

# **‘Managing Risks for Global Entrepreneurial Initiatives In The New Era’**

A Solid Practical Conceptual Review  
and  
Overview for  
Current, Ongoing, and Futuristic Solutions and Research

By Ifeanyi O. Asonye

*Keywords: unified communications, unified architecture infrastructure, management, next-generation, financial, mitigation, multinational, international, strategy*

## **Abstract**

Within last decade, businesses witnessed unprecedented challenges locally and internationally than previous generations or era. Several businesses strived while evolving through modern business and management structures on the local and regional levels into the international market place, also referred to as Globalization (Oxford Analytica, 2008, p. 2) .

The foundations of predictable traditional models of organization for this generation, in the business strategy, planning and management contexts have been rocked by seemingly unexpected unending developments like war on terrorism, natural disasters, financial meltdown, subsequently, the current Global economic crises in 2009. International barriers to international trade for global businesses – the social and cultural barriers, economic barriers, legal and political barriers and free markets (Boone & Kurtz, 2007, Figure 4.2) are complicated by the new developments.

Apparently, information technology with the internet information superhighway greatly stimulated the process of globalization, increasing connectedness, Business to Business (B2B) transactions, interdependence of global trade and financial markets seamlessly. Globalization is envisaged to aid rapid economic development by allowing for specialization, the efficient allocation of productive resources, and reduced costs through competition. However, these positive aspects come with the limitation of increasingly potential economic vulnerability. As economies have become more reliant on trade and private capital flows, they have also become more vulnerable to the volatility of such flows (Kurihara, 2008, p. 89) .

This paper delves into new methods, solutions and options to improve on existing business operating framework, models of organization and business management practices for the Global Entrepreneur in contemporary business landscape. In this paper, you will find highlights on improving selected weak links and the addition of new or improved recommended solutions. The recommended solutions will be robust and dynamic, enough to mitigate or eradicate much of the risks, and the ones associated with lack of transparency, with tighter control within the internal and external business system of systems.

## **Introduction**

Business Risks are integral part of any Entrepreneurial initiative and Business engagement. Business Risk Management and Business Risk Mitigation has been extensively thought, applied and practiced throughout the industry generation to generation. This paper addresses pressing issues surrounding businesses today. For the first time in history there is an occurrence of the deepest economic and financial crises since the Great Depression in 1929, after World War II. It delves into new methods, solutions and options to improve on existing business operating framework, models of organization and business management practices for the Global Entrepreneur in contemporary business landscape.

Solutions which businesses may explore for use in the short-term, long-term and in the future may be attacked from several perspectives which may be narrowed to key important areas and approaches, identified long-term things a business will consider critical. They will include centralized/ unified business with or without decentralized parts of business technology model. The new controlled and streamlined strategic, operational methods, streamlined processes, communications and financial cushion, they come with refined attitude.

Businesses need to maintain competitive differentiation, maintain its capital, human resources and retain its customer base. The issues facing businesses today are financial with the economic downturn. Businesses need to be able to stay in business, pay and retain its key talented workers, to be able to restructure to adapt, run daily operations, and continually improve on them. Studies and business reports indicate that successful execution of strategic local, global and multi-domestic entrepreneurial business initiatives using top-notch teams (Gupta, 2008, p. 172) in combination with other factors of production may still be strictly threatened by unforeseen and unpredictable natural disasters and economic circumstances.

With consideration to the current devastating economic developments caused by the Global financial crises, this research will further examine limitations of current modern business management practices, and problematic potentially risky financial mathematical based models of the financial and investments establishments used in the era. The paper analyzes the role an easy to use next-generation Business Information Technology Architecture will play in unifying all business operations, monitoring and controlling all business activities to further, not only mitigate risks, but also improve control on internal and external high risk activities not just within the box, but in combination with a new attitude toward current practices being re-examined for improvement or reinvention for future research.

The business management solutions being proposed later in this article will address and/or introduce new methods on how to increase overall business and systems efficiency in certain key areas. The methods and **practical theories and concepts** are intended to assist in planning, improve customer relationship management, **unify** mediums and media **collaboration and communications**, **streamline communications**, retain highly valuable talented workers, improve business processes, improve the synergy among business units (Business IT), solid financial reserves, eliminate lack of scalability in features, functionalities, ultimately to deeply cushion, minimize the effects of unpredictable economic crises in the long haul, in addition to sustainable growth provisions.

