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INTERNATIONALIZATION AS A CHANGE OF THE COMPANY'S SOCIO-ECONOMIC ENVIRONMENT

UMIĘDZYNARODOWENIE JAKO ZMIANA OTOCZENIA SPOŁECZNO-GOSPODARCZEGO FIRMY

ABSTRACT

Globalization of an enterprise is a multi-threaded and complex phenomenon, which is why there are many definitions of this concept. Most authors use it to refer to three elements: worldwide reach; worldwide homogeneity; global integration – a category of dependence and tightening international connections, means an enterprise that clearly feels the effects of events taking place in other countries, as opposed to the local market, where the foreign situation has a negligible impact on the price level, competition dynamics, demand and current fashions. Internationalization and globalization require companies to use different strategies, which depend on the company's structure, form of business, and geographical structure. However, it seems that these processes encourage enterprises to choose an operating strategy based more often on mergers, acquisitions and building strategic alliances with competitors, i.e. choosing an external path of growth and development.

KEYWORDS: *economic integration, international business, globalization, economic growth, change management*

STRESZCZENIE

Globalizacja przedsiębiorstwa jest zjawiskiem wielowątkowym i złożonym, dlatego też istnieje wiele definicji tego pojęcia. Większość autorów używa go w odniesieniu do trzech elementów, jak: ogólnoświatowy zasięg; ogólnoświatowa jednorodność; ogólnoświatowa integracja – kategoria zależności i zacieśniania powiązań międzynarodowych, oznacza przedsiębiorstwo, które odczuwa wyraźnie skutki zdarzeń zachodzących w innych krajach, w odróżnieniu od rynku lokalnego, gdzie sytuacja zagraniczna ma znikomy wpływ na poziom cen, dynamikę konkurencji, popyt i obowiązujące mody. Umiejdzynarodowienie i globalizacja wymagają od przedsiębiorstw zastosowania różnych strategii, które zależą od struktury przedsiębiorstwa, formy prowadzonej działalności, struktury geograficznej. Wydaje się jednak, że procesy te zachęcają przedsiębiorstwa do wyboru strategii działania opartej częściej na fuzjach, akwizycjach i budowaniu aliansów strategicznych z konkurentami, czyli wyboru zewnętrznej drogi wzrostu i rozwoju.

SŁOWA KLUCZOWE: *integracja ekonomiczna, biznes międzynarodowy, globalizacja, wzrost gospodarczy, zarządzanie zmianą*

INTRODUCTION

The decision to start operations on foreign markets means moving to compete in completely new conditions. Appropriate analysis of the environment in which the company will have to compete is a prerequisite for making decisions on the internalization of operations. The company's environment consists of the following, which are not part of the company, but are directly or indirectly related to it: phenomenon, processes and entities.

The division into the domestic market and foreign markets is a great simplification. Due to inter-regional differences, such as the wealth of inhabitants, the number of companies, access to resources and cooperation networks, etc., the domestic market can be divided into a number of regional, sub-regional or even local types. For similar reasons, deciding on the directions of expansion of a company into foreign markets requires analyzing a large number of factors. The huge number of factors that make up the company's environment is accompanied by a high dynamics of their changes, which additionally makes it difficult to perform appropriate analyses. Nevertheless, these analyzes must be treated as an absolute obligation, and their correctness and completeness determine the scale of risk of undertaken projects. Professionalism, but also the objectivity of the analysis of the environment allows us to identify the most important opportunities and threats. The specificity of the environment of a small enterprise lies in the fact that its activities are very strongly related to the market, and one can even say that its survival is completely dependent on this market.

When entering a new market, in particular a foreign market, a company must deal with a number of barriers, each of which may lead to the failure of the entire enterprise.

