Article

World Health Organization International Strategy Facing the Covid-19 Pandemic For Stronger and Recovery G.20: Competition and Globalization

Endang Susilowati[1, *], Erwin Susanto[2]

[1]School of Global Strategic Studies (SKSG), University of Indonesia 16424, Indonesia
[2]Universitas Pertamina, Jakarta 12220, Indonesia
Email: erwin.susanto@universitaspertamina.ac.id
*Correspondence: email: endang.susilowati01@ui.ac.id

Abstract: The International Market generates potential new opportunities. Another traditional motive for companies to become multinationals is to secure the resources needed. With a multidomestic strategy, state managers have autonomy to tailor the company's products as necessary to meet the specific needs and preferences of local customers. The company uses a global strategy to offer standard products across country markets, with a competitive strategy defined by headquarters. A transnational strategy is an international strategy that companies use to achieve global efficiency and local responsiveness.

The Covid-19 pandemic has had a broad impact on daily life, especially in terms of socio-economics. Various efforts were made by WHO and collaborated with various countries to overcome this pandemic and make policies and handling to deal with the virus. This paper explores WHO's international strategy during the Covid-19 pandemic for the speed of handling Covid-19 in the global context.

Keywords: international strategy, Pandemic, Covid-19, competition, globalization

Reference to this paper should be written as follows: Susanto, E., Susilowati, E., 2022. World Health Organization International Strategy Facing the Covid-19 Pandemic for Stronger and Recovery G.20: Competition and Globalization. Journal of Management and Energy Business, Vol.1 (1), p. 22-30.

1 Introduction

A major reason for implementing an international strategy (as opposed to a strategy focused on the domestic market) is for international reasons. Market generates potential new opportunities. According to Raymond Vernon, this is a classic reason for international diversification [1]. Therefore, Raymond Vernond observed that one of the reasons why companies pursue international diversification is to extend the product life cycle. Another traditional motive for companies to become multinationals is to secure the resources needed. Although these traditional motives remain, other emerging motivations also encourage international expansion. For example, pressure has increased for the

*Corresponding author.

https://doi.org/10.54595/jmeb.v2i1.25

integration of global operations, which is largely driven by the demand for more universal products. New, emerging large-scale markets, such as China and India, provide strong internationalization incentives based on the high potential demand for consumer products and services. Due to currency fluctuations, companies may also choose to distribute their operations in many countries. Paradigm which emphasizes the skills needed to manage financial, economic, and political risks. For example, it is more difficult to lay off employees in Europe than in the United States due to differences in employment contracts. In addition, host governments often require a high percentage of procurement, manufacturing, research and development to use local sources. These issues increase the need for local investment and responsiveness as opposed to seeking global economies of scale.

International strategies have been used by many companies because of the many incentives that companies get. Pharmaceutical companies have made significant foreign direct investments into developed and emerging markets in an effort to increase market potential for new drugs.

The company is rich in cash and is in a good position to make acquisitions. For example, companies in the domestic soft drink industry have been looking for growth in overseas markets for some time now. The main competitors Pepsi and Coca-Cola have a relatively stable market share in the United States for several years. The size of the international market also affects the company's willingness to invest in research and development to build a competitive advantage in that market. Larger markets typically offer the potential for higher returns and thus pose less risk to corporate investments. In addition to the huge market need to recoup large investments in research and development, the pace of development of new technologies is increasing. In addition, the company's ability to develop new technologies is growing, and due to different patent laws across national borders, it is most likely impersonation by competitors.

Companies can also exploit core competencies in international markets through sharing resources and knowledge between units and network partners at state borders. This division generates synergies, which help companies produce higher quality goods or services at a lower cost. Multinational companies have a great opportunity to learn from the different practices they encounter in separate international markets. The superiority of such locations can be influenced by production costs and transportation requirements as well as by the needs of the intended customers. Cultural influences can also affect the advantages and disadvantages of the location.

The Covid-19 pandemic has had a broad impact on daily life, especially in terms of socio-economics. Various efforts were made by WHO and collaborated with various countries to overcome this pandemic and make policies and handling to deal with the virus. In addition, WHO also sends laboratory supplies to 120 countries. The WHO urged countries to redouble efforts to combat the coronavirus after declaring the global health threat a pandemic. WHO seeks to support countries to deal with this outbreak as well as prepare funds for preparedness and response plans for the impact. The purpose of writing this paper is to find out how WHO's international strategy during the Covid-19 pandemic is for the speed of handling Covid-19 in the global context.