### **Current Business Risk Management Models and Practices**

Entrepreneurs need to continue tapping into new global opportunities while mitigating risks to grow and innovate (Laudicina, 2005, p. 200). Entrepreneurs generate business growth by creating and bringing new high quality products, the next-generation business solutions, and services into the world. With the current global economic climate, the stakes higher, and the risks much higher than witnessed in any previous generation the reason new approaches will be vital (Rodriguez & Jacoby, 2007, p. 1).

The present economic and financial crisis stemmed from how *Businesses and the interdependent system of financial systems within the ecosystem have operated*. Inefficiencies, therefore high consumption lacking economical operational methods rooted deeply in the systems as well as inside the box, where many business leaders may not look to either see, what is in the box, or *having a passive attitude on what should be going on there fiscally*. In addition, contributing factors include war on terrorism, energy issues, and **relaxed regulation in the US financial markets**, allowing the bottom to fall off the boat faster, leading to the current global economic and financial trouble, causing severe business failures.

Prior implementing recommended solutions for selected area(s) of business risk management, a context will be developed for business risk management assessment, and the areas of risk management discussed, alongside examination of the limitations of the current business management architecture in risk management. **A proposed Next-Generation Business Management Information Systems and Risk Management Solutions Architecture around the attitudes and practices will follow.**

There has been implementation of Business Risk Management at different levels and branches of business considering that it is a fairly broad area. This paper focus on effective practically possible techniques applicable to top management in executive and

corporate finance, and the middle management in business operations, for enterprise business management systems architecture and business operations within the business model of a new era, respectively.

Business Risk Management entails *intensive act in the discipline of precisely identifying, controlling, monitoring and limiting risks in all business activities and processes*. The new solutions will incorporate efficiency while extensively reducing costs. The primary target for the full benefits for this research paper will be the Executive(s) in Top management; whom, in this context, will be referred to as the **hands-on Entrepreneur**, also the decision maker.

This paper shall now x-ray the current modern business risk management models, methodologies, and practices and their limitations, in this context, may be referred to as loopholes. This brief reconnaissance will begin and proceed with an understanding of Business Risk Management Assessment Context.

### **Business Management Risk Assessment Context**

In establishing the case for Business Management Risk Assessment Context, this solutions research seek to determine what are we trying to achieve, which is of paramount importance, in this case, the ultimate goal is to **develop long-term team orientated business methodologies for solid robust business and its ability to adapt, to withstand and survive extreme economic hardships**.

The risks we expect to be able to both mitigate and at same time improve (Cooper 2005, p. 16) the bottom line at the end of the day, are extensive recession and global financial crises which began in or around July 2007 slowly severing through 2008–2009 and continuing intermittently. Many establishments have continued to go out of business, while the barely surviving ones are on the brink of losing its talented employees. It is important to note that as of April 2009 the probability of more businesses failing throughout the decade remained very high. The gravity of possible damage to businesses, at this point cannot be overemphasized.

The Economic Stimulus package, the American Recovery and Reinvestment Act, by the US government seemed to be going a long way to prevent further damage and rejuvenate the US economy, then the bailouts for the financial and the automobile industries. Constant reevaluations of the business environmental risk exposure remain very important for Cash Flow sustainment. One of the most important actions remain to ensure it can be treated in an instant, or cushioned without having to do anything should it happen to threaten the business in any manner, recommended solutions will be highlighted.

The Business practice of proactively monitoring and controlling all business activities become very essential as they cannot be eliminated from radar to solve the business problems stated. It is very important to maintain swift and effective communication at all the levels, and to take quick actions while actively involving everyone in the pursuit of realistic short-term and long-term business goals collectively.

### **The Areas of Business Risk Management**

Enterprise Business Risk Management, Corporate Financial Business Risk Management, Enterprise Risk Management in Business Continuity, and Operational Business Risk Management are the key areas identified for improvement; the basis for recommended solutions.

- 1. Enterprise Business Risk Management**
- 2. Corporate Financial Business Risk Management**
- 3. Enterprise Risk Management in Business Continuity**
- 4. Operational Business Risk Management**

#### Enterprise Business Risk Management (EBRM)

Enterprise Business Risk Management (EBRM) is a highly desirable goal by businesses for long. It is clear, especially in the financial industry that most institutions remain a long way from achieving that goal. Enterprise Business Risk Management, however, continue to generate interest among risk managers, executives, the board of directors and shareholders.

