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**IMPACTS AND CHALLENGES OF GLOBALIZATION**

**Views in Finland year 2020**

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## ABSTRACT

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<p>This thesis topic that focuses on impacts and challenges of globalization came up as a current issue in 2020, when the Covid-19 emerged in Asia and spread fast to Europe and other continents. This virus has had very big consequences in economic, social, and health care field. This research has looked at a few important issues related to globalization, such as development, benefits, concerns and risk management.</p> <p>The topic of the research was limited to the situation in Finland in 2020. The research method was qualitative using phenomenological and descriptive statistical analysis. A quantitative method was also used in the thesis, basing on statistical charts and tables, and founded facts. Qualitative method is important in this thesis to research understanding the globalization phenomenon. The target group of the research was Master of Business Administration students in Centria University of Applied Sciences, Kokkola.</p> <p>This is an empirical-analytical, and experience utilization focused research comparing statistics, researching science literature for background and making a survey. The aim was to find and highlight the main issues of globalization which deserve further research attention in the future. There are both benefits and concerns and the analysis was based on further evolving globalization.</p>		
<b>Key words</b> Climate change, Culture, Environmental reconstruction, Globalization, Infrastructure, Networking, Pandemic, Population, Sustainability, Technology		

## **CONCEPT DEFINITIONS**

### **Adaptation**

The review in natural or human systems in response to actual or expected climate stimuli of their effects which moderates harm or exploit beneficial opportunities.

### **Agglomeration**

A theory that competitive companies may gain efficiencies by locating near each other. (Daniels, Radebaugh & Sullivan 2015.)

**Globalization** – The broadening set of interdependent relationships among people from different parts of a world that happens to be divided into nations. The term sometimes refers to the integration of world economies through the reduction of barriers to the movement of trade, capital, technology, and people. (Daniels et al. 2015.)

### **Pandemic**

An epidemic disease that infects many people worldwide. (Cambridge English dictionary 2020.)

### **SARS-CoV 2**

The infectious disease caused by the coronavirus, SARS-CoV-2, which is a respiratory pathogen. WHO first learned of this new virus from cases in Wuhan, People's Republic of China on 31 December 2019. Called Covid-19. (WHO 2020.)

### **SITRA**

The Finnish Innovation Fund, an independent public foundation which operates directly under the supervision of the Finnish Parliament. Future-oriented fund and organization which aims to make Finland a pioneer of sustainable well-being. Sitra investigates, explores and develops operating models in cooperation with other operators to support public administration.

### **SME**

Small and medium-sized enterprises are enterprises which have under 250 employees. An annual turnover under EUR 50 million (EUR 40 million before 2003), or an annual balance-sheet total under EUR 43 million (EUR 27 million before 2003). Small enterprises have under 50 employees which conform to the criterion of independence. (APPENDIX 6.)

**Vulnerability**

A function of a character magnitude, and the rate of climate change and the variation. Measures sensitivity and adaptive capacity of that system.

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## 1 INTRODUCTION

The idea for this thesis topic came up when the global crisis started in the spring of 2020, when coronavirus, SARS-CoV 2, emerged in Asia, getting started in Wuhan, China. The coronavirus had been a very infectious disease and its effects on humans are deadly for the elderly population and for the risk groups of coronavirus disease. The virus spread quickly to Europe and other continents and it appeared to be a crisis in the decade. The social and economic consequences of Covid-19 proved to be overcome, yet we cannot predict the future. The one thing we know for sure about the situation is that the recession is coming to Finland and other countries of Europe as well as to Asia, America, Australia and Africa. How is it possible for one disease to affect so much globally? The new modern world experienced the recession after wellbeing, civilization, economic growing, developing and globally networking.

The aim of the thesis was to research the impacts and challenges of globalization. In this thesis was picked up development of globalization where was elucidated the term globalization and background information about globalization. Research has limited a more specific perspective to Finland in 2020. When looking at the impacts and challenges of globalization, it is good to look at the benefits and concerns it brings. The impacts and challenges of globalization bring with it risks. Risk management has become important in the flow of globalization. The purpose of the survey was to complement and bring together the impacts and challenges of globalization that people experience.

This thesis was done by following the objectivity and ethics required in the scientific writing. The writing process was based on literature of business and globalization sphere and an empirical quantitative research widens and defines the research current situation and views in Finland. In literature the globalization was discussed by defining the backgrounds of globalization and looking at the present-day. The survey complements the research work and the target group of the questionnaire was Master of Business Administration (MBA) students of Centria University of Applied Sciences, Kokkola. Conclusions can be drawn of the results of the survey. The survey was conducted by sending a Webropol link to the target group by email. The aim was to define the situation of globalization in the world and reflect its impacts to Finland in 2020. The topic was very wide so it has been delimited to the globalization's consequences and pictures of the future in the year 2020 in Finland. Firstly, the objective was to clarify the situation in present-day and secondly try to infer the implications and confine some focal issues to how the global turning point in the year 2020 affected people, civilization

and business. The turning point has hit the world due to the Covid-19 pandemic which has sanctions for people and the civilization, and it has hit hard in business branches.

This development approach was tied to international business paradigm and the aim was to find and understand the current spot in the way of globalization, where we are now, and try to give expression (vision) to the future challenges. Globalization was a topical issue in the news, and nationals are interested in the world events. Is this the fifth phase for a more collaborative and caring world with a leap of digitalization?

The effects and the changes brought about by globalization must be recognized. The impacts and challenges of globalization need global exact realization so we can make decisions about actions needed globally. This development approach hopefully opens and widens the issue and helps to understand the whole picture of globalization. I hope this development research would bring new ideas to improve the direction of the development to save our earth.



## 2 DEVELOPMENT OF GLOBALIZATION

Globalization is an international phenomenon for the purpose of developing, improving, and intensifying the economy, culture, politics, and technology (Wild & Wild 2020, 33). Globalization has developed during centuries when the Mediterranean, Middle Eastern, Asian, African, and European countries were exchanging goods and starting to get to know each other. Globalization came up between the civilization's common need to interchange and desire to be in contact with each other. People had met the wonders of cultural divergence, new advantages and inventions. Trading has given possibilities to develop and cultivate civilization. (Cavusgil, Knight & Riesenberger 2014, 63.)

Four periods can be defined, which can be called the background of globalization. It shows that globalization is not a new phenomenon. Firstly, globalization had its first pulse building railways and seaways. That enabled the growth of international business in the 1830 to 1880 century. Industrialism began to grow, and at the same time the export and import trading companies were born. In that time the telegram and the telephone contact were new inventions. Secondly, a wave of development emerged in the 1900 century when the electronic and steel industry rose. The period of upswing in industry ended in economic recession in 1929. After the Second World War, the upswing started again with the third stage in globalization promoting economics in the United States, Australia, and the United Kingdom. Europe and Japan were recovering from the war and the demand for consumer products was big. The United States of America, Australia and Great Britain were developed industry countries and they wanted to improve the trade. That led to negotiations and the GATT agreement in 1947, (name has changed in 1995 to World Trade Organization, the same year when Finland joined). The fourth impulse of globalization happened in 1980. The information technology and transport engineering were developing rapidly. International cooperation became stronger and investments increased. Service sectors of the economy grew rapidly in the market, such as banking, insurance, leisure time services, tourism and retailing. The collapse of the Soviet Union, China's and East-Asia's modernization of industrialization and market liberalization in Europe gave an option to develop international trade. India, Mexico and Brazil joined the world trade too. (Cavusgil et al. 2014, 63-65.)

We are on our way to global citizenship. Knowledge, technology and information techniques have been globally liberalized. Education and lifelong learning create experts who are specialists in their own field. The copyright is standardized and patents are recognized internationally. The technological development had been tremendous in the recent decades, when changing over telephones and

computers to smart devices and intellectual electronic devices, accessories and apps. In Finland the agriculture has changed towards a technology-focused Information Society with giant's steps in the hundred years after 1900. (Kaataja 2019.)

Gilbert, Phillipson and Raheja (2017) review from the perspective of the origins and the functionality impacts of globalization. In Gilbert et al., (2017) Judith Butler [2009] has expressed that globalization has caused war, irregular migration, poverty, discrimination and social inequality. The natural pollution and the other man-made changes in nature, climate, and environment. The mining, deforestation and occidental the acquisitive society brings problems using up natural resources. The economic impacts in a globalized world are population concentration in centers. Labor, commodities, factors and services move towards the centers and countryside becomes more sparsely populated. This phenomenon is prevalent and global. Transnational representative groups advance the interests of the groups they represent and their social and environmental rights. The representative groups bring up discrimination and the importance of exceptions in the world, where affiliation with the region is seen as discrimination in social and cultural life. The universal peace and welfare shifts further if the globalization orientation can't turn. (Gilbert, Phillipson & Raheja 2017, 1.)

When we are talking about globalization, internationalization is usually brought up. We have many different cultural environments and the biggest countries engaged in international business are China, the United States, Germany, United Kingdom, Japan, France, and India (total annual value of services trade). (Cavusgil, Knight & Riesenberger 2014, 43.)

Globalization has brought many international agreements concerning trade, security, climate change, aid and other important issues ongoing. United Nations Convention Framework on climate change in New York in 1992, and the agreement improved implementation of multilateral environmental agreement as The Paris Agreement in 2015. In this agreement United Nations Framework Convention on Climate Change (UNFCCC) aims to strengthen the global response to climate change threats, and to improve sustainable development and aspirations to dispose of poverty. (Blau 2017.)

## 2.1 Development research

The development research is focused in global challenges, backgrounds, literature and contemporary situation and seek people's opinions and thoughts about globalization in present and future. The research method is quantitative and qualitative method is used in analyzing the phenomenon. The questionnaire helps to find out an orientation status between people. The aim of this research was to find out human and global status and look at the future of Finland. The questionnaire was limited to MBA-students, and it was sent by email in Centria University of Applied Sciences on 16 November in 2020. The population for the survey was chosen by reachability and multiform group. The questionnaire data was gathered by Webropol survey application. The quantitative analysis aims to describe and decipher the globalization and analyze the phenomenon's relevance from observance data. The qualitative method was used to analyze the meaning of globalization more in-depth inside. The objective of the research was to help understand globalization and generate positive and innovative solutions to change the course of globalization. The globalization is now in a turning point and we are seeking to look ahead at how the future looks like.