2. Literature

Enterprise-level types of international strategies are multidomestic, global, or transnational (a combination of multidomestic and global) [1]. To create a competitive advantage, each strategy must use core competencies based on resources and capabilities that are difficult to replicate. Each business must develop a competitive strategy focused on its own domestic market. In international business-level strategies, the country of origin of operations is often the most important source of competitive advantage. Resources and capabilities built in the home country often allow companies to pursue such strategies to markets located in other countries.

There are basic factors (for example, natural resources and labor) and advanced factors (such as digital communication systems and a highly educated workforce). For example, some Asian countries, such as South Korea, lack abundant natural resources but offer a strong work ethic, a large number of engineers, and a large enterprise system for creating expertise in manufacturing. The second dimension in Porter's model, the conditions of demand, is characterized by the nature and size of the buyer's need in the domestic market for industrial goods or services. Large market segments can generate the demand necessary to create efficient facilities at scale. Related and supporting industries constitute the third dimension in Porter's model. Italy has become a leader in the shoe industry due to its related and supporting industries; The well-established leather processing industry provides the leather needed to make shoes and related products.

In Japan, an unusual system of cooperation and competition has facilitated the cross-functional management of complex assembly operations. In Italy, the national pride of the designers of its country has given birth to a strong industry in sports cars, fashion apparel and furniture. Similarly, Yandex in Russia (see Strategic Focus) succeeded because it found a way to meet the complexity of developing a complex Russian language search tool, which turned out to be an advantage in global competition. In addition, Yandex is also a strong demand condition in Russia for Internet services and has been able to maintain its market share against strong competition from Google. The real strategic choices are made by managers, may be the most compelling reason for success or failure. Thus, the factors illustrated, tend to generate a competitive advantage only when the company develops and implements the right strategy that utilizes the factors of different countries.

The multidomestic strategy uses a highly decentralized approach, allowing each division to focus on a geographic region, region, or country [2].

With a multidomestic strategy, state managers have autonomy to tailor the company's products as necessary to meet the specific needs and preferences of local customers. The use of multidomestic strategies usually expands the company's local market share because the company can pay attention to the needs of local clients [3]. However, the use of this strategy results in less knowledge sharing for the company as a whole due to differences between markets, decentralization, and various strategies used by local state units.

Historically, Unilever, a large European consumer products company, has had a highly decentralized approach to managing its international operations. Strategic business units operating in each country are assumed to be interdependent, and the headquarters seeks to achieve integration throughout this business. The company uses a global strategy to offer standard products across country markets, with a competitive strategy defined by headquarters.

Thus, the global strategy emphasizes economies of scale and offers greater opportunities to take innovations developed at the enterprise level or in one country and capitalize on them in another. Improvements in global financial accounting and reporting standards facilitate this strategy. Although a global strategy results in lower risk, it can cause companies to ignore growth opportunities in local markets, either because those markets tend not to be identified as opportunities or because those opportunities require products to be adapted to local markets. Global strategies are unresponsive to local markets and difficult to manage due to the need to coordinate cross-border operating strategies and decisions. To achieve efficient operations with a global strategy requires sharing resources and facilitating coordination and cooperation across national borders, which in turn requires centralization and control of headquarters.

Transnational strategy is an international strategy that companies use to achieve global efficiency and local responsiveness [4]. However, some argue that most multinational corporations pursue more regional strategies and therefore such transnational strategies and structures may not be as necessary as predicted. Although transnational strategies are difficult to implement, the emphasis on global efficiency is increasing as more and more industries begin to experience global competition [5]. As a result, some large multinational companies with diversified products implement a multidomestic strategy with a specific product line and a global strategy with other product lines. Research shows that global strategies are not as prevalent as they used to be and are still difficult to implement, even when using internet-based strategies. In addition, the limited amount of competition for resources and customers can limit the company's focus. The regional focus allows companies to market their resources to compete effectively in regional markets rather than spreading their limited resources across many international markets. As such, companies may focus less on a truly global market and more on regional adaptation.

