

From starusa to starglobal

Business



Introduction STAR USA is a service-oriented company providing assistance in compliance and regulation of all manners of international trade. Areas of international trade where training is offered include documentation procedures, import and export compliance and customs regulations (StarUSA Inc, 2010). The paper examines the growth of StarUSA from a national incorporation to a global corporation in the form of StarGLOBAL. StarUSA is headquartered in mid western metropolitan. The company is known to produce excellent engineering solutions and its attention to superior customer services.

In its early years of inception, its main customer base was the US and a few from overseas such as Canada and Europe. Internal sales representatives in the export division of the company (Briscoe, Schuler, and Claus, 2009) handled international sales. A number of internal and external changes affected the company in the early 1980's. Bob Lewis became president and CEO of the organization. This was after the founder had resigned.

Bob Lewis had experienced a rise in a career after joining the company as national sales manager. These new developments were coupled with many of the company's clients transferring the majority of their production to their overseas subsidiaries (Briscoe, Schuler, and Claus, 2009). StarGLOBAL StarEURO was established to respond to the demands of their new multi national customers. It was located at Brussels in Belgium. Herman Wouters, who was the largest distributor in Europe, was appointed as the head of operations in Europe and the general manager. Either he was to report directly to the president of the company.

However, he was not to report on matters of specifications, quality assurance, and financial controls. The new subsidiary was operated like a local operation free from managerial or operation controls from the headquarters in the US. The president of the company acknowledged the fact that the daily operations of the subsidiary will not be meddled. Today the company has a lot of employees at the headquarters offices, manufacturing facility at Brussels, and others in their other distributing channels. Later in 1990's StarASIA was established in the economic hub of Singapore. Today, it possesses a considerable number of staff.

Most of them work in the sales and customer service stations located throughout Asia. StarCANADA is the recent establishment of the StarGLOBAL. It is supported by several employees most of which work in the sales departments. The group is planning to expand its operations in America by opening new offices at Mexico and Brazil. The southern hemisphere provides most of the sales. However, StarEURO sales have been slow under the plans.

Most of the company's employee work outside US with a physical presence in more than nineteen countries (Long, 2011). The company experienced rapid growth in sales and operations, which adds pressure on the corporate headquarters to manage its global presence. StarUSA appointed a new director of human resources in the name of Cindy Fratelli. Prior to her joining the company, she used to work in a large insurance company as a compensation manager. Her outstanding accomplishment since joining the company is the introduction of performance management system, a performance based compensation program, management by objective bonus plan for management and a profit sharing staff for employees.

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She also introduced extensive human resource training and development initiatives, together with the information technology team; the human resource information system was integrated with the company's existing manufacturing tools. Later she was promoted to the position of the vice-president of the company. In the new position, her human resource skill was limited to domestic markets. The general manager in Europe assumes the role of the human resource assisted by an administrative assistant. Recruitment process in other markets is done throughout sourcing (Bhat, 2009).

The president of the company had an elaborate plan to globalize the enterprise. However, he was facing a challenge after the StarEURO general manager had tendered his resignation. This intention coincided with the search of a new general manager. Bob Lewis' strategy of globalizing the company was aimed at realigning his organization to take advantage of the growing internalization of business and its customers. At the headquarters, the president held a meeting with the senior management.

The main aims of the meeting were to lead efforts of integrating different roles of the organization. It also retained its responsiveness to the local needs. The human resource was to play a vital role in the internalization process. Knowledge sharing and teamwork was also best to give the institution a competitive advantage. Teamwork was to be performed by the head office and various subsidiaries around the world within the business function.

This idea presented a challenge to the vice president. Despite the truth that she was an expert in her field, she lacked the experience, knowledge, and training in international issues. However, she decided to undertake training to gain knowledge on how to respond to the underlying challenge (Briscoe, Schuler, and Claus, 2009). Conclusion and Recommendation Conclusion Market opportunities, critical resources, innovative ideas, and potential partners are tremendously valuable in the current global economy. To have these favorable factors, StarUSA expanded to different stations in the world starting with Europe, and Asia.

For an enterprise to be successful, it has to exploit the emerging opportunities and deal with the challenges arising from global competitive pressures. Every effective organizational form deals with global challenges to operate efficiently in the new environment. Motivation of the staff is also crucial in the organization for expansion. The hiring of a new human resource in StarGLOBAL resulted in a variety of changes, which served to motivate the staff and, hence, accelerated the growth of the company. Recommendation To change the global culture, Bob Lewis has to increase the freedom of managers. This should be done by allowing managers to develop their own core processes similar to the decentralized models.

This would allow each country to develop its key function and share it across the organization in similarity to independent operations seen in multi domestic approach. He should also encourage a shift from a disjointed, individualized, and independent mindset to a team based knowledge, based and shared learning integrated organization. Many firms that have operated in the local market for a long period find themselves experiencing challenges <https://assignbuster.com/from-starusa-to-starglobal/>

once they venture in the global market. The department that is most hit by this challenge is the human resource department. The StarGLOBAL was no exception as the head of human resource was caught up in the same situation. Career development is also vital for any organization to expand.

The StarUSA sales manager developed his career to become the company's president (Allison, 2005). The human resource director of the StarGLOBAL prepared herself for imminent globalization through reading a number of international human resource books. Again, he prepared by taking steps to develop the necessary global mindset and attending international HR conferences and building a network of global HR. To any company, planning for global succession, the following recommendations and practices should be given: build an acceleration pool of staff, expatriate future leaders into their corporate human resource, expatriate managers to their subsidiaries, build global teams and train their HR in international practices.