be industry conditions and the relative competitive strength of the firm.

In order to address the issue at hand in a meaningful way, the focus of this discussion was narrowed to industrial product/service providers operating in a specific set of circumstances. Nevertheless, the reasoning embodied in the proposed framework could be easily extended to a broader set of circumstances or to final product/service providers.

The bottom line is that there is no universal catalogue of opportunities and threats which apply to all SMEs in all situations. Neither are there any generic means available for capturing the opportunities or avoiding the threats. What the proposed framework can do, however, is to provide managers and government officials with a systematic way of thinking about the impact globalization is likely to have on a given SME.

Endnotes

1. For instance, see Koh Sera, "Corporate globalization: a new trend", The Executive, Vol. 6, No. 1, February 1992, pp. 89-96; Henry Wendt, Global Embrace: Corporate Challenges in a Transnational World. New York: HarperCollins, 1993.

2. Quoted in David R. Francis, "Global Frontiers of Business", The Christian Science Monitor, April 11, 1991, pp. 9-11.

3. See Robert Howard, "Can Small Business Help Countries Compete", Harvard Business Review, November-December, 1990, pp. 88-90+; "The Fall of Big Business", The Economist, April 17, 1993, pp. 13-14.

4. See Isaiah A. Litvak, "Instant International: Strategic Reality for Small High-Technology Firms in Canada", Multinational Business, No. 2, Summer 1990; Theodore Peridis, "Small Hi-Tech Businesses Grow Global", Business Quarterly, Spring 1992, pp. 42-48; Bonnie Heineman Wolfe, "Finding the International Niche: A 'How to' for American Small Business", Business Horizons, Vol. 34, No. 2, March/April 1991, pp. 13-17.

5. See for instance Gordon H.G. McDougall, Philip Kotler and Gary Armstrong, Marketing, Canadian Second Edition. Scarborough, Ontario: Prentice-Hall Canada Inc., 1992

6. Ibid.

7. See Edmund Faltermayer, "U.S. Companies Come Back Home", Fortune, December 30, 1991, pp. 106-108+; Lawrence G. Franko, "Global Corporate Competition II: Is the Large American Firm an Endangered Species?", Business Horizons, Vol. 34, No. 6, November/December 1991, pp. 14-22; "The Global Economy: Who Gets Hurt", Business Week, August 10, 1992, pp. 43-53.