Particular attention should be paid to (Adamkiewicz-Drwiłło 2010, Adamkiewicz-Drwiłło 2002):

- the need to gain access to distribution channels – when entering a new market, a company must ensure access to customers through appropriate distribution channels; in a situation where these channels are limited or competitors have mastered them to a large extent, it is necessary to offer distribution companies better conditions for distributing products than those offered by companies operating in the sector so far; in the

- case of limited access to distribution channels, it is possible to create your own, independent channel to reach the customer, but for small companies this solution is usually too expensive; both entering the existing distribution channels and trying to reach the recipients on your own require additional expenditure.
- expected retaliation – companies newly entering the sector should assess how strong the reaction of competitors seeking to defend their own interests may be; it is true that the reaction to the entry of small companies on the market is relatively small – due to the marginal impact of the introduced products on the entire sector – it is worth, in order to minimize the risk, to analyze some factors that prove this strength; in this context, it is advisable to analyze:
 - » behavior in the past applied to new competitors,
 - » the level of consolidation of companies operating on the market so far, taking joint action by them towards new competitors,
 - » resources of existing companies allowing for the introduction of retaliatory actions,
 - » the level of involvement of companies in activities in the sector (specialized companies take more decisive retaliatory actions than companies operating on many different markets),
 - » liquidity of resources invested by companies operating on the market so far – if the resources of these companies cannot be used in other types of activity, radical retaliation can be expected from them,
 - » the growth rate of the sector – in sectors where demand is zero or very limited, the appearance of another competitor meets with a solidarity reaction of the existing companies, which do not agree to the loss of demand for the benefit of the new company. The existing network of cooperation, the strength of relationships between suppliers and recipients may also be of some importance here, which may block the access of new companies to distribution channels and sources of supply.
 - the scale of capital needs – entering the sector usually requires incurring certain capital expenditures related to expenses for production

purposes, advertising, research and development, loans to recipients, inventories, covering possible losses; companies entering the sector are in a much more difficult situation than companies operating in the sector; moreover, in the case of operations on foreign markets, there is a need to incur extraordinary expenses for:

- » product transport,
- » delegations,
- » communication,
- » translations,
- » legal and other analyses,
- » maintaining a representative office.

State policy – the state may create barriers to entry through requirements for obtaining a business license or concession for the exploitation of raw materials; standard instruments of economic policy (e.g. ecological standards, safety regulations) will have a milder impact. The presented entry barriers are not permanent. They change over time both as a result of external conditions (changes in state policy, expiry of patents, etc.) and internal conditions (conducting a vigorous promotional policy by the company, incurring high expenditures on research and development). Basics of setting the company's strategy For every company, but especially for a small one, it is important to precisely define the pillars on which the future of the company will be based (Al-Aali Teece 2010, Allen 2016): specific products or services, precisely defined customer expectations and established ways to reach customers.

In the first case we are dealing with item selection based on product variety. The enterprise limits its production to a limited subset of products or services related to a certain market sector. The company must build its competences in such a way as to belong to the group of leaders in terms of the production of specific products or services. This leadership position can be understood as the ability to give products unique features (in terms of quality, innovation, or in terms of availability and cost). A company that applies such a strategy focuses its attention on improving technology, product manufacturing and innovation. The second situation is the selection of items based on the needs of the recipients. The starting point for implementing such a strategy

is to identify the customers for whom the company wants to act. Next, it is necessary to determine what products/services the company is able to produce to serve the needs of the identified customer segment. A beneficial solution is to establish such a set of products that are complementary to each other, and thus complement their utility value – the purchase of one product by the customer results in the emergence of demand for a complementary product.

For small companies, such a strategy may be difficult to implement, especially on foreign markets, because it requires the creation of an own distribution system, which undoubtedly involves additional costs and complex organizational procedures. When making a decision on the internationalization of operations, one should answer the question: to what extent entering new markets and functioning in new conditions are a continuation of the current strategy, and to what extent they are a breakthrough. An attempt to operate on different markets with different strategies can lead to deep problems for the company in a short time. In short, entering foreign markets should be a logical consequence of one's competences and experience, and should not lead to radical deviations from the company's current development line. Three profiles can be distinguished (Ambroziak 2019, Anderssen 2001, Angelsberger, Kraus, Mas-Tur, Roig-Tierno 2017): specialization, i.e. competition in one sector or in one type of activity and competing in several related sectors or activities, competing in several unrelated sectors or activities.