Enterprise Business Risk Management is broad, sometimes; it has been tied to particular consultancy service or software product. The use of Enterprise Business Risk Management is a modern deliberate attempt to break through the tendency of firms to operate in risk management silos and to ignore enterprise risks, and an attempt to take risk into consideration in strategic business decisions much more explicitly than has been done in the past (Crouhy, Galai, & Mark, 2006).

#### Corporate Financial Business Risk Management

The reports gathered in the course of the research as of May 2009 indicate that businesses are most concerned about how to continue operating while retaining their most valuable employees during the most difficult times as witnessed during the current global economic recession since 2008. Corporate Financial Business Risk

Management addresses money issues and seek to find solutions not only to mitigate the risk of incurring losses, but also that of mitigating financial risks, improving bottom line results, and worker / employee retention. Unfortunately, if the business is facing a severe financial crisis, it may have no other option than the obvious. *The goal here is to proactively integrate extensive plans and implement controls and long-term business sustainment through economic downturns, financial crisis and recessions.*

#### Enterprise Business Risk Management - Business Continuity

McCrackan, (2005) stated that we are faced with many threats to the continuance of our trade. The usual "acts of God" and the like are of continued concern as is the newly elevated threat of terror, malicious programs and other prevailing security-related risks. There is much misunderstanding of Business Continuity Management and as yet no commonly practiced methodology for the assessment of an organization in this regard has been effectively implemented and **thoroughly tested to work as it says.**

#### Enterprise Operational Business Risk Management

Enterprise Operational Business Risk Management helps to model location strategies and modes of internationalization that are defined by management on the basis of particular advantages the firm may gain from international operations: the ownership-specific advantages, internalization advantages of specific defined degrees, and location-specific advantages that define whether a corporation works on a local, regional, national or global scale – defining its entry, adaptation and exit strategies Suder (2006, p. 125). Enterprise Operational Business Risk Management addresses issues with inefficiencies, and ways to save and to make money, technically, while minimizing attack surface of the business.

#### **Limitations of Current Business Risk Management Architecture and Practices**

The idea of the unification of risk of all kinds- in capital, and balance sheet management in financial institutions are applicable to business of all sizes, as it has become increasingly difficult for them to distinguish risk management tools from capital management tools, since risk, according to the unexpected loss risk paradigm, increasingly drives the allocation of capital in risk-intensive businesses such as banking and insurance.

The limitations of the current Enterprise Business Risk Management practice includes the difficulty distinguishing capital management tools from balance sheet

management tools, since risk/reward relationships increasingly drive the structure of the balance sheet.

Considering not only the current economic climate, core role of risk management in both private and public sector, including the financial institutions areas, *the final "destination" for businesses wanting to demonstrate and implement effective advanced capabilities will be the unified approach, in order to also unify the control points.* Though effective and workable solution for Enterprise Business Risk Management appear to continue to be an elusive concept that varies widely in definition and implementation, reaching full maturity may take several years (Crouhy, Galai, & Mark, 2006). The goal of this research paper remain exposing these limitations, finding and **recommending possibilities, feasible solutions applicable today, and for further solutions research.**

There is a need for properly structured implementation of capabilities to directly address the risks presented to us in the modern world. **It is obvious to businesses that they will automatically go out of business, by default, should they lose all their business data.** These newly emphasized risks with the inherent vulnerabilities resulting from lack of effective structured approach to Enterprise Business Risk Management with regards to Business Continuity definitely calls for a more robust modern solution using a *measurable approach*; a means of protecting organizations (McCrackan, 2005).

An example of key challenges that has continued for a long time is the one with regular utilities such as telephone systems, water and electricity which remains as reliable not until a disaster strikes, considering that the physical towers and structures are put out of service, the building collapse, computer data and information are lost or destroyed. The limitations in just about every disaster situation are still obvious, and that's just one aspect.

Corporate Financial Business Risk Management issues are clearly evident following the global financial crisis which had been going on for some time, though it started severing in 2008. Despite rumor, *businesses really have no way of predicting or knowing the true circumstances surrounding their securities investment, inside the box, as in the case with Madoff's brokerage operations. American International Group, Inc. (AIG) was deeply in trouble in the area of its insurance business amongst others which is killing the global financial institutions.*

If only Businesses need to have **deeper real and true dynamic current and up to date electronic database external access**; real-time Business Information Technology (Business IT) connectivity to their daily investment information reports, updates, the details and the performance of their portfolios and securities investments, it would have minimized or eliminated **the lack of transparency to the true situation or status of their money.**



Deeper connected Business IT insights will save individuals and businesses the heartache of losing all or majority of their securities investment, by allowing them to proactively make informed decision on issues from how they should save and invest with minimal exposure to an inevitable risk of an imminent economic and financial crisis.

