

# Business analysis of foxconn business essay



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The Foxconn Technology Group is specialized in computer, communications, consumer electronics, digital content, auto parts, and sales of high-tech enterprises 6C industry. With roots technology, manufacturing and forward-looking decision-making, Jau-Ji in Taiwan since 1974, particularly in 1988 in Shenzhen Construction, The Foxconn has expanded rapidly, with more than 90 million people and the world's leading IT customer base, as the world's largest The electronics industry manufacturer. Exports to the mainland in 8 consecutive years, ranks the top 200 list; 2010 among the " Fortune" Global 500 2010 No. 112.

## **Leaders**

Terry Gou founded Hon Hai in Taiwan in 1974 with ten workers to make plastic parts for television sets. In 1988 Terry Gou opened his first factory in Mainland China, in Shenzhen, where his largest factory remains today. Terry Gou now owns 30% of the public company and was ranked 142nd on Forbes magazine's 2007 list of the world's richest people, with a net worth of US\$5.5 billion.

## **Scope of business operation**

The Foxconn leads through its competence, creativity, and teamwork. Its quest for excellence did not allow it to rest on the laurels of its past success, as with the increase in size comes the challenges of operating in a timely fashion. The Group has hundreds of subsidiaries and branch offices through Asia, Europe and the America. The strategy of having " two R&D Clusters they are based in Asia and the America are the major anchors where the R&D teams are housed, where the laboratories are located, and where advanced research is performed. The three design and manufacturing zones

that are located in Asia, Europe, and the America are where the design is implemented and final assembly is achieved in “ large scale/high efficiency/low cost/high quality” via vertical integration. The Foxconn prides itself on its commitment to having “ zero inventory and on time delivery” that adds value to existing products, develops new product line, and beats competition to the market, and where affordability meets state of the art technology. Through its subsidiaries and affiliates worldwide, The Foxconn provides its customers with an “ all in one service” and cutting edge IT products worldwide.

## **Business Model**

Foxconn’s leadership is founded on the basis of maintaining a constant focus on Component Module Move and Service, a business model that was envisaged by its founder and CEO, Terry Gou. The Foxconn offers an extraordinary portfolio of capabilities on the design of components and modules that enables it to deliver a one stop solution from design and manufacture to logistics and to repair and maintenance across the globe. The five key tenets of to underlying business model -speed, quality, technology, flexibility, and cost efficiency – have proven Foxconn’s sustainability that lies at the core of its quest for success.

## **Products**

With its well established technology on molding and tooling, The Foxconn has evolved from being a manufacturer to an innovative technology developer and to becoming the industry leader in mechanical, optical, and electronic integration. It finds a new focus in a host of areas such as nanotechnology, heat transfer technology, wireless networking systems, <https://assignbuster.com/business-analysis-of-foxconn-business-essay/>

green environmental technology, CAD/CAE, optical film, sputter technology, AMT, and networking chipset design.

## **Establish itself in China improve the layout**

The Foxconn continue to enhance R & D design and engineering service capabilities, gradually establish a China-centered, extended development to the rest of the world's international territory.

In the Pearl River Delta region, built in Shenzhen, Foshan, Zhongshan, Dongguan Science and Technology Park, and established the Shenzhen Longhua Global Logistics & Manufacturing for the Group headquarters, its three business revenue year after year into the top ten enterprises in Shenzhen City, and the top ten tax annual tax contribution of over ten billion yuan in Shenzhen. Park is transforming into a new product R & D and design center, the key manufacturing technology R & D Center, new materials, new energy R & D center, manufacturing equipment and tooling technology research and development center, product display / trade / logistics and distribution center and test base the amount of new products, and strive to become Shenzhen construction of “ national innovative city,” the main driving force.

In the Yangtze River Delta region, the layout in Kunshan, Hangzhou, Shanghai, Nanjing, Huai'an, Jiashan, Changshu, etc., to form a precision connector, wireless communication components, CNC equipment, body parts, semiconductor equipment and software technology development and supply chain industry chain polymerization system, boosting the regional industrial structure optimization and upgrading.

In the Bohai Sea region, the layout of Yantai, Beijing, Langfang, Tianjin, Qinhuangdao, Yingkou, Shenyang and other places, to wireless communications, consumer electronics, computer parts, precision machine tools, automation equipment, environmental technology, nanotechnology and other industries as the backbone for regional economic development and manufacture of kinetic energy transfer technology.