This division is fundamental for small businesses facing new markets. Each of these profiles has different consequences, partly positive and partly negative. It is also clear that the spatial expansion of the company's range of operations relates directly to the presented profiles. From the point of view of the development of small companies and their plans for internationalization, the following recommendations can be formulated (Ambroziak 2019, Anderssen 2001, Angelsberger, Kraus, Mas-Tur, Roig-Tierno 2017):

- small companies should prefer the first profile related to specialization; limited potentials do not predispose these companies to expand the assortment or conduct extensive marketing campaigns; any decisions related to the introduction of new products to other markets, for other recipients may lead to a comprehensive weakening of the company, dispersion of its resources and strengths; the natural conclusion is

therefore expansion into foreign markets based on products, services and competencies of a specialized nature; moreover, relatively high entry barriers to foreign markets may even suggest, in some situations, limiting the assortment and focusing on one product or one type of customer,

- there should be no direct transition from a specialization profile to competing in unrelated sectors or activities, even if the market opportunities seem very attractive; as a rule, such a solution is not possible due to limited resources and competences of the company; to reduce the risk, it is necessary to maintain the proper development sequence and, if there is a justified need, to move from specialization to competition in several related sectors and activities; before entering foreign markets, it is worth thinking about changing the company's profile on a national scale, and in the case of small enterprises, even on a regional or local scale,
- when making a decision both to change the profile and to enter the markets of specific countries, the situation on a macroeconomic scale should be analyzed; in general, a weak economic situation should be a warning signal for making decisions about expanding operations; recession is a time of company consolidation rather than its market or product development; On the other hand, a weaker economic situation in the country, coupled with a better economic situation abroad, may lead to a decision on internationalization.

FORMS OF INVOLVEMENT OF SMALL AND MEDIUM-SIZED ENTERPRISES IN INTERNATIONAL ACTIVITIES

For small companies, it is very important to decide on the form in which operations will be conducted on foreign markets. Their limited potentials require a precise definition of the scope of activity. In the basic scope, small companies, deciding to establish contacts on new foreign markets, function as: product exporters, subcontractors and product importers. It can be said that subcontracting for foreign companies is also a form of export, but due

to a certain strategic specificity, it is proposed to treat it as a separate type of activity. In order to assess the possibilities of small companies in the implementation of the above activities on foreign markets, it is worth looking at the full value added chain; it consists of the activities shown in the figure below. Of course, the competencies of small companies in various activities are different, but entering foreign markets requires a certain combination of them. Exporters, if they want to take a sustainable competitive position on the globalized market, must pay attention primarily to the quality of the products offered; low cost strategy is very difficult for small companies to use due to (Baker, Sinkula 2009, Ball, McCulloch 1991):

- very strong price pressure, especially from the countries of the Far East, which are increasingly present on international markets,
- no possibility for small companies to benefit from economies of scale, i.e. reducing fixed costs per unit of product by increasing the scale of production,
- limiting the importance of low price in the markets of developed countries, where priority is being given to unique products.

Giving high quality products is a multidimensional process and includes (Brodowska-Szewczuk 2009, Brudlak 2005):

- the use value of the product,
- product durability,
- design,
- materials from which the product is made,
- the prestige associated with using the product,
- meeting the requirements of social responsibility (e.g. compliance with environmental standards or labor law during production),
- warranty and its terms,
- the nature of the distribution,
- service during the sale,
- after-sales service.

Meeting these quality requirements entails the need to properly organize each of the activities that have been presented in the value added chain. It should be