Many factors for increased globalization have appeared in the last decades. The first factor in the technological development and increase in new innovative technological applications. The new products have come to markets and raised the demand of new devices and applications. The market area in new innovative technology devices has become more international and the increased production has improved purchasing power internationally. The information technology has developed fast and made online information easy and profitable, as smartphones, Internet television and social media in networks. Events can be watched online and the communication to the other side of the world is possible by phone. Travelling is easy and quick by car, tram, bus, train and for longer trips, by ship or airplane, depending on what is the destination of the trip. Cargo operations are fast and efficient by automatic and developed logistics and trucking (Daniels, Radebaugh & Sullivan 2015, 49).

Development in technology innovations and breakthroughs in information technology are important, and have accelerated international business globally. Scientific knowledge skills have improved fast since the 1950s. (Parker 2005, 333.)

Technological innovations: email, videoconferences, the Internet, company intranets and extranets and advancements in transportation technologies, all of these have affected international businesses strongly and the impacts are huge in globalization. Development in the technology field has acted in

business by making it easier and faster to trade, and lowering costs to move data and products. In business the cooperation is on a global scale, and the global competition enforces it. The new technology provides the possibility to link companies together. (Wild & Wild 2020, 36-38.)

The liberalization of the cross-border trade and resource movements from country to country have developed. The aim is to lower barriers of trading and make moving easier. The citizens want to have more variety in goods and services at lower prices. The international business competition has developed domestic business to become more competitive by comparison to foreign business. Governments want to reduce restrictions in international business to get profit from free trade and to move goods, services, capital and tools. (Daniels et al. 2015, 50.) Customs tariffs had been lowered and customs unions had been established for the General Agreement on Tariffs and Trade (GATT) 1947. The agreement was made between 23 nations and the aim was to make trading easier and more profitable. (WTOb 2020.) Tariffs are taxes charged on traded products. After GATT the World Trade Organization (WTOa) was established to deal with the rules of international trade. Today WTO has 164 members and 21 observers (PICTURE 1). (Wild & Wild 2020, 36.)



PICTURE 1. The WTO members and observers. (WTOc 2020).

International business services have developed fast. The interstate trade between companies had promoted banking development to give credit agreements, converting currencies into another and

arrange insurances for trading. Banks can give comprehensive foreign exchange trading services for companies engaged in foreign trade. (Daniels et al. 2015,51.) Foreign Direct Investment (FDI) has grown significantly since the 1980s, when the products manufacturing moved more to developing countries because of low-cost labor and raw materials in the countries. The companies that produce services are also key players in global markets producing bank services, consulting, accommodation, fabrication, retailing and other trading services. (Cavusgil, Knight, Riesenberger 2014, 42.)

Consumer needs have grown a lot. Some markets have grown fast in the countries where revenue and consumption has risen rapidly. Consumers are used to operating on the internet and online shopping has increased quickly because the internet has become a familiar tool for even more people. People as consumers can get almost any information from the internet, as well as new products and services, so the reaction for new innovations and trends is rapid and causes companies pressure to invent and produce new products. (Daniels et al. 2015, 51.) The economic growth creates the rise in consumption in emerging markets. There is a large population base in BRICs countries. Brazil, China, India and Russia are developing countries, and the consumption in these countries are forecasted to rise about 85% from 2009 to 2030 in the middle class (Cavusgil, Ghauri & Akcal 2013, 92 [Lawson & Gillman 2009].) The World Trade Organization's (WTO) Information Technology Agreement 2015 aims for the United Nations (UN) key target to have a sustainable development goal on "zero hunger" by eliminating agricultural export subsidies (Swain 1996.)

Global competition has become intense. Agglomeration is an essential issue for companies to improve operational efficiency; it is also called as clustering to help streamlining operations when companies locate near each others. Companies need affordable labor for their factories, this is the situation when all production can be moved to other countries because the labor and raw materials have a more competitive price. (Daniels et al. 2015, 51.) Michael Porter represented the theory of competitive advantage of nations in 1990 where nation's competitiveness depended on their capacity in the industry to improve and innovate. Porter's theory consists of four main points: 1. factor conditions, 2. demand conditions, 3. related and supporting industry and 4. firm strategy, structure and rivalry. (Wild & Wild 2020, 171.)

World politics and governance are changing. The governments that have changed politically, are more open and cooperating is more transparent. They have more mutual projects and aims. International business is to be supported by evolving air and sea transportation. In international business cost effectiveness and functionality are for the benefit of all parties. The governments affect other countries

by denying business as sanctions of the country's wrong kind of policy. The objective is to solve multinational problems, and to deal with the problems ethically and acceptably. (Daniels et al. 2015, 52.)

The importance of transnational cooperation is emphasized to states. Governments join international organizations and make agreements for trading, to protect the environment, to secure their air by flyover rights and harbours and to cover the maintenance of many more important issues, protectivity and safety. (Daniels et al. 2015, 49-52.) In 2013 the WTO negotiated with the Trade Facilitation to reduce border delays because of bureaucracy and to cut trade costs, and to improve exports (WTOd 2020.)

## **2.2 Evaluation about globalization**

Patton (2008, 25) describes evaluation of the future, assumptions, forecasts and recommendations. The conduct of an evaluation is communication. There is an example on how Philip A. Cooney in 2002, compiled an overview of the government's climate research. He emphasized the consequences of climate change and called for more research about climate warming and melting of mountain glaciers. Cooney emphasizes the importance of reporting climate change. Understanding isn't enough, globalization's challenges need actions. There is a lot of news on how climate change is currently in progress. For example World.Net news 2020 introduced the consequences of climate change in Middle-Asia, Kirgisia, how irrigation water has decreased in one generation, where mountain glaciers reduction is seen. Agriculture has suffered already because of the dry summers and cold winters, which are due to climate change. The cultivation becomes difficult in poor conditions and the civilization is dependent on nature. (Laakso 2020.)

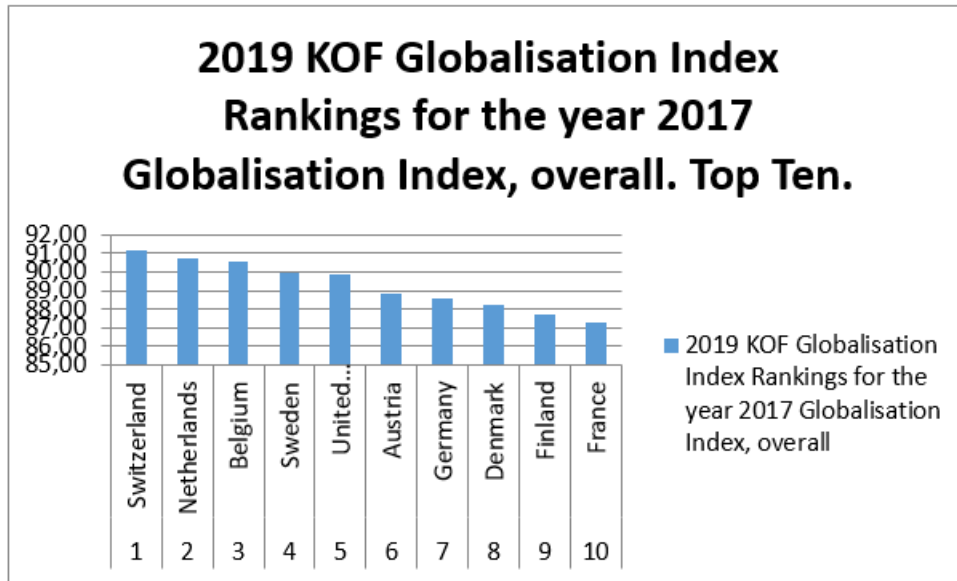


FIGURE 1. KOF Globalization Index 2017 (KOF 2020).

The KOF Swiss Economic Institute has created ways to measure globalization in every country. It has an index to rank nations on 23 variables. Wild & Wild (2020, 42) gives three dimensions from KOF Index of Globalization: economic, social, and political (FIGURE 1). Measuring globalization requires a definition of globalization. This is the third version of the KOF Globalisation Index which sorts economic, social and political globalization (Gygli, Haelg, Sturm & Portfakle 2019).

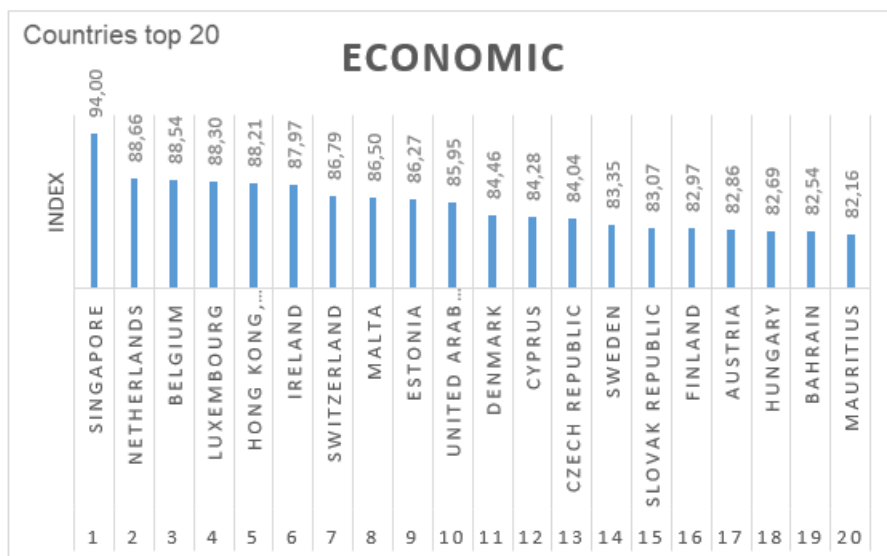


FIGURE 2. KOF Economic Index (KOF 2020).

Economic globalization includes international trade and finance. (FIGURE 2). The economic dimension includes also investments, trading, and capital limitations. (Gygli et al. 2019.)