### **Business and Risk Management Objectives for The New Era**

One of the most important questions this paper seek to address and for further research, which no one really seem to have cared much about till date is, how, and what businesses can and should do to cushion the effect of such devastating unpredictable economic crisis? For an example- What are the possible options, if possible, if any, for a business to survive and retain many of its talented workers, if the business has to invest excesses or profits in securities?

They are addressed further in Enterprise Business Risk Management - Business Continuity, the Limitations of Current Business Management Architecture in Risk Management, and finally in The Recommendations- The Business Risk Management Solutions, and the Discussions.

**The employers of the next era must eradicate barriers to sound decision making than being practiced at the present time- the overconfidence bias, illusion of correlation, inaccurately attributing causes to problems and illusion of performance (Pierce & Newstrom, 2008).** Apparently employers must fix the problems and issues businesses are facing of today, in additions to that of yesteryears, to avoid a replay in the future. The 1980s were about quality and the 1990s were about reengineering, the 2000s will be about how quickly the nature of business will change. This is known as velocity. This is how quickly business itself will be transacted, about how information access will alter the lifestyle of consumers and their expectations of business (Gates, 2000).

Presently, most things we do daily, unfortunately and fortunately has become technology or computer based which is not changing. There are issues to be fixed, the system needs to be implemented right, used right, supporting successful long-term business goals. The objective for the New Era of Digital Business Approaches and Global Business Risk Management is to develop practical conceptual solution for implementation for further research to solve the most pressing problems businesses face today. **In order to be effective, business risk mitigation strategic measures have to embrace the both short-term and long-term objectives and goals of the business than the pressure on business managers to turn out quick short-term profits.**

### **Objective Descriptions**

1. Excellent products, solutions and services
2. Excellent customers services and goodwill
3. Hiring and retaining talented and really smart employees, and empowering them.
4. Long term cash savings and/or low risk securities as core aspect to strategic business plan.
5. Implementation of effective standard logistics system
6. Effective efficient and controlled inventory system providing systems controls while facilitating internal and external interconnectivity
7. Unified and flexible consolidation of accounts and/or a combination of centralized and decentralized management system of systems to help with controls and checks for invalid company expenses and operations.
8. Implement processes for the delegation of authority and business risk management of all procurement process, implementing the lessons without falling back into same trap; the methods, and practices which has been a failure.
9. Provision of a most secure business environment and platforms globally with partners, affiliates, units, divisions, internal customers also know Business IT, and external customers within Business Information Technology (Gates, 2000).

Within the objective, we seek a business that will operate centralized, and/or decentralized, which unifies and centralizes human resources activities, payable systems, inventory management, internal logistics, and that enables external supply chain connectivity, throughout the supply chain process, with a particular focus on standard set of processes, integration of systems, and consolidation of products, solutions and services within the same environment.

The goal is an environment that brings together, bridging the gap, and using the best of business with technology, which nourishes top-notch employee skills, **knowledge and attitude in a Team of Teams, within a Team**, *flexible enough to adapt to dynamic business challenges, needs and changes, and resilient enough to survive any severe global economic crises.*

## **Recommendations**

### **The Business Risk Management Solutions**

There are **seven key areas** identified and narrowed for Top Management in executive and corporate finance, and the middle management in business operations.

The seven areas identified are:

1. **Enterprise Business Risk Management**
2. **Corporate Financial Business Risk Management**
3. **Enterprise Risk Management for Business Continuity**
4. **Operational Business Risk Management**
5. **Long Term Fiscal Fitness Investment Plan**
6. **Unified IT Architecture Infrastructure (UIT-AI)**
7. **Unified Communications (UM)**

### Enterprise Business Risk Management

Enterprise Business Risk Management is the business method; the practices in which an organization takes such steps to manage risks to remain profitable and to continue to capitalize on new opportunities to accomplish its objectives. Enterprise Business Risk Management involves determining when and how to avoid certain business engagements, take actions to mitigate risks, how to engage to mutually beneficial business endeavors to share business risks and performing cost/benefit analysis to important business decisions.