emphasized once again that in the markets of developed countries, including the EU markets, the importance of high quality is growing; only products with a high intellectual input cannot be easily duplicated; this fact entails the need to pay particular attention to the sphere of research and development and marketing. Small enterprises have a chance here only in the case of far-reaching concentration of their own activities. The subcontracting strategy is somewhat different from exporting; subcontractors are primarily expected to reduce costs and adhere to certain technological regimes, while the technology itself, and even the equipment, is often provided by the company purchasing the service. Small companies can function perfectly on international markets in this strategy. Their position could be strengthened if the offer was created by a larger number of companies and if they were present on the foreign market as a subcontractor network. Also in this case, the use of specialization should be recommended. Product importers must focus their attention on product marketing and reaching distribution channels. The necessary competencies of the company are relatively small, but the current and potential competition is practically unlimited. It is also worth mentioning partnership solutions that allow small companies to operate in globalized markets: creating a network of cooperation of domestic companies for joint expansion into foreign markets, using joint ventures to develop joint technological or marketing projects, using outsourcing (subcontracting) strategies for partners or locating business in areas where clusters (agglomerations of companies from a specific industry) are located, i.e. in areas where it is relatively easier to find partners to develop cooperation (Christensen 1997, Cieślik 2011, Cieślik 2019).

Organizational changes. It should be taken into account that along with the development of operations on foreign markets, a small company will be forced to make a decision to expand its own organizational structure. Internationalization is associated with several fundamental changes in functioning, which may also concern such issues as (Coviello 2006):

- expanding the spatial range of the company's operations,
- extension of the assortment,
- increasing the production volume,
- improving products and their profiling in accordance with the requirements of various markets.

Following these changes, it becomes necessary to adapt the organizational structure to new challenges and requirements. The company must solve problems related to (Czerniak, Bobiński 2018):

- communication,
- flow of information, performing the necessary analyzes for various markets,
- conducting research and development activities and developing new products,
- creating a new network of relations with partners, shaping the company's image in a new environment, or quantitative and qualitative changes in employment.

Speaking of organizational changes, certain phases of the evolution of the organizational structure of a small company can be identified (Czerny 2005, Czubik 2002, Daszkiewicz 2016):

1. The entrepreneur performs all relevant activities without distancing himself from any functions; is often directly involved in the process of production or provision of the service; solves everyday problems to keep the organization flexible; due to the small potential of the company and the scarcity of staff (management functions are fully concentrated in the hands of the owner), short-term thinking is dominant; success depends on personal characteristics, competences, abilities and attitudes of the owner.
2. If the company manages to survive the first phase of operation and a favorable set of opportunities appears in the environment, the development of resources, activities and, above all, development opportunities facing the company takes place; such a situation may be the internationalization of the company; the key to success in this phase of development is the entrepreneur's decision to transfer some of his competences to other people; the owner thus becomes the *team captain* giving some of the responsibilities to professionals (specialists in the field of production, marketing, etc.); the lack of a decision on the transfer of powers results in increasing difficulties for the owner in dealing with all development problems; if we take into account the level

of complexity in the company related to internationalization, actions consisting in delegating powers appear to be an absolute necessity.

3. With the increase in the assortment and diversity of markets, and in particular in connection with the company's entry into foreign markets, it may be necessary to separate units, departments, and even entire departments in the company's organizational structure responsible for the company's success on a certain geographic market; the organizational structure is no longer determined only by product, financial or marketing issues, but issues related to space are becoming more and more important. The organizational changes described above should be introduced with particular care.

INTERNATIONAL BUSINESS ENVIRONMENT

External determinants of competitiveness are those on which the company has no influence or it is limited to some extent. They refer to the broadly understood environment in which a given business entity operates. The company's environment is two-dimensional; on the one hand, it provides him with the means to run his business, on the other hand, he acts as a recipient of the goods produced and the services provided. All kinds of rights resulting from the standards to which the company is obliged while conducting its business determine external factors of competitiveness. We can distinguish three main groups of standards constituting the external conditions of the enterprise. These are technical, ecological and legal standards. Standards are imposed by public authorities, which makes them limit the independence of the enterprise. Technical conditions are related to production activities, in which entrepreneurs must choose the technology used and the degree of technical advancement of the manufactured products. This involves the need to adapt to the quality standards and standards in force on a given market, which determine the possibility of starting a business on that market. means of production Special types of standardization are unification and related typification. Unification, is a process of reducing groups of industrial products to a common form, thus obtaining a limited number of species. Typification is

associated with activities leading to a reduction in the number of basic types of consumer goods and means of production. Despite the fact that normalization and standardization mean adapting products to meet often very high quality requirements, entrepreneurs see them as an opportunity to increase their competitiveness (Daszkiewicz 2016, Daszkiewicz 2001, Davidsson 1989).