Regionalization is the second trend that is becoming more common in the global market. Research shows that companies that compete in risky emerging markets can also perform higher. to certain regions of the world [6], [7]. Thus, the company can better understand the culture, legal and social norms, as well as other factors that are important for effective competition in such markets. Research shows that managers of small and medium-sized companies are influenced by the strategies they implement (those with differentiation strategies tend to be more positive about agreeing to agreements than those pursuing cost leadership strategies) and by their experience and competition with exporting companies. Most companies enter regional markets sequentially, starting in markets they are more familiar with. wholly-owned subsidiaries. Many industrial enterprises began their international expansion by exporting goods or services to other countries. Exporting does not cost money to set up operations in the host country, but exporters must establish some means of marketing and distributing their products. The disadvantages of exporting include transportation costs and often high tariffs on some incoming goods. As a result, it can be difficult to market competitive products through exports or to provide products tailored to each international market.

However, evidence suggests that cost leadership strategies improve export performance in developed countries, whereas larger-scale differentiation strategies are more successful in developing countries. Companies export mostly to the countries closest to their facilities due to lower transportation costs and typically greater similarities between geographical neighbours. Small businesses are most likely to use export modes to enter internationally; up to 50 percent of small U.S. companies will engage in international trade by 2018, most of them through exports. Currency exchange rates are one of the most significant problems faced by small businesses. Licensing is an increasingly common form of organizational networking, especially among small companies. Licensing arrangements allow foreign companies to purchase the rights to manufacture and sell the company's products in the host country or several countries. Licensors are usually paid royalties on each unit produced and sold. As a result, licensing may be the least expensive form of international expansion.

Despite the short product life cycle, licensing can be a useful tool. In recent years, strategic alliances have become a popular means for international expansion. Strategic alliances allow companies to share the risks and resources necessary to enter the international market. In addition, strategic alliances can facilitate the development of new core competencies that contribute to the company's future strategic competitiveness [8].

Indeed, partners often form alliances with the aim of learning new capabilities. Common among the desired capabilities is technological expertise [9]. However, for technological knowledge to be transferred within an alliance usually requires trust between partners. Such a multifaceted and versatile approach helped the GM and SAIC alliance succeed. International strategic alliances are very difficult to manage. tends to produce more positive results as free trade continues to thrive in the global market, cross-border acquisitions have also increased significantly.

Acquisitions can provide quick access to new markets. Although acquisitions have become a popular mode of entering the international market, it is not without cost [10]. For example, acquisitions are used by companies in developing countries to enter developed countries. However, these acquisitions, like many others, have been opposed by the government because of the potential of sovereign power to control important natural resources. However, these ventures more often fail, although this is moderated by the past experience of companies acquiring with such deals. Finally, the merger of a new company into an acquiring company is often more complex than a domestic acquisition. Furthermore, the company must build new manufacturing facilities, build distribution networks, and learn and implement the right marketing strategies to compete in new markets. Research also shows that when state risk is high, companies prefer to enter with joint ventures rather than greenfield investments to manage risk. However, if they have previous experience in a country, they prefer to use a wholly-owned greenfield venture rather than a joint venture.

The license can facilitate the improvement of the products necessary to enter foreign markets. Strategic alliances are becoming popular because they allow companies to connect with experienced partners who are already in the targeted market. To secure a stronger presence in the international market, a greenfield acquisition or venture may be necessary. So, in order to enter the global market, the company chooses the mode of entry that best suits the situation at hand.

World Health Organization (WHO) is an international organization under the auspices of the United Nations or United Nations (UN) engaged in the health sector which has a mission to ensure world health and plays a role in solving health problems including in solving the current Covid-19 pandemic.