In the Midwest, investment Taiyuan, Jincheng, Wuhan, Nanning, Zhengzhou, Chongqing and Chengdu, the focus on the development of precision mold, magnesium alloy, automobile parts, mechanical and electrical modules and other products, actively cooperate with the “ Rise of Central China”, “ West “ National Development Strategy.

### **Sophisticated technology to win the opportunity**

Continued to improve in precision molds, key components, modules and other products both electrical and mechanical integration of technology advantages, The Foxconn actively promote cross-technology integration, nanotechnology, precision optics, environmental lighting, flat panel display, automation, thermal acoustic magnetic, industrial measurement, semiconductor equipment, and other fields have achieved fruitful results.

The Foxconn – Nanotechnology Research Center of Tsinghua controllable growth of carbon nanotubes and application in the field, continue to achieve groundbreaking results. Group of independent development of industrial robots “ FOXBOT”, in the global technology and manufacturing industry to win the subsequent advantages.

The Foxconn testing center in South China and East China is the ILAC International Laboratory Accreditation Cooperation Organization, of which R & D validation, product testing, simulation, experiments, and so is a world leading level.

The Foxconn to actively create “ energy saving, emission reduction, green, recycling,” green business and rigorously enforce the RoHS WEEE international environmental standards such as independent research and development LED energy saving lamps, energy-saving aluminum, intelligent all heat exchangers and other green products, to promote the production, living the quality of the environment and people’s livelihood continues to improve.

The Foxconn has set up all over Papua, the United States, Europe and across three continents of the professional R & D network, establish a sound platform for innovative mechanisms and Intellectual Property Management, 2009, to achieve 13, 400 patent applications, of which 80% or more categories of invention patents, for 5 consecutive years were total patent applications listed mainland and the top three patent applications. Chinese enterprises become the wisdom of riding the right of the global technology industry pioneer.

### **Feedback social care staff**

The Foxconn long-term commitment of Charities, 2008, earthquake in Wenchuan, has more than 7200 million for the donations sent to disaster areas. Accumulated over the years donated money to Over one billion NT Group, benefiting more than 30 provinces. Through the “ disability

employment project”, and actively explore solutions to social problems disabled; by a wide range of school-enterprise cooperation, and create hundreds of thousands of jobs.

People-oriented, profit sharing, employees. Group than the terms of the labor contract law and the full labor contracts, both to purchase legal insurance for all employees, but also for the staff set up five security lines, and establish a comprehensive, multi-level security system employees. Through the allocated units, placements and other measures to motivate good employees, create a “ well-being, stability and development,” the harmonious atmosphere.

Foxconn and Tsinghua University, Peking University, National Taiwan University, renowned academic institutes such as cooperative education, and collaboration with local governments “ Enterprise University”, set up different levels of training system for all willing to learn, willing to learn the staff continuing education, lifelong learning opportunities and conditions for the growth of the young talent pool to create institutional memory in order to display the stage and space.

Hongfei miles, Fuji is Kang. Foxconn will continue to love and cultural tradition, fulfilling social responsibility, nurturing talent, innovation and development patterns, technological innovation and industrial restructuring challenges a higher goal, to create “ long-term, stability, development, technology, international” of the company’s long first-class Green Albert!

Foxconn in China, Taiwan, Japan, Southeast Asia and the Americas, Europe and other places have hundreds of subsidiaries and representative offices of <https://assignbuster.com/business-analysis-of-foxconn-business-essay/>

global logistics strategy, “ both R & D, design and manufacture of three districts, the global assembly of delivery.”

### **Both R & D (Time to market)**

“ Two R & D” refers to the Greater China and the United States as two major strategic pivot, set up R & D team and research and development laboratories, pulse master technology to meet the Group’s product development strategy and an important strategy for global product development customer needs for new product development, creating new growth global markets.

### **Design and manufacture of three districts (Time to volume)**

“ Third District design and manufacture” of the layout of the focus is mainland China as the center, at least three continents, Asia, the United States and Europe set up two manufacturing bases, with product introduction, design sample preparation, engineering services and high-efficiency low-cost high-quality large-scale vertical integrated manufacturing strengths to provide customers with the most competitive technology products.

### **Global assembly of delivery (Time to money)**

“ Global assembly delivery” refers to assemble a global scale to ensure the “ right products, timely, appropriate quality, appropriate” to the goods delivered to the client specified location. To this end, with customer needs for global logistics distribution and channel building in order to reach to goods stock, not when the goods are zero inventory objectives.