The primary benefits of adopting global standardization include:

1. reduction of manufacturing and storage costs resulting from the reduction of the number of manufactured products and the simultaneous increase in the production volume of each of them;
2. concentration of production, which results in multiplied economies of scale, and thus the possibility of investing in better equipment and producing higher quality goods at lower costs;
3. higher quality of products;
4. increased interest in the product by customers.

Reducing the cost of production and focusing on a smaller amount of goods produced, but globally standardized, enables the expansion of the company by offering more products of higher quality. This is accompanied by the strengthening of the position on the market and the intensification of sales, which contributes to the growth of the company's competitiveness. Holding certificates by an enterprise contributes to the increase of its competitiveness. It has greater opportunities to both enter and stay on the market. Companies with quality certificates enjoy easier contacts with recipients and contractors, improved reputation and increased prestige on the market and among employees. Based on the above considerations, it can be concluded that quality, which is the resultant of technical conditions, is an important, and sometimes even the main factor of the company's competitiveness. The second group of external determinants of the company's competitiveness are environmental conditions. They are related both to the protection of the natural environment and to the rational use of its natural, human and capital resources (Dębiński 2003, Dreher, Gaston, Martens 2008).

Legal standards regulate and define the principles of conducting business activity by economic entities, which must take them into account and apply them. Legal regulations are factors independent of the enterprise, they

are imposed in advance by state institutions. These are primarily provisions regulating the start of business activity, tax rates (including customs duties), social security contributions (affecting labor costs) and depreciation rates (conditioning the possibility of replacing assets). It also includes: subsidies, i.e. non-repayable financial support provided to enterprises by the state; credit policy of banks, as well as access to various sources of financing. The level of competitiveness of an enterprise is indirectly influenced by the policy of protectionism and foreign trade liberalization pursued by the state. The policy of protectionism, based on the protection of the domestic market by introducing obstacles to the functioning of foreign competition, in the long term contributes to a decrease in the competitiveness of enterprises participating in international trade. On the other hand, there is a directly proportional relationship between the liberalization of trade and the level of competitiveness of an economic entity, because its competitiveness is the greater the higher the degree of application of measures facilitating trade.

The internal determinants of the competitiveness of enterprises are directly related to decisions made in the enterprise, such as: selection of the management system, organization system, selection of the marketing strategy, production technology, cooperators or defining the assortment offer. The determinants of competitiveness dependent on the enterprise include mainly: the nature of enterprise ownership, the organization and management system, the degree of involvement in public relations activities, the level of qualifications of employees, and the size and costs of production. You can also mention the control system and the flow of information. Starting from the nature of ownership, it should be mentioned that it determines the level of independence and self-financing of the enterprise, as well as its entrepreneurship and financial capabilities.

The nature of ownership also determines which legal provisions a given company must comply with. Organization and management are important determinants of the competitiveness of enterprises, creating corporate governance. A properly functioning organizational structure and management system determine the efficiency of operations and the achievement of the set goals of the company. An important feature that these factors should have – in order to contribute to the increase in competitiveness – is the speed of reaction and adaptation to emerging changes on the market.

The next item is public relations, whose task is to organize and create contacts with the environment. Public relations plays an important role in the company, as it affects its image and good opinion, mainly among buyers, which translates into an increase in their trust and willingness to buy, and thus an increase in the level of competitiveness of the company. regarding the volume and cost of production. The main goal of most enterprises operating on the market is to create such opportunities that will ensure their survival on the market and the acquisition of new target markets. The achievement of the intended goal is affected by all decisions regarding business activity, such as; selection of manufacturing technology, decisions on the type of goods produced or services provided, determining the amount of resources used in the production process and estimating the amount of production costs incurred. Proper decisions determine the achievement of profit, which in turn is necessary to be able to make further investments, and thus strengthen the market position of the company (Durlauf, Blume 2008).