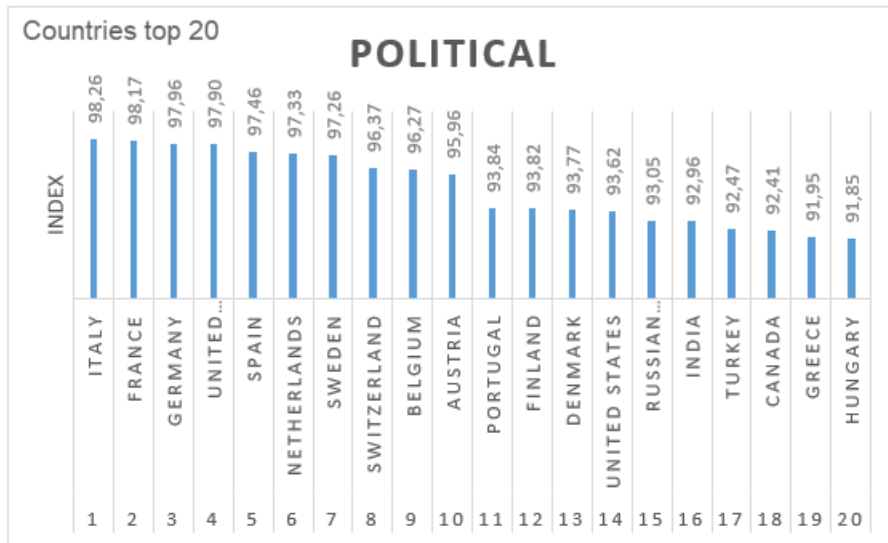


FIGURE 3. KOF Political Index (KOF 2020).

Political globalization measures the political decentralization of government. (FIGURE 3). The political dimension includes cooperation with other countries. The number of embassies and international non-governmental organization's (NGO) in the country is counted. Participation in other international organizations, such as the UN, will be taken into account. (Gygli et al. 2019.)

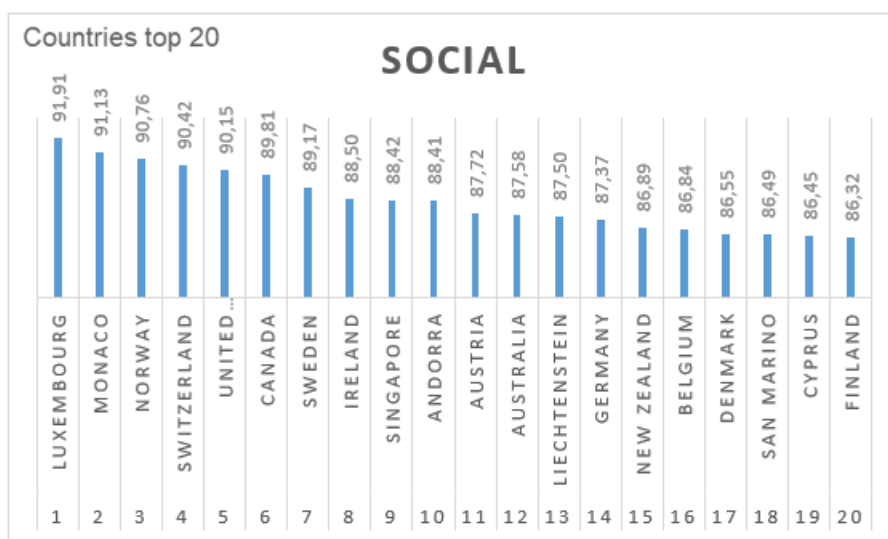


FIGURE 4. KOF Social Index (KOF 2020).



Social globalization includes interpersonal, informational and cultural globalization. (FIGURE 4). The social dimension includes communication of information and ideas. In social globalization includes also cultural values, goods and services such as movies, music, TV-series and other works of art across borders. (Gygli et al. 2019.)

Among the top 10 belong many small European countries in all dimensions. Large nations are not so dependent on external trade and investment, and they are not often making high rankings on the globalization index. The KOF Globalization Index has measured globalization in nearly every country in the world since 1970. (Gygli et al. 2019.)

### **2.3 Previous researches**

The Finnish Ministry of Environment has published the Annual Climate Report 2019, where the achieving of the emission reduction obligation for the period 2013–2020 and 2021–2030 is examined. The target is to reach carbon neutrality by 2035 and the reduction obligations are based on EU obligations. The Annual Climate Report has researched planned measures for transporting, agriculture, heating of buildings and other energy related acts, machinery and industry to reduce emissions. Finnish largest cities are largely committed to ambitious climate targets. The Medium-term Climate Policy Plan 2017 is the basis of Finland's and EU's target in emission reduction towards carbon neutrality. (Cederlöf & Siljander 2019.)

Globalization is a common subject of research in many theses of universities, and universities of applied sciences. There are many reviews and areas to research in globalization. In the year 2020, there are many researches in Melinda, the union catalogue of Finnish libraries, libraries of universities, and the libraries of the university of applied sciences. The researches and the theses are on impacts of globalization on environmental, ecological views, sustainability communities, and diverse worlds. (Melinda library 2020.)

### 3 VIEWS IN FINLAND IN THE YEAR 2020

Finland, a Nordic country, and a member state of the European Union, has struggled with financial problems, developing its international status in emerging business markets trying to improve the economic situation in 2020. The business field has centralized in big companies and it has become a trend to internationalize attempting to become a stronger and solvent company. The Finnish government has big issues deciding on the social field, health care, EU's financing problems, education, profitability problems in agriculture, unemployment, refugees and many more issues concerning domestic and international situation and future aspects touching globalization. There are domestic and internationalized small and medium-sized enterprises (SMEs) (APPENDIX 6) in Finland struggling with the financial crisis and the issues with the increasing diversity of organizations. The Finnish government tries to stimulate business start-ups and SMEs by giving them challenges to employ themselves and their workers and give an opportunity to bring it's innovations, advancements and know-how to the markets.

In small towns and municipalities the SMEs give flexibility, customization and faster implementation in markets (Cavusgil et al 2014, 395). In accordance with the Statistics in Finland there were 292 377 companies in Finland in 2019 (The Federation of Finnish Enterprises 2019.) Finnish Patent and Registration office statistics in the annual report of 2019 show that at the end of the year 2019 there were 616 551 companies, and 54 501 patents were granted and validated in the Trade Register.(PRH 2019.)

The Finnish Government information and advice included policies and decisions about coronavirus Covid-19. The Government with the President of Republic agreed to declare a state of emergency in Finland over the coronavirus outbreak on March 3<sup>rd</sup>, 2020. The Finnish Ministry of Social Affairs and Health can give information and regulations for border crossing citizens and travelers dealing with hazardous contagious diseases. In 2020, there has been a regulation after the coronavirus outbreak to self-isolate and to avoid close contacts. (THL 2020). The Finnish Government follows the situation of coronavirus epidemic and advice on policies and decisions about provisions and guidelines that are in force.

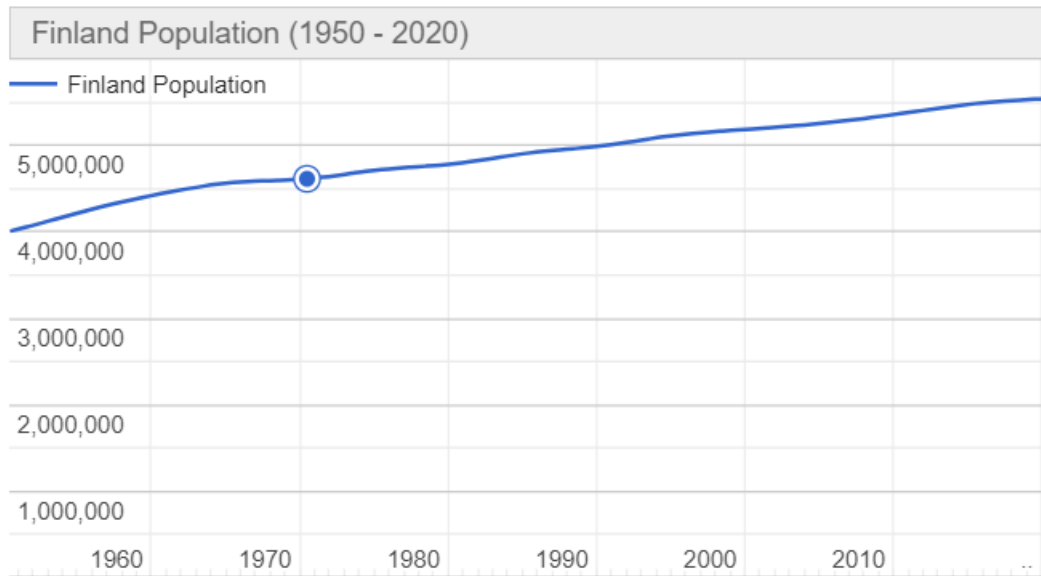


FIGURE 5. The population of Finland (Worldometer's RTS algorithm 2020.)

The United Nations, Department of Economic and Social Affairs, Population division indicate and forecast estimate world and countries population expectations. The current population of Finland is 5.545.590 on 23 January 2021, based on Worldometer elaboration of the latest United Nations data. (FIGURE 5). According to this data there will be roughly 7.7 billion people in the world in 2020, correspondingly about 5.5 million of those people live in Finland, which is about 0.07% of the world's population.

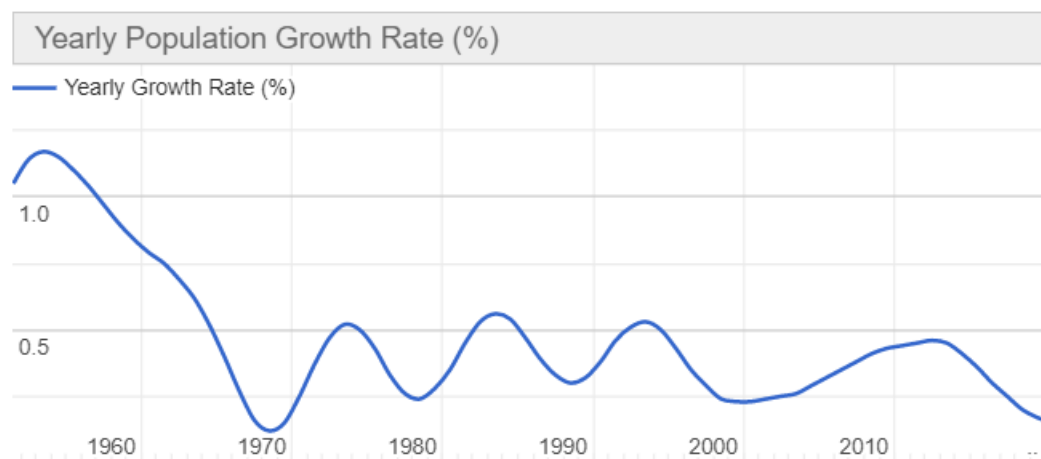


FIGURE 6. Yearly population growth percentage in Finland (Wordometer's RTS algorithm 2020.)