Warkentin & Vaughn (2006) noted that Top Management in executive and corporate finance and the middle management in business operations should be aware of most potential risks involved in business, identify them, and analyze likelihood of the impact of these risks on the business. Furthermore, it is management's discretion to decide how risk averse it is and also to determine how these tolerance levels can be achieved. Organizations are vulnerable to various kinds of risks because they are in a state of flux in a dynamic environment. Thus they need mechanisms to identify and deal with risks resulting from such changes.

### Corporate Financial Business Risk Management

Coyle (2000) in an example, explained that Cash Flow Control in partially decentralized companies, each business unit or subsidiary could deal with invoicing and

cash receipts, but head office might handle all payments. **In a centralized organization, all invoicing, receivables and payables would be a head-office responsibility.** In order to establish a framework of cash management responsibility, a number of questions with regards to control, check and balance mechanisms should be addressed.

They include and not limited to- Can head office instruct business units to transfer cash from their bank account to a head office account? Can one in the head office instruct or authorize someone else in a business unit to change the bank that it uses? Who and which office should approve and/or make cash payments, in the head office or the business units themselves? How are delegations performed?

These are some of the many structural, business model, process, control and management based issues in Business that should be integrated within new Business Technology Architectural Model as addressed by the next-generation Unified IT Architecture Infrastructure (UIT-IA) which will be discussed later in this section.

#### Enterprise Risk Management for Business Continuity

Enterprise Risk Management for Business Continuity entails proactive precautionary measures taken to be able to restore a business to full operational state, or at a minimum, a temporary partial profitable operational status, in order to continue business as usual.

While crisis management event must be managed to protect people and assets, and to mitigate damage, the objective in Business Continuity Management is to resume business operations as quickly as possible or without any down time. Some companies ask themselves if they should include the loss of the head office in the scope of the business continuity plan, especially as the probability of events leading to the destruction of the head office is considered to be low. Basically, this is the wrong, or at least an incomplete question. Business Continuity Management should not be driven by eliminating risks according to (only) probability of events, but rather by considering what would (Hiles & Barnes, 1999).

With applied next-generation Unified Communications and Unified Architecture Infrastructure Business Technologies, an establishment will ensure redundancy of business operations in an unlimited and extremely flexible manner as explained below.

## Operational Business Risk Management

Andersen (1998) explained that Operational Business Risk Management measures take care of the level of assumptions and the inability of management to have an effect on the model, in that results may lead business managers to reject the validity or usefulness of the approach.

Further examination exposes the fact that top-down approach also represents a start and best first estimate of the exposures, though that financial institutions will want to supplement it with operational risk profiling in order to capture improved accuracy and to help motivate individual line managers to reduce risk. The Bottom-up Operational Risk Profiling The bottom-up approach employs a detailed deep analysis of individual business processes, the controls in place and the identification and quantification of individual risks. **Using, for example, a decision tree, the value at operational risk.**

The key attributes and requirements for system operation controls in this recommended approach are part of core basis for the development of unified approach, with the merging of business and technology, which also allows for automation.

## Long Term Fiscal Fitness Investment Plan

Long Term Fiscal Fitness Investment Plan is the long term plan a business can make, to maintain enough financial capital to cushion the effects of unpredictable natural disaster, war, economic and financial crises.

Obviously, there have been guidelines and options available to businesses in form of bank savings, and securities investment. It is also important to note that the choice of the type of securities investment can nullify the essence of the investment if they are not guaranteed and the safest. Long Term Fiscal Fitness Investment Plan recommends that business include it as part of the company strategic short-term and long-term plans and goals.

There a maybe a handful of companies that has done this successfully for several years. This research paper explores the options available, builds upon the results of the findings, and incorporates the seven areas of recommendation for Business Risk Management Solutions. The recommended long-term investment and savings solutions and plan is Treasury Bills, such as the US Treasury bills.

## Unified Communications Systems (UC)

Unified Communications (UC) for Business streamlines communications efficiently with business process, such as work flow while bringing all of your business communication components, the disparate ways you communicate, such as email, calendaring, voicemail, voice telephony, fax, video, instant messaging, conferencing, and call management controls seamlessly. There are great flexible and scalable business benefits of unified communications, especially when implemented in combination with unified architecture infrastructure in the context of Business Risk Management.