Industry affiliation has a particularly large impact on creating opportunities and threats on a macro scale. The government's policy, especially in the period of economic restructuring and systemic changes, strongly differentiates the activities of enterprises depending on whether they are offered or intended for liquidation. Priority industries for the economy can count on preferential government loans, protective tariffs and other system and financial facilities. The same macro-environment is interpreted completely differently by the head of a modern, private company selling computer equipment, and differently by the director of a failing construction company. The type of activity and the size of the enterprise also influence the analysis of the macro-environment. For a company operating in Poland, macro-environment elements related to local law, infrastructure, drivers of domestic demand, national policies and social developments. Meanwhile, a company with an international reach, implementing a global strategy, must analyze global trends in the extraction of raw materials and their prices, technology development, international relations, and the demographic situation. Regardless of the global analysis of the macro-environment, it must conduct regional and local analyzes for the needs of its subsidiaries located on different continents and in different countries.

The economic environment of the company is determined by the condition of the economy. Its most important indicators are: rate of economic growth and return on capital, interest rate, exchange rates, inflation rate, consumption rate, unemployment rate and debt. The rate of economic growth has a direct impact on the size and type of opportunities and threats for the company. Economic growth in the entire economy entails an increase in consumer spending, which creates an opportunity for the organization to develop and weakens the competitive struggle within individual industries. Recession in the economy brings the opposite effects: a decrease in demand, an increase in competition, often bankruptcies of the weakest companies. The recession also leads to price wars in industries that are in the maturity phase, therefore, the study of economic growth trends is necessary to build the company's strategy. The level of the interest rate index in the economy determines the level of demand for the company's products. In a market economy, the typical consumer behavior is to borrow money to buy goods. An increase in the interest rate poses a threat to developmental, expansive organizational strategies, while an opportunity lies in its lowering. Fluctuations in exchange rates against the dollar shape competitiveness in global markets. If the value of the dollar is comparatively low in relation to other world currencies, then a product made in the United States is relatively cheap (relative to that produced in other countries) and competitive in world markets, even if it was produced at a relatively higher cost. An equally important factor of economic growth is the rate of inflation. Inflation can destabilize the economy, reduce the pace of economic growth, causing interest rates to rise and exchange rates to fluctuate. If inflation is high, then investing becomes a gamble. Forecasts regarding economic growth are unreliable and uncertainty prevails in building strategies. Other elements determined by the economic environment (less often analyzed in textbooks on strategic management) are, for example, the functioning of the market, organization of the capital market, trading in securities or the structure of the economy. In highly developed modern societies, the economy is characterized by openness, the dominance of international corporations, strategic alliances between domestic companies and global capital. The division of labor is complex and limited. There is a specialization of the economy,

which is based on the distinguishing features not of individual enterprises, but of entire sectors or branches of industry (Duliniec 2011, Duliniec 2013).

Technological environment. Technological changes can cause a very rapid collapse of some industries and the emergence of new ones, so they can mean an opportunity for some enterprises and a threat for others. The strength of the impact of technological changes on the economy and management is evidenced by the development of Internet technologies in recent years. Within a few years, on the basis of Internet technologies, the so-called new economy, based on information connections, equipment and digital technologies, generating profits from information services. A new type of activity, e-business, was created in which, thanks to the Internet, traditional distribution channels were eliminated and new forms of communication between the participants of the economy were created. A phenomenon that accompanies rapid technological progress is deindustrialization.

Social environment. In the social environment of enterprises, we observe completely new phenomena. One of them is the growing role of shareholders in management processes. The order of the day is the dismissal of presidents of large corporations forced by general meetings, which accuse the dismissed of errors or insufficient energy in combating crisis phenomena. Shareholders influence the definition of goals, strategy and management of the company, demanding programs to reduce costs, disinvestment, reduction of remuneration for board members, improvement of information for shareholders. Pressures and pressures on companies are exerted mainly by investment and pension funds, which have large blocks of shares or shares in enterprises. a social phenomenon, has a huge impact on the activities of enterprises is moving away from the welfare state. For many years, the functioning of the market economy was based on a social contract that guaranteed and promoted collective and individual social security, the pursuit of prosperity, equal opportunities, the development of national culture, etc. In the 1990s, there is a retreat from the welfare state.