The aging of the population poses problems in solving the quality and adequacy of services for the aging generation (FIGURE 6). The birth rate has been falling steadily in over the past ten years. 78%

of all persons born in 2019 were born in urban areas. The statistics on births contain all the children whose mother was permanently resident in Finland at the time of their birth. (Statistics Finland 2020.)

The Finnish population has grown as the number of immigrants has increased in Finland (Appendix 4). According to statistics Finland the foreign citizens number was 26 255 in 1990 and 267 629 in 2019. Most of the immigrants are from Estonia, Russia and Iraq. The immigrants have arrived also from China, Sweden, Thailand, India, Afghanistan, Syria, Somalia, Vietnam, Turkey and Ukraine, and 17 other countries. In Finland live many nationalities in 2020. The main reason for immigration are family reasons. (Statistics Finland 2019.)

Superpower countries' strong leaders' influence is noticeably present, challenging individual freedom and democracy. (Solovjev-Wartiovaara 2020.) Finland is a very small country compared to other countries but new economic problems have arisen. The economic problems have increased after the coronavirus appeared in 2020, and the government imposed restrictions.

## 4 THE BENEFITS OF GLOBALIZATION

The aim of globalization is to reach a better quality of life, health, and economy for human beings. But no one had foreseen the speed of it and the impacts it had on society, the environment and climate. We all have the intent to keep our one world sustainable and steady. We want to have and sustain fresh air to breath, clean water to drink and wash ourselves with, healthy food to eat and lush and a diverse nature. (United Nations 2020). Also we want to develop our world to be a better place for all people, for our children, their children and their children further in the future.

In international business, globalization has lowered or eliminated barriers for international movement of capital, goods, services and technology. People can influence the integration of world economies. By internationalization, people can get more variety, better quality and lower prices, and widen the knowledge of other nations. (Daniels & et al. 2015, 47.)

### 4.1 Global raising knowledge, common goals in morality, ethics and responsibility

Globalization raises awareness of common ethics, rules, and targets. All the people have the same needs and we can solve problems together. The nations have set laws and regulations, about having ethical thinking from the start, knowing what is right and what is wrong. There are many theories about common morality, ethics, and responsibility.

The Theory of Moral Sentiments by philosopher A. Smith 1790 put wisdom into humane feelings like pity, compassion, sorrow, pain, grief, joy, happiness, mortified, and agreeable. He narrates that the feelings can be adopted or be made our own. Similar feelings like fellowship and feelings affected by others lead to pleasure of mutual sympathy. "Of the manner in which we judge of the propriety or impropriety of the affections of other men, by their concord or dissonance with our own." (Smith, A. 1790, 11.)

A Theory of Justice was published in 1971 by Rawls, analytic philosopher, was a start to create the business ethics and political theories. He focused attention to utilitarianism, actions which are useful or for benefit for majority. He advocated equity, equality, and need, and to proposed that each operates

within a specific sphere of influence. He has principles that every person has natural abilities and rights to have liberty and opportunity for all social values. (Rawls 1971.)

Cooper & Mepham wrote in the book *Human Rights and Global Responsibility* about an international agenda and UN norms (Cooper & Mepham 2004). The IPPR was founded in 1988 and it is the research institute providing policy solutions to reduce the gap between the central government and the public. The IPPR describes that a good society striving for social justice, community democracy, economic and environmental sustainability. The priorities were set in the International Human Rights Conference in 2003. Most important priorities are human rights, institutional reform and capacity building. The aim is to strengthen national and international commitments to human rights and reach protection and promotion of human rights across the world. The protection and promotion of human rights applies to governments, international institutions, non-state actors and the corporate sector. Human rights are based on morally right and common interest. (Cooper & Mepham 2004.)

## **4.2 Finding solutions to environmental problems**

The popular term sustainability, means international policy to environmental thinking. (Case 2013, 134.) The consumption of environmental resources is recognized when fossil fuels and natural gas, charcoal, minerals, peat and uranium are declining from the earth. (Yergin 2011.) The Finnish Innovation Fund Sitra's 2020 Megatrends see the costs are falling in renewable energy and energy production will decentralize in the future. Renewable energy, solar and wind are future forms of energy to an increasing extent. (Solovjew-Wartiovaara 2020.)

## **4.3 Economic opportunities and finding the right skills**

The economy and society benefit from higher levels of skills. Education and opportunities for education have improved significantly in the EU in the 21st century. High technology, labour force movement, employability, improving health and more educated population are key issues to improve wellbeing and satisfaction. The education gives profits in all levels of population, the state, employees, organizations, families and individuals. (Ranieri & Salvatore 2017).

Human resources (HR) costs are significant in company operations. If a company operates in international markets, it is easier to find experts from around the world. Multinational companies and enterprises have operations in more than one country. Joint ventures are common in multinational companies. (Daniels 2015, 70, 808.) The continuous development is mentioned in Sitra's Megatrend 2020 cards. The continuous development is significant in changing structures and practices. Society and the environment need new skills, lifelong learning, creativity and seeing the big picture in a fast changing world. (Solovjew-Wartiovaara 2020.)

#### **4.4 High-developed technology**

Technological advantages had great influence to internationalization of companies and SME's. Marketing new products and services on the internet and using the latest technologies in international communication is very quick and efficient. iPads, laptops and smartphones are available worldwide because manufacturing and transportation has made a huge step in few decades. (Cavusgil et al. 2014, 69.) Information technology (IT) gives great opportunities in internationalization, collaboration and competitive fields for different sectors. In industry market companies implement the international strategy to answer public demand. Biggest sectors to implement the international strategy are civil aircraft, semiconductors, bulk chemicals and institutional banking which are high standardized and central controlled internationally. The customised fashion, medicines, and processed food are adapted and decentralized in international markets. (Daniels et al. 2015, 509.) Cultural globalization appears in entertainment media: films, television live and recorded events and performances and in the Internet (Parker 2005, 208).

#### **4.5 Networking and reducing risks**

Social networks are fast information channels between individuals and in society. The technology is developing rapidly and changing methods of information. Operating models are more automated and virtual. The digitalization has taken over everything, melting in production, services, networking, and all branches of society. This is a big challenge in the future. (Solovjew-Wartiovaara 2020.) Risks can be controlled by collaborating with each other between co-companies. Networking helps to share information, predisposition and unifying backups (Daniels et al. 2015, 70.) Worldwide interconnections and networking are stronger every day in culture, politics, economics, technologies

and natural environments. All activities, events and transactions are in the news, social media, on the internet and known globally in a short time. (Parker 2005, 5, 19.) Network structures and spiderweb network are ways to governance and structure organization. Relationships between co-workers, partners, collaborative ventures and customers can be networked. Quinn, Anderson, and Finkelstein 1996 present an example of a spiderweb network (APPENDIX 1) and N.V. Philips network structure was present in the multinational corporation as an interorganizational network (Parker 2005, 369, [Ghoshal & Bartlett 1990]), (APPENDIX 2.)

#### **4.6 Solving environmental problems**

The business is in a very important position on doing something about protecting the environment. The markets in products and services are not only to grow and make money for companies but they also help the environment and aim for sustainable business. (Daniels et al. 2015, 444.) The companies implement an international strategy for industry to produce responsibility and sustainability. There are international, multidomestic global and transnational cooperation to set strategies, rules, visions, and practices to create value for global markets. (Daniels et al. 2015, 509.)



## 5 GLOBALIZATION CONCERNS

The United Nations (UN) defines the goals of globalization on their web-pages. The important targets for UN are humanity and social environments that do not have poverty, hunger or lack of clean water and sanitation. The good health, well-being, and equality between humans are also basic needs for everyone. In culture we like to reach decent work and economic growth in developing countries. The Climate action is one of the most important goals for which we can sustain life below water and life on land. To reach these the developing countries need education, responsible consumption and production. To reach responsibility the world needs innovations for industry and developing infrastructure having sustainable cities and communities. Peace, justice and strong institutions with partnerships are goals which have not come true in every country.

In Sitra's Megatrends 2020 reviews the globalization's influence our lives and our future. The biggest concerns are focused on environment, nature and climate change, the population's ageing and polarization. The power of technology impacts everyday life and appertain almost everything. The new solutions for the industry and the production of energy, needs more energy to expend. The power of technology gives the dominion to network builders. Economy and technology are developing fast and centralizing, causing inequality in the long run. The ecological reconstruction is urgent in all areas. Sitra brings these issues to broaden thinking about the globalization, new phenomena, opportunities and threats. One threat is the global pandemic, spreading from country to country with the flow of people in 2020. (Solovjew-Wartiovaara 2020.)

### 5.1 Virus epidemic changing to pandemic

In year 2020 the Covid-19 virus pandemic wave has swept the world damaging economy. The most serious viruses had been malaria, tuberculosis, leprosy, influenza and smallpox, and other diseases which have ravaged the human population in the world's history. The pandemic had become more threatening in the course of time. The black death started from Asia and spread through Sicily, Port of Messina, and killed one-third of the population in 1346 – 1353. Spanish flu was in 1918 – 1919 and 2002 – 2003 SARS-CoV epidemic. (History.com editors 2020.) Pandemic is the disease spreading beyond the country's borders. The latest pandemic before Covid-19 virus was SARS-epidemic which was also respiratory syndrome. The coronavirus had been more serious because it wasn't recognized

before it was too late and it hasn't been previous in people. The coronavirus can lead to death, especially among the older people and there was no vaccination immediately. The research of vaccination began immediately in 2020 when Covid-19 was declared a pandemic. The World Health Organization monitors the state of health in the world. (WHOa 2020.) This pandemic in year 2020 had global impacts and the situation had caused global social and economic crisis. (WHOb 2020).