**The best practice or the recommended approach implementing or building unified Communications (UC) Environment is first using a Unified IT Architecture Infrastructure Approach, which becomes a solid building block for its foundation. The robust business and technology foundation supporting the present and future of the business.**

*The next era of Unified Communications (UC) will help business save and make money while allowing an unlimited scalability within its foundation for growth and adaptation anyhow and anyway businesses needs things done at anytime or anywhere, at much lower costs.*

## Unified IT Architecture Infrastructure (UIT-AI)

Technology to a great extent, very largely, has done a lot of good for rapid growth as much as it has allowed businesses to operate more on mathematical, or near virtual business models without the required proper foundations, systems control, with the technology and the businesses in line with long-term strategic plans, **with better effective and affordable business financial risk control measures, and practices in place.**

Carter (1999, p. 211) summarizes it this way – to collaborate and connect the world involves our involvement in a system that connects our minds, hearts, and souls into the coherent whole of which we are a part. **Information technology is a relatively primitive, "hard-wired" forerunner of the much deeper "soft-wired" spiritual connections to come.** *Information technologies are our spiritual training wheels, and mass privatization is our first bicycle. This interconnection is moving us to a breakpoint in human maturity—a breakpoint to a world based on love. To love someone is to come to care for, to understand, to know, and to desire helping that person.* Mass privatization partners, suppliers, and customers must interconnect and become interdependent on one another in meeting each other's unique, fickle, and customized needs. They must collaborate and come to know one another, they must empathize and synergize with one another; they must care about one another—they must act from love. Information

technology and the shift to mass privatization are providing the most powerful motive and means in history for individuals to love one another.

Empowering humanity to produce synergy on a global scale, to mature, to come to know itself—to become one. Practical intelligence apply while the technology tend to take a business to a higher level of fast-paced global information access, electronic commerce, and instant reaction to business needs, demands and conditions. Over time several environmental factors has contributed to rapid changes in global business landscape requiring better ways to adapt rapidly to the new requirements in the new era.

The next-generation Business Information Technology solution developed and recommended for enhancements into the next era is Unified IT Architecture (UIT-AI), which is the building block and systems control of all business activities internally and externally. Unified IT Architecture (UIT-AI) also bridges the gap between Information Technology and the Business Environment and Activities.

Asonye (2007) defined a Unified IT Architecture Infrastructure (UIT-AI) as an optimized, strong and reliable operational foundation and structure with unlimited connectivity, unrestricted dynamic control of itself, everything within the underlying complex engineering, anything connecting, built anywhere on top of its platform or its applications in a manner that enable streamlined communications for the people, collaboration, multimedia/media smart systems; seamlessly integrated with business work flow, all business activities and business processes, supporting the present, short-term, intermediate, transitional, near future, long-term, and the futuristics; bringing to fruition the goals, hopes and dreams of a business within a unified environment.

## Discussions

The Business practice, and studies based on correlation coefficient and Cause and Effect did may not have considered technology as important as many other factors. A thing has changed in these times. ***Lucinda (2009) acknowledged the case with Bernard Madoff's brokerage operations, on how several parts of the firm didn't use modern technologies as investors were made to believe.*** True working modern computerized securities trading and database-based business processing methods was not used, rather antiquated methods of talking to clients, sales and marketing and virtual trading has been dominant. The securities transactions if performed at all, was not electronically done using connected and efficient methods at the Bernard Madoff's brokerage operations.

*In the course of this research work, a number of businesses were contacted in April 2009 with a question, regarding a thing that is of most concern, on top of the minds of Entrepreneurs, and Business Managers. The overwhelming response was that Businesses are most concerned with how to continue carrying out their daily business operations, operating their businesses in the mean time, how to keep things running, and how to carry their people along till such a time business will resume as normal after the recession.*

Another issue that has silently and continuously plagued businesses, which they confessed equally, **is severe data loss**, subsequently Disaster Recovery failures, also referred to as Business Continuity issues which Unified IT Architecture Infrastructure addresses.

Many of the current employee compensation plans, and incentives which worked for several decades may not be appreciated by the 2000 – era employees. Obviously, a lot of work needs to be done on the foundation carrying and processing information and data as much as it is important they are really used the right ways. The business practices have to adapt to new requirements that global business climate demands to operate, **than short-term profits of bubble to bubble businesses are almost always under duress to earn or create on Wall Street.**

At the moment, potential next-generation / era employees are watching and learning as changes happen. Some businesses will get things right, many may not survive long enough. One might hope future employees come around again to trust the system that has failed several times; they will demand and expect lots of transparency, flexibility and more control over their career. Their expectations will be much higher of employers.