Demographic environment. Changes in the population of a given society cause certain consequences in building a general economic strategy and in formulating the company's strategy. The post-war baby boom in the United States not only created new fields of production, accelerated the introduction of technical innovations into mass production (e.g. new generations of

automatic washing machines), but also brought strategic consequences in the 1960s in the form of the development of the industry producing products for teenagers. Deep demographic changes, important for economic and social processes, are taking place all over the world. The declining birth rate in Western Europe is leading to a rapid aging of the population. This fundamentally changes the structure of demand on the European market, it limits the development of industries producing for children and young people, creates a demand for goods and services intended for the elderly. The growing importance of older people in the markets of developed countries is evidenced by the strong interest of pharmaceutical concerns in geriatric drugs, the development of tourism for the elderly, and the specialization of banking and medical services in this direction.

Political and legal environment. Political and legal factors have a large impact on the creation of opportunities and threats for the enterprise. One of the significant trends observed in the world is the trend of deregulation, abolition of bans, restrictions, legal and customs barriers, etc. Thanks to these trends, the conditions of competition on global markets are changing. Undoubtedly, the economic and political worlds are increasingly intertwined, but these ties are not always beneficial to companies. In each country, foreign policy can create incentives to trade with specific countries, and monetary policy determines the conditions for the profitability of foreign trade. The government's decision to join specific international organizations or treaties may significantly change the operating conditions of enterprises. An example may be the process of Poland's accession to the European Union. Many years before the expected date of joining the EU, Polish enterprises had to compete with European enterprises. This resulted from the gradual reduction of customs duties, the adjustment of quality standards to European standards and other legislative changes related to the integration process. Changes made in the law regulating the activities of enterprises, especially in tax and employment regulations, create new conditions for their functioning. Legislative changes, their role and impact on the functioning of enterprises are very visible in the economies of former communist countries, new system and legal regulations lead to the restructuring of entire sectors and branches of production. When discussing the problems of the political and legal environment, one cannot

omit the very important issue of the new role of the state in the face of progressing globalization. Enterprises expect the state to protect markets for their products on the one hand, and to help them develop new products and technologies on the other. With these new expectations, most countries are adopting very similar strategies. Namely, through national research programs and participation in international public projects, through skilful management of the internal market (tax reliefs, public procurement, trade regulations, etc.), the state transfers public resources to private enterprises on a large scale (Filipescu, Rialp 2009).

The international environment is a specific and dynamic system of interaction between factors in the domestic and foreign environment and factors in the external environment for a given country. Changes in the international environment may create both an opportunity for market expansion and threats for enterprises operating only on internal, national markets. An important factor here is the level of industrial development in different countries. Developing countries, such as Brazil, South Korea, Taiwan and China, provide some companies from highly developed countries with an opportunity to sell modern technologies or equipment. At the same time, for other companies from these countries, they pose a threat of competition from cheaper goods. Arrangements made by international organizations, such as NATO or the European Union eliminate, for political reasons, some countries from active international trade (Iraq, Cuba), and create conditions for accelerated development for others (Yugoslavia). International competition is becoming fiercer and takes on new forms. Restrictions, sanctions and other forms of discrimination applied to some countries may temporarily limit the development opportunities of enterprises, change the intensity of competition and the scope of international cooperation.

Enterprise microenvironment. The company's microenvironment, which is also referred to as the direct environment or the competitive environment, are the factors of the company's functioning on a given market and in a given industry, which affect its development and functioning. It includes entities that are related to the company and its activities – customers, suppliers, competitors. A thorough analysis of the macro-environment outlines the threats and opportunities as well as the level of attractiveness of the enterprise. These are

external elements – groups or organizations that can contribute to the operation of the company and can directly affect its operation. However, the microenvironment of an enterprise is not identical for all companies (Flak, Głód 2009).