## **5.2 Environmental problems**

In *Sitra Megatrends* Anna Solovjew-Wartiovaara writes that in 2020 one serious subject is the environmental problem. The forecast of climate warming was 3-4 degrees in the 21st century. The industrial revolution from 1900 to 1960 the carbon dioxide levels have been rising and this is a principal cause of global warming, which is called the greenhouse effect. (Case 2013, 79.) The Intergovernmental Panel (The IPCC) evaluates evidence in climate and gives the key vulnerabilities for exact responses through adaptation (Parry, Canziani, Palutikof, Linden & Hanson 2007). Human impacts like fossil fuel burning, farming practices, forest clearance, urbanization are contributing to global warming. The extreme conditions, floods, drought, wildfire, ocean acidification and strong storms are increasing and causing soil depletion by climate change. (Case 2013, 86.) Ecological reconstruction is needed instantaneously. The diversity of nature decreases when species are moving further north causing disruption to flora and fauna. To environmental protection there should be more nature reserves and the waste of natural resources should be reduced. The overconsumption of natural resources and the loss of diversity must be stopped and ways must be found for more sustainable and renewable nature-restoring consumption. Climate change is an existing event and needs to be adapted. To solve waste problems, new innovations should be found in the treatment of waste and its final production for energy or reuse. (Solovjew-Wartiovaara 2020.)

## **5.3 Population trends and urbanization**

The migration from rural areas to cities has continued globally. Growing megacities have to make a plan for future strategy and create sustainable infrastructures, governmentation and way of operating. In Finland the young people move to the growth centres to study and work. Other regions have seen a decline in population and those who stay living in rural areas are mostly senior citizens. Global migration is growing and at the same time there is a transformation of working life, urbanisation,

conflicts and environmental changes. In Finland the migration is also increasing and bringing more diverse groups and tribalisation. The growing problem, globally and in Finland too, are the mental health problems, concern of the environment, digital embedded in everything and competitive society. These problems are increasing especially among young people. Socially, there is a rapid need for change for the benefit of the state of the environment and human well-being. (Solovjew-Wartiovaara 2020.)

#### **5.4 Social and cultural challenges**

Globalization brings ethical, social and cultural challenges. In Finland the Constitution guarantees not only personal freedom and integrity but also freedom of religion and speech. Human dignity is the same for everyone. In Finland the Ministry of the Interior has published the National Action Plan for the prevention of violent radicalisation and extremism 2019 – 2023. This isn't prevalent in the globalized world. Extremist groups divide people into friends and enemies in Finland. The ideology of the violent extremist is based on the idea of differentiation of people. Immigration and unemployment causes discrimination and threats to safety and security. The Action Plan defines mission fields to police, reception centres, social and health services and education sector information to develop their sectors' relevance to prevention. (The Ministry of the Interior Finland b 2019.)

#### **5.5 Economic disadvantages**

Sustainable development goals are classified by the United Nations Development programme. Each goal aims to reduce economic disadvantages. If we end poverty in all its forms everywhere we create a sustainable economy. The big question is to build resilient infrastructure and sustainable industrialization and promote innovation. Reducing inequality in and among countries, and strengthening the partnerships we can decrease the economic disadvantages. (United Nations 2020).

## 5.6 Assessment of globalization

Sitra's review of Megatrends 2020 considers future trends and has drawn attention to five different points in the future outlook. At first the authority of networks and network power extends to economic, technological and cultural interactions and the extent of networks affects dominance. The balance of power shifts between decisions, inclusion and the strengthening of democracy, and thought patterns and worldviews are in the process of change. The ability of an individual and society to transform into alternative images of the future and the desire to strive for a new kind of operating culture.

Secondly, population's ageing and divergence is increasing. The population distribution is focused on the elderly while birth rates are falling. The development of ageing and birth rate slowing is seen in population statistics in Finland (APPENDIX 3). Diversity in working age is a change in working life, technologicalization and multinationalization. In a transformation of change, value issues must be addressed to avoid inequality.

Thirdly, the economy is seeking a direction. The direction of the economy has been the concentration of wealth and the increase of low-income people. The economy places a lot of emphasis on technology, which in its current form is consuming more and more energy resources. Changing the direction of the economy requires the ability to cooperate and bring new operating models to everyday life.

Fourth step is when technology is merged into everything. The increase in technology and data poses a threat in the form of an increase in energy demand. The power to use technology and data should be controlled so that it is not used to destroy society or the environment. (Solovjew-Wartiovaara 2020).

## 6 RISK MANAGEMENT IN THE FLOW OF GLOBALIZATION

Risk management cannot cover every risk in business or in the world. In 2020 a coronavirus disease outbreak and spread fast from Asia to the other continents. This is a realistic risk of globalization, when barriers are low and we all are cosmopolitans and well networked. This global pandemic has occurred aberrant and there's no vaccination against it. The World Health Organization has declared Covid-19 as a pandemic, and a global emergency. The pandemic is a big threat for public health and adequacy of health services. (Communicable Diseases Act 1227/2016.)

When an epidemic becomes a pandemic the government can introduce or apply an Emergency Law. The government can limit the obligation of teaching in the country. The regional state Administration Agency can also give orders to limit or prohibit to close schools and public events. In Finland the Ministry of Education and Culture can limit or prohibit culture and sports events and order closure of libraries, museums, theatres, sports and hobby facilities. The Finnish government can determine further actions for labour markets under the exception act. Even though the enterprises and companies have their own risk management plans, the pandemic is too big of a threat; the state administrations acts are important in exceptional situations. (Finnish Government and Ministries 2020).

### 6.1 Risk management

Bérald and Teyssier (2017, 19) process risk management in their book *Lever for SME Development and Stakeholder Value Creation*. They find that risk management benefits big companies or organizations as Small and Medium Enterprises (SMEs) risks impinge on safety, health issues and danger situations. Risks can take place in internal or external business. Risks can give rise to financial losses, signify danger, damages or accident, bringing uncertainties for business. Risks are defined and applied to all. In risk management in business we can analyze strategic, operative and financial risks. The risks can be specified in the occupational safety and health, accidents, fires and damages. (Bérald & Teyssier 2017).

The World Economic Forum has defined some big global risks in 2021: pandemic and tolerance health systems, geopolitical fragmentation, climate change including global warming and stress on ecosystems, depletion of resources; water and food crises, biodiversity loss as human made

environmental disasters and global agricultural shortage. Economic and political consequences as well as economic confrontations are topics. Increased migration, rising unemployment and youth disillusionment are also problematic issues. (McLennan 2021).

McKinsey Global Institute had explored economics and management risk, resilience, and rebalancing in global value chains. Resilience strategies makes organizations more resilient against financial crises, terrorism, extreme weather, pandemics or other disruptions appears. The research focuses on productivity and growth, natural resources, labor markets, the evolution of global financial markets, the economic impact of technology and innovation, and urbanization. (Renaud, L. Lund, S, Manyika, J., Woetzel, J., Barriball, E., Krishnan, M. Aliche, K., Birshan, M:, George, K:, Smit, S:, Swan, D. & Hutzler, K. 2020.)

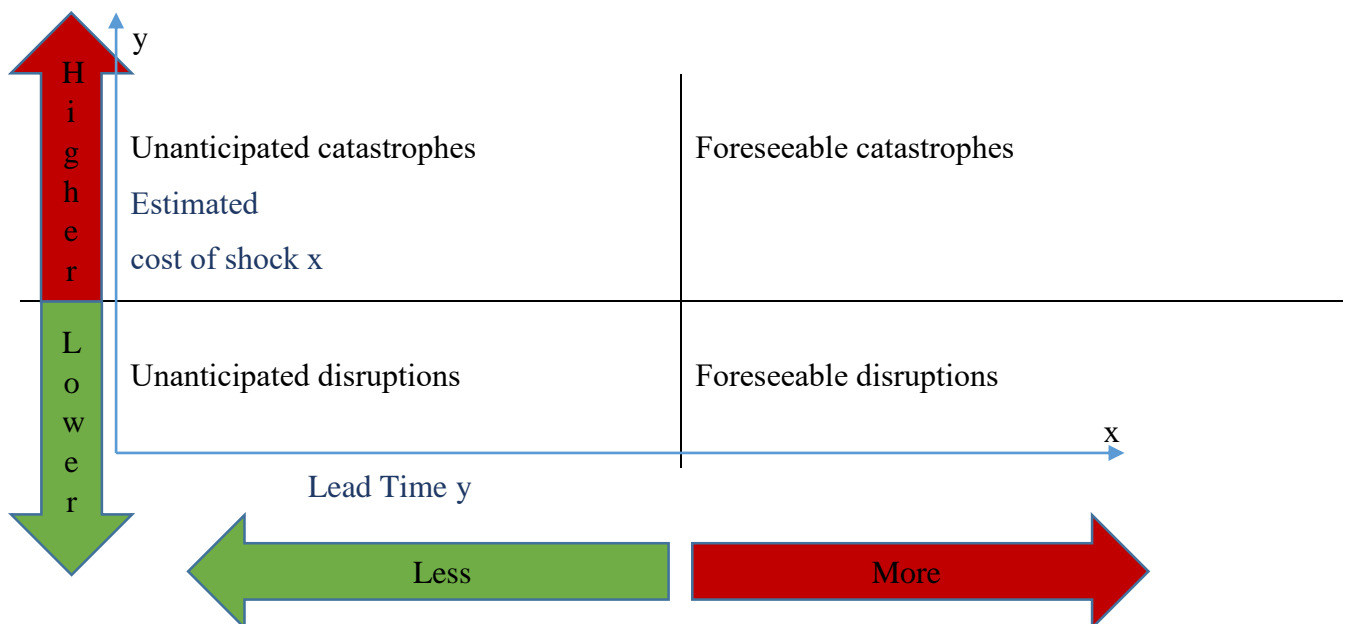


FIGURE 7. Organization's ability to anticipate catastrophes and disruptions (adapted from Renaud et al. 2020, 4).

Risk management is to developing the resilience strategy. The organization estimate what are the threats, disruptions and catastrophes to foreseeable and to prepare the unanticipated threats The organization can use McKinsey's four broad categories of shocks model to measure and estimate costs and put the recovery timeline from threats. (FIGURE 7.)

## 6.2 Information sources for risk management

The United States Federal Emergency Management Agency (FEMA) gives instructions on how to inform citizens in national preparedness for the threats and danger situations. Social media gives an opportunity to give first-hand information about threatening emergency situations and code of conduct and guidance for citizens. There must be official information channels, clear information and advice for citizens in crisis situations. FEMA has given instructions on how to make an action strategy, technologies and missions / functions in life threatening situations. The guidelines include state alert and emergency guidance. The strategy includes a response level that provides an urgent emergency message to citizens, warnings, evacuation and reporting, and the ability of citizens to report their situation. (FEMA 2020.)