3. Discussion

Implementation is very important, since international expansion is risky, making it difficult to achieve competitive advantage. The probability that a company will succeed with an international strategy increases when it is effectively implemented. Also, the company's profits can influence its decision to diversify internationally. In addition, through a global network with assets in many countries, companies can develop more flexible structures to adapt to possible changes. As noted in Porter's model, a country's competitiveness depends, in part, on its industrial capacity to innovate. Eventually and inevitably, competitors outperform companies that fail to innovate and improve their operations and products. International diversification provides the potential for companies to achieve greater results on their innovations (through larger or more markets) and reduces the risk of often substantial research and development investments. In addition, international diversification may be necessary to generate the resources necessary to sustain large-scale research and development operations. The relationship between international diversification, innovation, and returns is complicated. Several levels of performance are required to provide resources to generate international diversification, which in turn provides incentives and resources to invest in research and development.

While companies can realize many benefits by implementing an international strategy, it is complicated and can generate greater uncertainty. For example, many risks are involved when a company operates in several different countries. Because of these risks, international expansion is difficult to implement and manage. The main risks are political and economic. Political risk is the risk associated with instability in national governments and wars, both civil and international. Institutional and cultural factors can present strong barriers to the transfer of a company's competitive advantage from one country to another. In addition, companies may face different labor costs and capital costs. The amount of international diversification that can be managed varies from company to company and according to the capabilities of the managers of each company. The problem of central coordination and integration can be reduced if the company diversifies into more friendly countries that are geographically close and have a culture similar to the culture of its own country. Management should also pay attention to the relationship between the host government and multinational companies. While government policies and regulations are often a drag, many companies, such as Toyota and General Motors, have turned to strategic alliances, as they did. However, large networks can be difficult to manage.

WHO has quite broad duties and authorities in each of its sectors. The coverage is: universal health coverage consisting of a focus on primary health care to improve access to quality essential services, working towards sustainable financing and financial protection, increasing access to essential medicines and health products, training health workers, and advising on labor policy, supporting community participation in national health policies and improving monitoring data, and information.

The WHO urged countries to redouble efforts to combat the corona virus after declaring the global health threat a pandemic. WHO seeks to support countries to deal with this outbreak as well as prepare funds for preparedness and response plans for the impact.

The Covid-19 pandemic has had a broad impact on daily life, especially in terms of socio-economics. Various efforts were made by WHO and collaborated with various countries to overcome this pandemic and make policies and handling to deal with the virus. In addition, WHO also sends laboratory supplies to 120 countries.

Meanwhile, WHO calls for 4 strategies for countries, namely:

1. Prepare and Prepare;
2. Detect, prevent, and treat;
3. Reduce and hold;
4. Innovate and improve.

The existence of a world organization, namely the *World Health Organization* (WHO), is needed by every country, especially during the Covid-19 pandemic crisis to date. The current pandemic condition is a very potential international market opportunity due to the increasing need for all aspects of health to deal with Covid-19. WHO also plays a role in making drugs or vaccines to overcome Covid-19. As a result of this pandemic, the need for health has increased which is largely driven by the demand for products (masks, medical devices, medicines and so on) by various countries.

WHO has the goal of achieving maximum health for the entire world community, to achieve its goals, WHO actively carries out tasks that include the following, tasked with tackling health by helping to carry out restrictions on infectious diseases, providing health assistance to countries in need, helping to improve welfare. WHO supports the development and distribution of safe and effective vaccines, diagnoses of diseases and disorders, and medicines. Now WHO is at the forefront of fighting the COVID-19 pandemic that has spread in various countries. Various protocols were created by this organization to reduce and stop the transmission of the corona virus.

Every company, whether engaged in products or services, has a goal of advancing and developing. That goal will be achieved if it is through efforts to be able to maintain and increase the level of profit or operating profit of the company. This can all be done if the company can maintain and increase sales of the products or services they produce. By implementing an accurate marketing strategy through the utilization of opportunities in increasing sales.

In its international strategy, WHO has received and responded to responses from various countries including Indonesia regarding the Covid-19 pandemic. Therefore, WHO issues policies that are adapted to the policies of a country's government. One of the policies that is considered tobe the result of changing the implementation of *social* distancing to *physical distancing*. *Physical distancing* is a term used by WHO to limit a person's wiggle room. People who practice *physical distancing* can meet face to face with other people without having to meet physically, but can use *video call access.*

In addition, in accordance with the International Strategies (IS), it can be seen that with the *Global Strategy*, WHO openly offers its products such as medicines or other medical devices globally. This involves the *Strategic Business-Unit* (SBU) in each country, thus it can minimize the risk or possibility of spreading Covid-19 in each country. In dealing with the covid-19 pandemic globally, WHO collaborates with various countries to export supplies or funding to deal with covid-19 and agree on permits to each country's government regarding the policies and solutions provided. Various risks can certainly occur, but with the agreements established by each country, of course, there will be reciprocity that will be obtained.