CONCLUSIONS

The future of entrepreneurship, the development of companies and their expansion will be largely based on digital knowledge, skills and competences. The latest research by IAB Polska – although it shows that online tools are increasingly used in running a business – also indicates the potential still unused by Polish entrepreneurs, especially in the case of SMEs. The presence of a company in the network can no longer be limited to having a website, e-mail box or profile on a social network. Therefore, in the face of increasing digitization and on the threshold of the Internet of Everything, which will be the key drivers for the development of the economy of the future, digital enterprise education is becoming a basic need. Thanks to it, Polish business will be able to develop dynamically.

A new trend in the development of business and its competitiveness is, among others marketing automation is a segment of information systems used to manage marketing and sales. This system streamlines, automates and measures all marketing and sales activities, at the same time connecting them with the individual recipient and their effect. The main goal of marketing and sales automation is to increase the sales volume by perfectly matching the messages sent to the needs, interests and capabilities of potential customers. Marketing automation technology allows you to:

- Lead Nurturing;
- customer retention; ROI measurement;
- behavioral and transactional segmentation of contacts;
- contact scoring;
- communication personalization;
- combination of marketing and sales activities;
- determining optimal conversion paths;
- integration of many different data sources and Big Data support.

The digital revolution will significantly shape modern business, its models and the way it is managed. Significant changes will include such phenomena as: digital business models, robotics, artificial intelligence, internet of things and technologies ICT. Thanks to the ability to analyze various types of data, draw conclusions from them and adapt to the current realities, the company has a chance to be competitive and expansive, and thus better adapted to the realities of modern business.

More and more companies are facing the problem of digitization and how they should respond to it. First of all, because the digital revolution modifies the traditional understanding of the company, its processes and, above all, the so far known business development models. The sharing economy is becoming a new trend in business processes, and it will affect the management of the company's resources and the development of enterprises itself. On the one hand, people are ready to share their knowledge at low cost with online communities, while at the same time the digital information exchange model lowers the price and thus the market entry threshold. The main consequence is that in the future, the most successful companies will no longer be the ones with the best products, but the ones that generate the best data, thanks to which they offer the best services. Already today, companies can achieve great market success without having to have strategically important assets. They gain access to them by collecting and analyzing the available data or, for example, through crowdsourcing. Increasing amounts of data and information are generated and exchanged around the world at high speed and rotation of their specificity.

This leads to a very fast pace of changes in business processes. Uncertainty also increases as variables become more difficult to analyze and interpret, and thus methodological misunderstandings multiply. Increasing amounts of data and information are generated and exchanged around the world at high speed and rotation of their specificity. This leads to a very fast pace of changes in business processes. Uncertainty also increases as variables become more difficult to analyze and interpret, and thus methodological misunderstandings multiply. Increasing amounts of data and information are generated and exchanged around the world at high speed and rotation of their specificity. This leads to a very fast pace of changes in business processes. Uncertainty also

increases as variables become more difficult to analyze and interpret, and thus methodological misunderstandings multiply.

Modern business must emphasize a common vision of the goal in the company. Therefore, a company seeking to recruit talented and effective employees must offer more than a high salary and an attractive package of additional benefits. Contemporary employees pay more and more attention to such elements as organizational culture and individual development opportunities, and the work-life balance is also becoming very important. Despite the progress in economic integration, we must have specialist knowledge when entering foreign markets.

Despite the benefits of internationalization, one should also bear in mind the barriers and risks associated with such a decision. Facing high-impact strategic moves for the present and future of the company, it is necessary to conduct a detailed analysis of opportunities and threats. Such analysis should be carried out by all enterprises, but especially by micro and small enterprises, because a mistake in their case may lead to bankruptcy. When making a decision to enter new foreign markets, it is necessary to take into account that:

- the markets with the highest attractiveness in terms of the size of demand are at the same time the markets with the most intense competition,
- when choosing a new market, one should be guided not only by the opportunities that exist on it, but also by the adaptability of one's own competences to the conditions that prevail on it,
- Most countries are characterized by inter – and intra-regional disparities, which makes the choice of country of operation insufficient – regional conditions must be taken into account; It is worth paying particular attention to the markets of large cities and agglomeration areas.

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