Finnish Institute of Health and Welfare gives instructions and information for citizens in the risk situations, like pandemic spreading. The Covid-19 virus has been a risk for citizen's health since 2020. There have been topical restrictions for travelling, information about protection against the virus to keep distance of more than two metres to others, recommendation to wear masks and avoid close contacts. (THL 2020.)

Finland belongs to European Commission and bases the national risk assessment on the European Union Civil Protection Mechanism. The National risk assessment is carried out every three years, latest was in 2018. There will be international conference (ICERA) on environmental risk assessment in Helsinki, Finland in 19 July 2021. In Finland the Ministry of the Interior keeps the preparedness updated. The security strategy for society is the basis on national risk assessment. (The Ministry of the Interior Finland a 2020.)

The risk management in information technology is a current question in digitalized world. In the developing information technology should identify risk, assess risk and mitigate risks within IT-systems. The National Institute of Standards and Technology has a guide for risk management for information technology systems. (Stoneburner, Goguen & Feringa 2002.)

## 7 RESEARCH ABOUT IMPACTS AND CHALLENGES OF GLOBALIZATION

The questionnaire was sent by email to 148 MBA-students in Centria University of Applied Sciences in December 2020 (APPENDIX 7). The link to the survey was sent on 16 November 2020 and the sending was repeated every week to remind the survey is open. The reminder was sent three times and the questionnaire shutted on 6 December 2020. Despite this, the number of responses remained low response rate, 10%. The focus group was chosen in expectation to have good response rate. Did the topicality of the pandemic influence to response? In the introduction was said the meaning of the questionnaire, which was to figure out opportunities and threats that MBA students in Centria University of Applied Sciences see in globalization. The aim of the questionnaire was that the responses will be based on answerers' experiences on the impacts and challenges they see in globalization.

The total number of respondents was 15 students of which 4 were female and 9 were males and one with no answer on gender. The average age was 27-36 years (10 answers) and three respondents were at the age between 17-26 and two were at the age between 37-56. The respondent's profession were mostly employees (five answerer) and students (five answerer). Two respondents were entrepreneurs and three respondents were leader/manager. The distribution of professions was variating and gives us more perspective for the answers. The questionnaire seemed to be interesting for students, 100 students had opened the survey, 16 students had started responding and 15 responses were in web link.

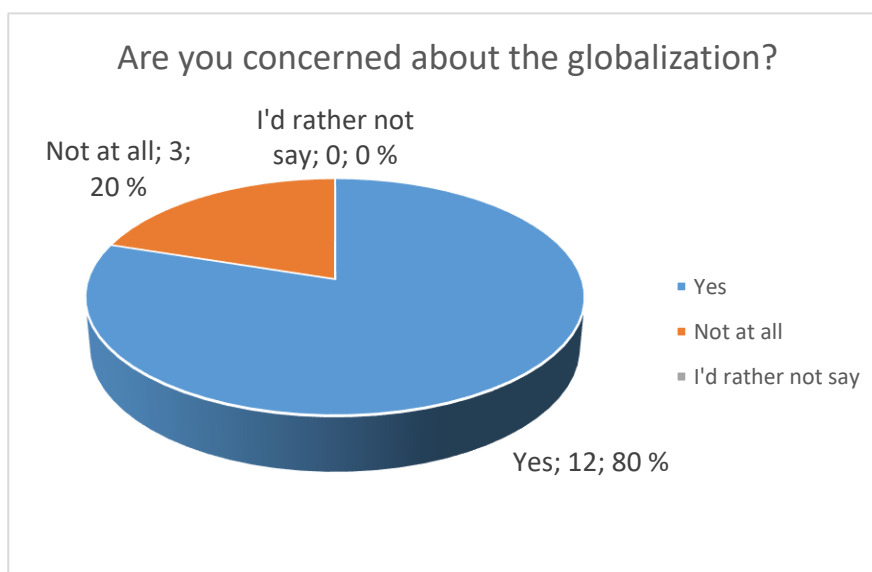


FIGURE 8. Concerns about the globalization.



The first question was to clarify the concern about globalization (FIGURE 8). 80% of all respondents were concerned. Still, it is noticed that 20% of the respondents were not at all concerned about the globalization.

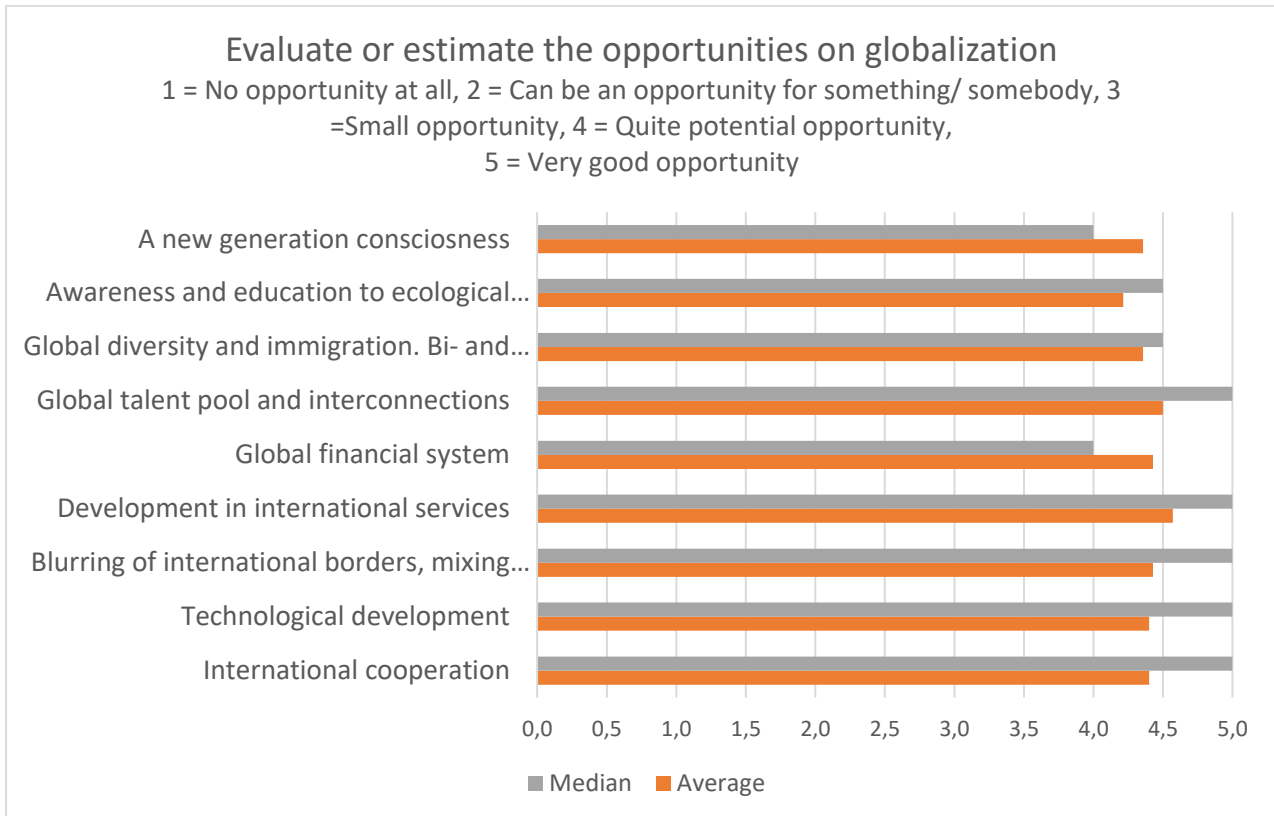


FIGURE 9. Evaluation of the opportunities of globalization.

In the questionnaire about globalization there were two questions set to evaluate the claims and answer from 1-5, meaning answer one is low and five is strong opinion for the matter. The first question was to evaluate or estimate the opportunities of globalization (FIGURE 9). The best average in opportunities on globalization was development in international services and second best was global talent pool and interconnections. Here in figure is seen clearly, that all of these opportunities on globalization assertions on the questionnaire are seen very important among the respondents.

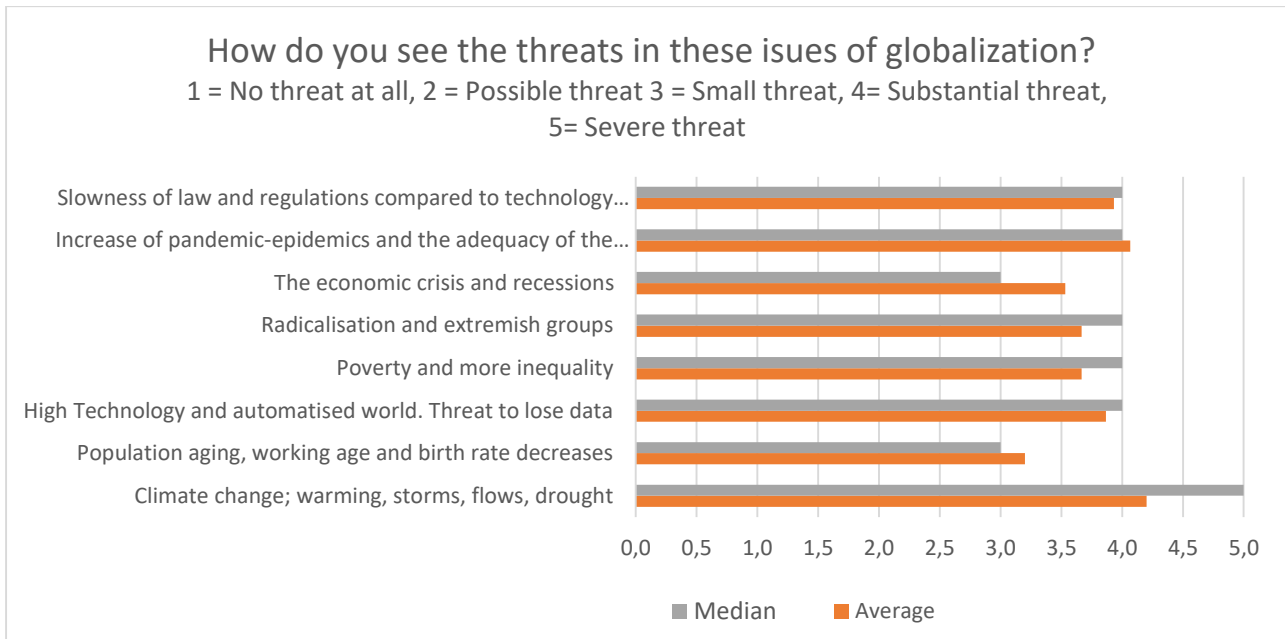


FIGURE 10. The threats in issues of globalization.