4. Conclusion

The International Market generates potential new opportunities. Another traditional motive for companies to become multinationals is to secure the resources needed. With a multidomestic strategy, state managers have autonomy to tailor the company's products as necessary to meet the specific needs and preferences of local customers. The company uses a global strategy to offer standard products across country markets, with a competitive strategy defined by headquarters. A transnational strategy is an international strategy that companies use to achieve global efficiency and local responsiveness. Although transnational strategies are difficult to implement, the emphasis on global efficiency is increasing as more and more industries begin to experience global competition. Most companies enter regional markets sequentially, starting in markets they are more familiar with. wholly-owned subsidiaries. In addition, through a global network with assets in many countries, companies can develop more flexible structures to adapt to possible changes. In addition, international diversification may be required to generate the resources necessary to maintain large-scale research and development operations. In addition, companies may face different labor costs and capital costs. However, large networks can be difficult to manage.

In its international strategy, WHO responded to responses from various countries including Indonesia regarding the Covid-19 pandemic. WHO issues policies that are adapted to the policies of G20. One of the policies that is considered to be the result of changing the implementation of social distancing to physical distancing.

In addition, WHO openly offers its products such as medicines or other medical devices globally. This involves the Strategic Business-Unit (SBU) in each country, thus it can minimize the risk or possibility of spreading Covid-19 in each country. In dealing with the covid-19 pandemic globally, WHO collaborates with various countries to export supplies or funding to deal with covid-19 and agree on permits to each country's government G.20 regarding the policies and solutions provided.

Author Contributions: Conceptualization, E.S.; formal analysis, E.S.; investigation, E.S.; resources, E.S.; data curation, E.S.; writing original draft preparation, E.S.; writing review and editing, E.S.; visualization, E.S.; supervision, E.S.; project administration, E.S.; funding acquisition, E.S. All authors have read and agreed to the published version of the manuscript.

Conflicts of Interest: The authors declare no conflict of interest.

References

1. Alred, & Swan, K.S. (2004) Global versus multidomestic: Culture's consequences on innovation. *Management International Review*, 44: 81–105.
2. Elango, B., & Pattnaik, C. (2007). Building capabilities for international operations through networks: A study of Indian firms. *Journal of International Business Studies*, 38: 541–555;
3. Hitt, M.A., Ahlstrom, D., Dacin, M.T., Levitas, E., & Svobodina, L. (2004). The institutional effects on strategic alliance partner selection in transition economies: China versus Russia, *Organization Science*, 15: 173–185;
4. Lawrence, T.B., Morse, E.A., & Fowler,S.W. (2005). Managing your portfolio of connections. *MIT Sloan Management Review*, 46(2): 59–65;
5. Levine, J. (2004). *Europe: Gold mines and quicksand*. Forbes, April 12, 76;
6. Oh.C.H., & Rugman, A.M. (2007). Regional multinationals and the Korean cosmetics industry. *Asia Pacific Journal of Management*, 24: 27–42;

7. Ralston, D.A., Holt, D.H., Terpstra, R.H., & Kai-Cheng, Y. (2008) The impact of national culture and economic ideology on managerial work values: A study of the United States, Russia, Japan, and China. *Journal of International Business Studies*, 39(1): 8–26; B. B.
8. Rugman, & Verbeke, A. (2004). A perspective on regional and global strategies of multinational enterprises. *Journal of International Business Studies*, 35: 3–18.
9. Vernon, R. (1996). International investment and international trade in the product cycle. *Quarterly Journal of Economics*, 80: 190–207.
10. Zhan, W., Chen, R., Erramilli, M.K., & Nguyen, D.T. (2009). Acquisition of organizational capabilities and competitive advantage of IJVs in transition economies: The case of Vietnam. *Asia Pacific Journal of Management*, 26(2): 285–308;
11. International operational fact sheet. (2007). *http://www.walmartfacts.com,* July.