## References

- Andersen, Arthur (Ed.). (1998). *Operational Risks and Financial Institutions*. : London Risk Books.
- Asonye, Ifeanyi O. (Ed.). (2007). *The Solid IT Architectural Approach for Information Management, Data and Storage Systems, Systems Operational Hardware Architecture and Unified Communications (UC)*. May 5, 2009, from Globrocks Corporation Web site:  
<http://www.globrocks.com/globrockssitearticles/architectureenstorage.html>
- Boone, Louis E., & Kurtz, David L. (Eds.). (2007). *Contemporary Business* (12e ed., ). : Wiley.
- Carter, Barry C. (Ed.). (1999). *Infinite Wealth : A New World of Collaboration and Abundance in the Knowledge Era*. : Boston Butterworth-Heinemann.
- Cooper, Dale F. (Ed.). (2005). *Project Risk Management Guidelines : Managing Risk in Large Projects and Complex Procurements*. West Sussex, England ; Hoboken, NJ : John Wiley & Sons, Ltd. (UK).
- Coyle , Brian (Ed.). (2000). *Cash Flow Control: Financial Risk Management*. Chicago : New York : AMACOM Books.
- Crouhy, Michel, Galai, Dan, & Mark, Robert (2006). *The Essentials of Risk Management*. New York, NY: McGraw-Hill Professional.
- Gates, Bill H. (Ed.). (2000). *Business @ the Speed of Thought: Succeeding in the Digital Economy* (1 ed., ). : Business Plus.
- Gupta, Amar (Ed.). (2008). *Outsourcing and Offshoring of Professional Services: Business Optimization in a Global Economy*. : Hershey PA IGI .
- Hiles, Andrew, & Barnes, Peter (Eds.). (1999). *The Definitive Handbook of Business Continuity Management*. Chichester England, UK: John Wiley & Sons.
- Knowledge@Wharton (Ed.). (2007). *View from Dalian, China: 'The New Risk Architecture' and Our Growing Interdependence*. <http://knowledge.wharton.upenn.edu/india/article.cfm?articleid=4243>
- Kurihara, Yutaka (Ed.). (2008). *Information Technology and Economic Development*. : Hershey IGI Publishing.
- Laudicina, Paul A. (Ed.). (2005). *World Out of Balance: Navigating Global Risks to Seize Competitive Advantage*. New York, NY: McGraw-Hill Professional.
- Lucinda, Franks (Ed.). (2009). *Madoff employee breaks silence*. New York, NY: Thomson Reuters .
- McCrackan, Andrew (2005). *Artech House Technology Management and Professional Development Library*. Boston, MA: Artech House, Inc.
- Oxford Analytica (Ed.). (2008). *U.S. Workers Benefit From Globalization*.
- Pierce, Jon L., & Newstrom, Hohn W. (Eds.). (2008). *The Manager's Booshelf: A Mosaic of Contemporary Views* (8 ed., ). Upper Saddle River, NJ: Pearson Prentice Hall.
- Prahalad, C. K., & Krishnan, M. S. (Eds.). (2008). *New Age of Innovation : Driving Cocreated Value Through Global Networks*. New York, NY: McGraw Hill Professional.
- Rodriguez, Diego, & Jacoby, Ryan (Eds.). (2007). *Embracing Risk to Grow and Innovate*.  
[http://www.businessweek.com/innovate/content/may2007/id20070516\\_224245.htm](http://www.businessweek.com/innovate/content/may2007/id20070516_224245.htm)
- Suder, Gabriele G. S. (Ed.). (2006). *Corporate Strategies Under International Terrorism and Adversity*. Cheltenham, UK, Northampton, MA: Edward Elgar Publishing, Inc.
- Warkentin, Merrill, & Vaughn, Rayford (Eds.). (2006). *Enterprise Information Systems Assurance and System Security : Managerial and Technical Issues*. Hershey, PA: Idea Group Publishing.  
[http://www.forbes.com/2008/07/10/wage-inequality-globalization-cx\\_0711oxford.html](http://www.forbes.com/2008/07/10/wage-inequality-globalization-cx_0711oxford.html)

Bibliography

Boone, Louis E., & Kurtz, David L. (Eds.). (2007). *Contemporary Business* (12e ed., ). : Wiley.