In the questionnaire there was a question how the threats of globalization are seen in the claims of the questionnaire (FIGURE 10). There is one big issue about climate change, warming, storms, flows, drought, which went to the top of threats. Secondly worse threat was increase of pandemic epidemic and the adequacy of the health care system. Here is noticeable that the economic crisis and recession and population aging, working age and birth rate decreases are not the top issues in threats among the respondents.

After this question, there was an opportunity to write the respondent's own opinion on how they see the threats on globalization. It was mentioned that "globalization has bad impact for example brain drain", meaning the emigration of highly educated or intelligent people from a particular country. Also there was a comment that "the developed countries will get more benefits." The most topical threats that were mentioned were: "environmental destruction" and "protection of data is a big ask", "The technology will take jobs", "the income inequality will rise", and "the climate change will be a big risk for natural sites."

### 8. Have you made plans to do any of these things to reduce risks in globalization?

Number of respondents: 15, selected answers: 42

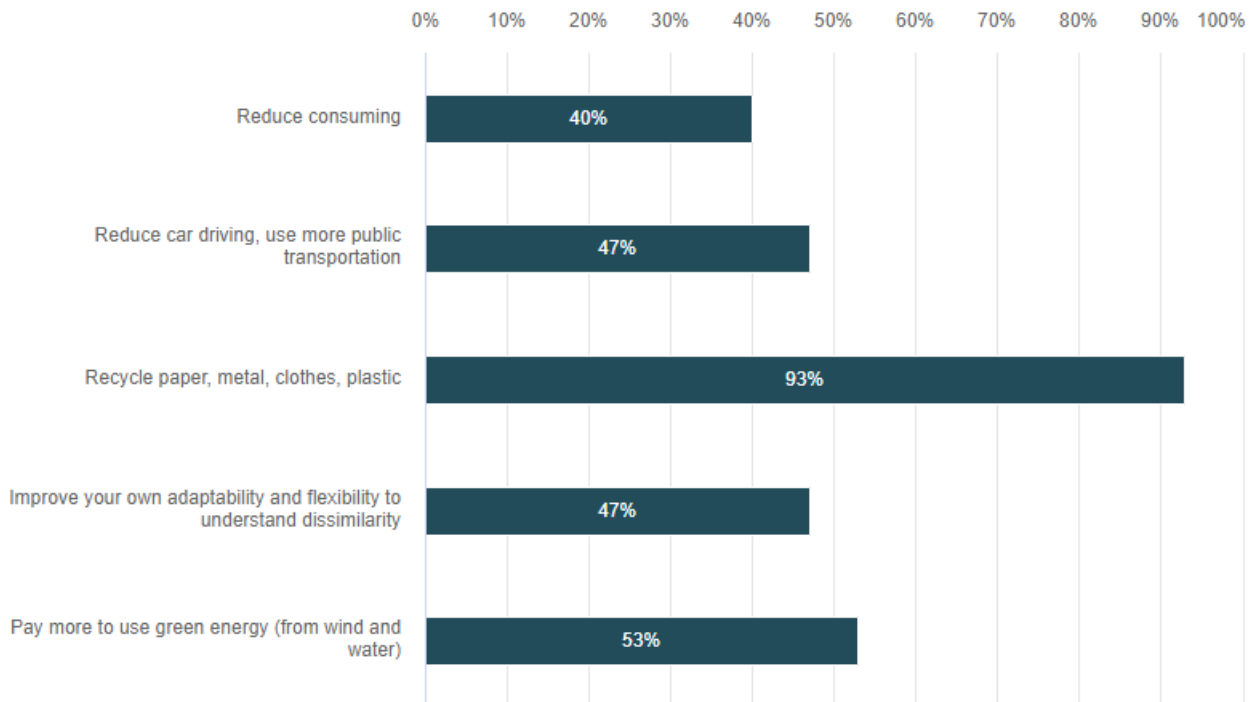


FIGURE 11. Plans to do to reduce risks in globalization.

There was a question if the respondent had made plans to do something to reduce risks in globalization (FIGURE 11). The most known way was recycling; recycle paper, metal, clothes, and plastic. The secondly popular way to reduce risks was the readiness to pay more to use green energy (from wind and water). There was an opportunity to write down respondent's own notes to reduce risks in individual ways. There was comments as: "promote the local seller by buying from them", "put humanity above religion, nationality, and race". In the comments there were mentioned the government, the developed countries and the big corporations having a big role to reduce global risks and its impacts

## 7.1 Research methods and the survey content analysis

Both quantitative and qualitative data were used in the research, and the analysis is a mix of them. This is also a descriptive, causal-comparative and quasi-experimental research. The development of globalization has been seen and experimented worldwide and we can research the issue viewing challenges and impacts seen and make expectations about what can happen in the future. Here is also

the data analysis collected from statistics and from questionnaire to the specific section of Master of Business Administration (MBA) students. The qualitative analysis is one method because of the phenomenon of globalization cannot clearly define. Still, we can't know geological and cosmological challenges and impacts on globalization.

## **7.2 The empirical analysis of the survey**

This was an applied research about concerns of globalization, solutions, views, and evaluation of effectiveness with qualitative survey as a research method. The survey's aim was to research and analyze the global phenomena and environmental impacts. This research aimed to look after solutions for recent problems and the significance to change and find decisions for existing global threats and problems. The research context is with Centria University of Applied Sciences, Master's degree students in 2020. The context of this thesis is formed on globalization, impacts and challenges, backgrounds, and the survey to explore globalization from the MBA student perspectives in Centria.

This empirical-analytical thesis consists of theories, statistics, and hypothesis in globalization. In this thesis is used the multidisciplinary research strategy. The survey is also explorative, meaning that the phenomenon about globalization cannot clearly define, as the impacts and challenges with it are so wide. In the questionnaire were many the predetermined variables in questions. The forming of questions was set basing on news, theory and science books and nonfiction. The aim was to use diverse research strategy to bring up the globalization as a concept more comprehensible and transparent. The content analysis was made by interpreting and evaluating texts and the survey.

## **7.3 Summary and conclusions**

This report and survey are a small scratch of globalization. The impacts and challenges of globalization have been researched a lot. The modern international world is developing fast and needs cooperation and international authorities to look for the right solutions. The aim is to bring the issue near us and make an approach towards it using experience utilization focused research. Doing this research has aroused interest in international collaboration and its effectiveness. The topic is broad and requires familiarity with international affairs. The development of globalization continues and how we can reach the goals remains to be seen for later generations. Here is an intermediary chapter to survey

the situation in Finland, in 2020, and the opinions of MBA students in Centria University of Applied Sciences, in 2020. The research survey highlighted important issues that deserve attention in the future. The year of 2020 will be remembered because of the Covid-19 virus pandemic, when the pandemic affected many things globally.

The findings were that the common regulations and agreements are important. The United Nations, World Trade Organization, World Health Organization, and other international cooperation organizations are in a significant position on the way of globalization.

This research results highlight international cooperation, the importance of expert work, education and careful infrastructure planning. This work can be used in international strategy work.

## 8 CONCLUSIONS AND DISCUSSION

This thesis topic focused on impacts and challenges of globalization came up as a current issue in 2020, when the Covid-19 emerged in Asia and spreading fast to the Europe and other continents. This virus has had very big consequences in economic, social, and health care field. This was experience utilization focused research comparing statistics, researching science literature for background and making a survey. Research has looked at a few important issues related of globalization, as development, benefits, concerns and risk management.

The aim of this thesis was to define and analyze the situation of globalization in the world and reflect its impacts to Finland in 2020. The topic was very wide so it has been delimited to the globalization's consequences and pictures of the future in the year 2020 in Finland. Firstly, the objective was to clarify the situation in present-day and secondly try to infer the implications and confine some focal issues to how the global turning point in the year 2020 affected people, civilization and business. The turning point has hit the world due to the Covid-19 pandemic which has sanctions for people and the civilization, and it has hit hard in business branches.

This development approach was tied to international business paradigm and the aim was to find and understand the current spot in the way of globalization, where we are now, and tried to give expression to the future challenges. Globalization was a topical issue in the news, and nationals were interested in the world events. The topic was to find and highlight the main issues of globalization. Was this the phase for a more collaborative and caring world with a leap of digitalization?

The topic of the research was limited to the situation in Finland in 2020. The research method was mostly qualitative using phenomenological and descriptive statistical analysis. This research method uses books on business and management as literature Stokes 2011; Järvinen 2012; Saunders, Lewis & Thornhill 2009. A phenomenological analysis emerges through a questionnaire to which respondents respond based on their own experience. Qualitative method was important in this thesis to research understanding the globalization phenomenon. A quantitative method has also been used in the thesis, basing on statistical charts, collected data and tables, and founded facts and valid sources. The target group of the research survey was Master of Business Administration students in Centria University of Applied Sciences, Kokkola.

There were both benefits and concerns, and the analysis progressed for further evolving globalization. This thesis was empirical-analytical research, to collect data and information about globalization. The process has been challenging and required multidimensional thinking and data collection. The issue deserves attention in the future. This research results highlight international cooperation, the importance of expert work, education and careful infrastructure planning. In responding to the impacts and challenges of globalization, international strategy work will be of great value.