## **Goals for future**

Conduct SER on site audits for 200 suppliers identified as being at risk of non conformance

Conduct the “ Conflict Minerals” survey throughout the supply chain and require suppliers not to use those metals

Drive all PCB suppliers to be certified ISO 14001 standard

Drive 200 suppliers to conduct GHG reduction

Cooperate with customers and suppliers to initiate the product carbon footprint program

## **Chart below shows the organization structure of Foxconn**

Board of Directors

General Manager

Assistant General Manager

Executive Vice President

Sales Vice President

Deputy General Manager of Production Technology

Human Resources

Finance Department

General Administration Department

Trade Division

Static Division

Electronics Division

Marketing

Design R&D

Engineering Technology

Static Products

Electronic Products

Service Department

Marketing Centre

Group Marketing Centre

## **About the Kingdee**

Kingdee International Software Group Company limited (stock code: 0268) is a lead software company in China specializing in the delivery of foot blade enterprise management software, middleware in the Asia Pacific region. It is also one of the fastest-growing independent software providers in the world's first line of management in providing online, e-commerce services. Kingdee altar drive as its task to make progress in the management of standard software from it, nurture e-commerce, service its customers, promote China's management of pulse encoder device world. Customer first attitude,

innovation, integrity and responsibility to reflect the group's core values. Kingdee services to enterprises and government information through its 54 branches, and in marketing and service partners, more than 1, 500 consulting, technology and implementation services, and in concentrated demand around the world. It is already recognized by the International Data Co., Ltd. as the largest player in the SME management software market in China in terms of market share of the four series of years, small and medium enterprises as the best in Asia for two consecutive years by Forbes Asia.

### **Future prospects**

Kingdee IDC, was named as the SME ERP market in China for five consecutive years in Forbes Asia's leading, " the best in Asia in a million," one for four consecutive years, " the best ability to Software Award ", " the highest capacity management in China Software ", " Best Technical Innovation Software Award ". In 2007, IBM invested Kingdee, as its strategic shareholders. IBM has been with the Group's cooperation including products, technology, consulting and marketing. The country's economic stimulus measures, including plans invigorate electronic information industry, began to take effect in the second half of 2009. In response to the financial crisis, local enterprises have basic IT applications in a more emphasis on internal management, e-commerce, information technology, and industry consolidation, business transformation and upgrading, while the demand for IT consulting and services commensurate with the growth. The Chinese government has actively promoted e-government infrastructure and support for the domestic software industry and the pharmaceutical industry of information technology development. The next four years, is expected to

harvest time, and the results of these efforts in China in the manufacture of application software, middleware, e-commerce software development, investment, e-government software, medical and hospital management applications. In 2010, the Group is well prepared to seize the economic recovery and a strong software industry opportunity. It will continue to expand the program to different industries through market penetration and further into a service company, and extend the operation of the entire product lifecycle, thereby enhancing its core competitiveness, providing products and services, improve customer value. The team will enhance merger and acquisition to consolidate its active ingredients business management software and middleware in the area of leadership. The team will also further develop e-commerce, e-government, health care of its business, the Group will strive to build a global think tank best management practices to provide greater value in Chinese enterprises, government departments and non-profit organizations.

### **Chart below shows the organization structure of Kingdee**

CEO

Mr. Xu Shao Chun

CFO

Mr. Chen Deng Kun

Non-executive Director

Mr. James Ming King

Non-executive Director

Mr. Ho Ching Hua

Independent Non-executive Director

Ms. Yang Zhou Nan

Independent Non-executive Director

Mr. Wu Cheng

Independent Non-executive Director

Mr. Yeung Kwok On

Independent Non-executive Director

Mr. Gary Clark BIDDLE

Company Secretary

Ms. Ngan Lin Chun, Esther ACS

Qualified Accountant

Mr. Ho Ka Man, Barry CPA

Audit Committee of the Board

Ms. Yang Zhou Nan

Audit Committee of the Board

Mr. Wu Cheng

Audit Committee of the Board

Mr. Gary Clark BIDDLE

Employees

## **Conclusion**

So, we can see lots of difference between Foxconn and Kingdee in business operation, Business Model, Products and Goals for future and etc. The organization structure of Kingdee is smaller than the organization structure of Foxconn. The good thing about the Foxconn is the share in market is large than other company and the competition is strong in the world. And the advantage about Kingdee is the goals are the organization structure is more easy to change than MNC and the management of the company is more humanization. We need to learn the good things and the bad things from Foxconn and Kingdee. The good things can help us to improve ourselves, and the bad things came be the advice to warn ourselves. By the finally, the knowledge are limitless, we should learn more and more knowledge so that we can easy to find the job which we want to get. The information of Foxconn and Kingdee are a good part of the knowledge which we need to learn.