Gupta, Amar (Ed.). (2008). *Outsourcing and Offshoring of Professional Services: Business Optimization in a Global Economy*. : Hershey PA IGI .

Key requirements for successful execution are putting a top-notch management team on both sides (program/project managers, technical managers, and technical leads), selecting the people with the right skills, transition activities that kick-off the outsourced work, insuring that knowledge transfer is taking place, and finally, making sure that things are happening, or finding out quickly when they are not (happening). A common mistake companies make that team members are selected based on their organizations rather than their skills. The overall program manager has to be from the client company. He or she must have visibility in the outsourcing company so that the right people are selected in the teams.

Knowledge@Wharton (Ed.). (2007). *View from Dalian, China: 'The New Risk Architecture' and Our*

*Growing Interdependence*. <http://knowledge.wharton.upenn.edu/india/article.cfm?articleid=4243>

Discusses how to mitigate risks following global catastrophes of the 21st century which have occurred at an accelerating rhythm and increasing scale of impact, one after another, in the new era we have entered. Highlights how the United States has been hit on almost every front since 2001 -- starting with failure in our national security (9/11), profound distrust in corporate America (Enron, WorldCom, and the subsequent SOX regulation), failure in our technology (the Shuttle Columbia disaster), network failure (the 2003 blackout), and basic infrastructure breakdown (bridge collapses and poor levee systems). And four years after the 9/11 attacks, a violent but long-anticipated hurricane -- Katrina -- overwhelmed the vulnerable New Orleans coastline, encountered a still unprepared government and inflicted lasting damage on a population. The most recent, in addition is the devastating impact failure of the financial system has on the world.

Laudicina, Paul A. (Ed.). (2005). *World Out of Balance: Navigating Global Risks to Seize Competitive*

*Advantage*. New York, NY: McGraw-Hill Professional.

Centered on dynamic strategic risk management approach which identifies the core processes that drive a company's earnings and monitors both internal processes and external events to ensure that risk and reward are continually reevaluated and rebalanced. It went further to expatiate on Managing risk- which has become of core importance to every business in this generation. It is about becoming much more flexible and competitive. The main idea is that risk must be examined in the overall context of corporate strategy and market opportunity, but the old adage still applies, "There is no reward without risk." Companies are turning to strategic risk management to improve outcomes while continuing to actively engaging in a volatile global business environment.

Oxford Analytica (Ed.). (2008). *U.S. Workers Benefit From Globalization*.

[http://www.forbes.com/2008/07/10/wage-inequality-globalization-cx\\_0711oxford.html](http://www.forbes.com/2008/07/10/wage-inequality-globalization-cx_0711oxford.html)

Reflects on how the impact of globalization on U.S. jobs that emerges on a microeconomic level, and how U.S. workers benefit from increased trade than suffer from it. It goes on to explain that freer

trade will play a crucial role in boosting long-term U.S. growth prospects, encouraging efficient technology transfer, increasing returns-to-scale for companies and offering cheaper consumer goods. For developing countries, trade boosts employment and income. Globalization reduces disparities in global income, reducing the potential for conflict over resources, cutting poverty and poor health and stemming migration flows.

Prahalad, C. K., & Krishnan, M. S. (Eds.). (2008). *New Age of Innovation : Driving Cocreated Value*

*Through Global Networks*. New York, NY: McGraw Hill Professional.

This article discusses mathematical capability in using analytical modeling tools in every aspect of value creation, from understanding customer preferences and behaviors to supply chain management, global resource reconfiguration, skill management, and risk mitigation.

Rodriguez, Diego, & Jacoby, Ryan (Eds.). (2007). *Embracing Risk to Grow and Innovate*.

[http://www.businessweek.com/innovate/content/may2007/id20070516\\_224245.htm](http://www.businessweek.com/innovate/content/may2007/id20070516_224245.htm)

Emphasizes how entrepreneurs, regardless of numerous crises in the world today can embrace risk while also mitigating it. The writer explained something about design thinking - as a life skill that gives us the tools to recognize risk and act in ways that mitigate it so that our dreams—big and small—can come true. This approach mentions and provides some consistent and proven ways to structure challenging innovation initiatives so that they become less risky. Since we can't all be designers, we can still use aspects of design thinking in our lives to embrace, amplify and mitigate risk in order to create lasting value for ourselves and our world.