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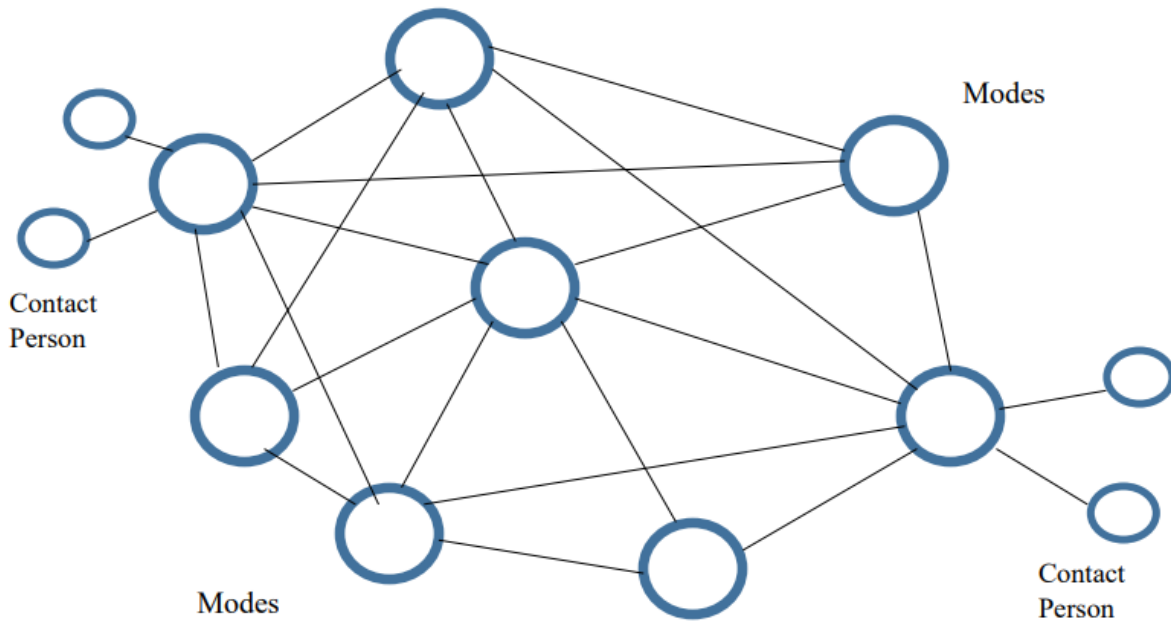


FIGURE 12. Spiderweb network structure (adapted from Quinn, Anderson, and Finkelstein 1995)

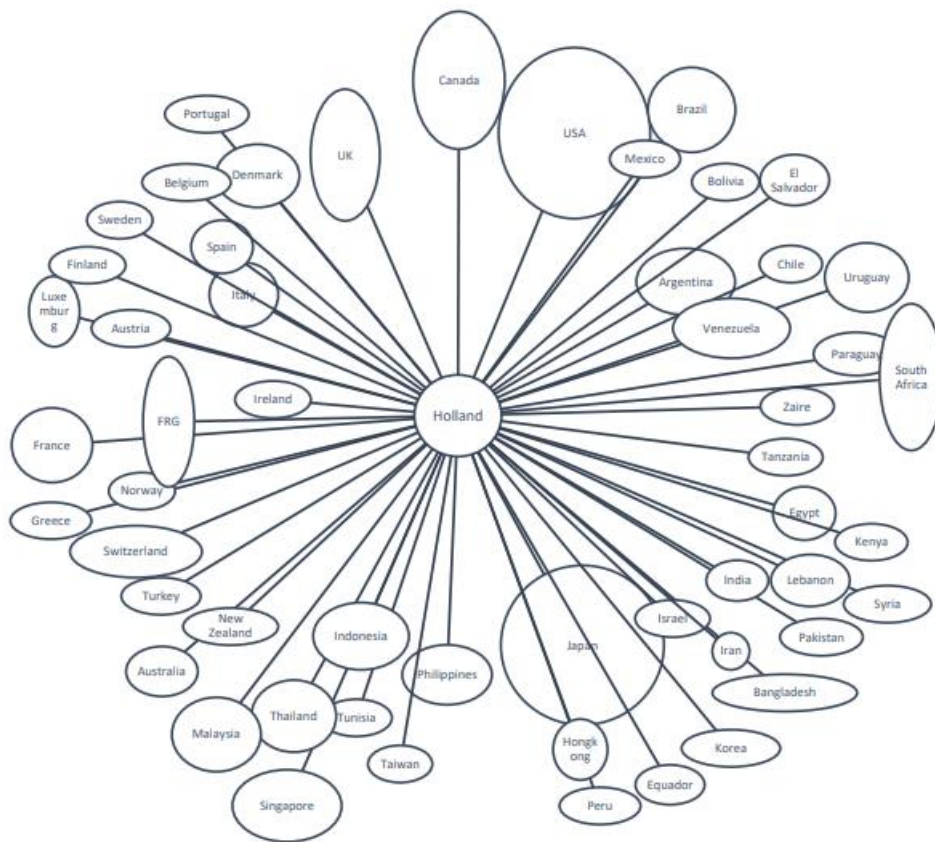


FIGURE 13. Philips' network structure. (adapted from Parker 2005, 369.)

TABLE 1. Statistic Finland 2019 (Statistic Finland 2020.)

**STATISTICS FINLAND 2019**

Population projection: Population 31 Dec by Year, Sex, Age and Information

<b>All</b>						
<b>The whole population</b>		0 - 14	15 - 24	<b>25 - 44</b>	<b>45 - 64</b>	65 -
		16 %	11 %	26 %	25 %	22 %
<b>2019</b>	<b>5 524 566</b>	870 815	611 559	1 412 752	1 398 229	1 231 211
<b>2020</b>	<b>5 530 922</b>	859 383	608 319	1 417 193	1 389 320	1 256 707
<b>Men</b>						
<b>In Total</b>		0 - 14	15 - 24	<b>25 - 44</b>	<b>45 - 64</b>	65 -
		16 %	12 %	27 %	26 %	20 %
<b>2019</b>	2 728 250	445 295	314 490	727 930	698 838	541 697
<b>2020</b>	2 732 995	439 606	312 854	730 543	695 450	554 542
<b>Women</b>						
<b>In Total</b>		0 - 14	15 - 24	<b>25 - 44</b>	<b>45 - 64</b>	65 -
		15 %	11 %	24 %	25 %	25 %
<b>2019</b>	2 796 316	425 520	297 069	684 822	699 391	689 514
<b>2020</b>	2 797 927	419 777	295 465	686 650	693 870	702 165

TABLE 2. Biggest nationality groups in Finland 31 December 2019 (Statistic Finland 2019.)

**Biggest nationality groups 2019**

	<b>2019</b>
	<b>Population 31 Dec</b>
Bulgaria	2356
France	2369
Bangladesh	2416
Pakistan	2477
Nigeria	2498
Latvia	2631
Spain	2784
Italy	2825
Iran	3321
Nepal	3362
United States	3466
Romania	4048
Philippines	4171
Germany	4234
Former Serbia and Montenegro	4298
Poland	4474
United Kingdom	4701
Ukraine	5126
Turkey	5229
Vietnam	6350
Somalia	6444
Syria	6579
Afghanistan	6666
India	6751
Thailand	7772
Sweden	7983
China	9825
Iraq	13943
Russia	28528
Estonia	50860

Units: Persons

Source: Statistics Finland / Population structure

TABLE 3. KOF Globalization's Top 10 (adapted from Wild &amp; Wild, 2020, 42.)

Country	Rank			
	Overall	Economic	Social	Political
Netherlands	1	4	4	5
Ireland	2	2	3	25
Belgium	3	6	6	3
Austria	4	16	5	7
Switzerland	5	22	2	10
Denmark	6	15	9	11
Sweden	7	17	16	4
United Kingdom	8	20	13	6
France	9	30	11	1
Hungary	10	7	23	23

TABLE 4. KOF globalization index 2019 (adapted from KOF 2019.)

2019 KOF Globalisation Index		
Rankings for the year 2017		
Rank	Country	Globalisation Index, overall
1	Switzerland	91,19
2	Netherlands	90,71
3	Belgium	90,59
4	Sweden	89,93
5	United Kingdom	89,84
6	Austria	88,85
7	Germany	88,60
8	Denmark	88,26
9	Finland	87,70
10	France	87,25

TABLE 5. Definition of SME (adapted from European Commission 2020).

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium-sized	<250	≤ € 50 m		≤ € 43 m
Small	<50	≤ € 10 m		≤ € 10 m
Micro	<10	≤ € 2 m		≤ € 2 m



## Questionnaire

This questionnaire is designed to show views on opportunities and threats that MBA students in Centria University of Applied Sciences see in globalization. You can answer these questions based on your experiences on the impacts and challenges you see in globalization.

1. Are you concerned about the effects of globalization?

Yes

Not at all

I'd rather not say

2. Evaluate or estimate the opportunities of globalization. (1 = No opportunity at all, 2 = Can be an opportunity for something/ somebody, 3 = Small opportunity, 4 = Quite potential opportunity, 5 = Very good opportunity)

	1	2	3	4	5
International cooperation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Technological development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Blurring of international borders, mixing peoples and nations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Development in international services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Global financial system	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Global talent pool and interconnections	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Global diversity and immigration. Bi- and multicultural communities.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Awareness and education to ecological consuming and construction.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A new generation consciousness.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. You can write your opinions (whether positive or negative) about what you see as the most important:

4. How do you see the threats in these issues of globalization? (1 = No threat at all, 2 = Possible threat 3 = Small threat, 4= Substantial threat, 5= Severe threat )

	1	2	3	4	5
Climate change; warming, storms, flows, drought	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Population aging, working age and birth rate decreases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High technology and automatised world. Threat to lose data.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Poverty and more inequality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Radicalisation and extremish groups	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The economic crisis and recessions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase of pandemic-epidemics and the adequacy of the health care system	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Slowness of law and regulations compared to technology development. (Grey market, hackers,criminal use of personal data).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5. You can write your opinion about the threats you see topical or requiring urgent actions:

6. Have you made plans to do any of these things to reduce risks in globalization? What can you do on an individual level right away?

- Reduce consuming
- Reduce car driving, use more public transportation
- Recycle paper, metal, clothes, plastic
- Improve your own adaptability and flexibility to understand dissimilarity
- Pay more to use green energy (from wind and water)

7. Write here if you have some ideas to reduce global risks. What can you do on an individual level?:


8. Respondent gender

- Female
- Male
- No answer

9. Respondent age

- 17-26
- 27-36
- 37-56
- 57-66
- 67-

10. Respondent profession

- Student
- Entrepreneur
- Employee
- Leader / Manager
- Pensioner