

# Analysis of basf chemical company commerce



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## Contents

- Personal communicating

Here is background of BASF Company. BASF is taking chemical company on the universe market. It has four production market sections: Europe, North America, South America and Asia. Furthermore, the production of the company is separate in six different sections: Chemicals, Plastics, Performance Products, Functional Solution, Agricultural Solution and Oil & A ; Gas. The section located in Germany is oriented in production of personal attention merchandises, so called Performance Products. BASF does non sell merchandise to the concluding client. Its merchandises are intermediates like accelerators, molecules and natural stuffs, which are used from other industry companies. The chief mission of the company is to bring forth merchandises for sustainable hereafter.

The study aim is to analysing the external and internal environment of BASF Company. This is utile for understanding the company`s current state of affairs. Based on these analysis, this study gives recommendations to the company, how to maintain its place on the market and to utilize on the best manner its chances.

Research information was collected in the fallowing manner. First, was done the secondary research. For it the chief beginning was cyberspace. Second, the primary research was done by carry oning an interview with Mrs. Sengel, who is member of Executive Board of the company. Finally, based on gathered information the company`s strengths, failings, chances and menaces was analyzed with used of SWOT analysis.

Based on the analyzed information, research consequences are as follow.

BASF is taking company on chemicals market. One of the company`s strength are so called Verbund sides - perfect conglomerates between different sections of the company. Every merchandise produced in the company is used in the most efficient manner. BASF has chance to lifting trade good chemicals market in parts like Africa, Asia Pacific and Middle East. The company is negative influenced by some economical factors like increasing energy monetary values and current recognition crisis.

Furthermore, the negative political factors which influence the company are different Torahs and habitues in European Union about Genno - modified merchandises and some sort of molecules. The menace for the company is raising competition.

In decision, BASF is taking company with a batch of strengths and chances. There are some external menaces, which influence the company. However, if the company utilize its ain potencies and keep on external negative factors, it can develop its market places and to anticipate its great hereafter.

Recommendations are as fallow. First, the most of import thing for the company is to do inventions. This gives chance to BASF to be better than rivals. The company can develop the concern if it is oriented to the market topographic point in new development states like Asia and Middle East.

Second, internal environment of BASF will be better if there are more common and strictly regulations for the employees of every section.

Furthermore, the company has to keep the good communicating within the different sections. Finally, if company makes more researches it will cognize

better the client ' s demands and demands. To shut, BASF has to make everything possible to make merchandises for sustainable hereafter.

### **III. Foreword**

Here is the model within which this study has been written. This study maps as a concluding end product of PLA1-Project Organisation of Business. During this undertaking, we worked in a group of pupils. Our intent was to analyse a chemical science company - BASF located in Dusseldorf, Germany. This is how we made our intent, world. During talks, we studied theories of primary and secondary research, utile for analysis of a company. After that, we did secondary research into BASF` s internal organisation. Furthermore, we did interview with Mrs. Sengel, who is member of Executive Board of the company. All of this information, our group prepared a group file. Finally, the gathered information was analyzed. Based on this analysis, the single study was written, that now lies before you.

In this study, I address the fallowing audience. My primary audience is my talk M. Sc. M. Hajjoubi, who will graduate my study. My secondary audience is every individual who works in BASF Company and who is interested in read it.

I would wish to show my gratitude to the fallowing people. First, I would wish to thank to my group members - Simon Braun, Muzzeyen Gundoghu, Anna Wolter, Ivet Mladenova, Mo Vania and Radu. It was pleasance and truly utile experience to work together with you as a squad. Second, I would wish to show my sincere grasp for our PLA1` s talk M. Sc. M. Hajjoubi, whose audiences, counsel, understanding and forbearance support us from our fist

hebdomad till the terminal of this undertaking. Third, particular thanks are due to Miss. C. Jacobs, for her attempts and counsel to better our linguistic communication accomplishments. Last but non least, I proffer my heartfelt thanks to Mrs. Sengel with who we made our interview. Without part of these people, this analysis would non hold been possible.

Topographic point: Venlo, the Netherlands

11th November, 2012

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## **V. Glossary**

Plague Analysis - Political, Economical, Social and Technological factors which are analyzed

SWOT Analysis - Strengths, Weaknesses, Opportunities and Threats analysis

R & A ; D - Research and Development section

## **1. Introduction**

To get down, here is the macro position on BASF Chemical Company. BASF is one of the taking chemical companies in the universe, like this BASF is influenced by many political and economical factors. Different Torahs and ordinances determine the production of the company. Furthermore, the technological factor has barely influence in this country of chemical production, where the inventions are taking force. In add-on, the chief mission of the company is to make chemical science for the sustainable hereafter. Consequently, BASF Company has a batch of strategic methods to accomplish its ends.

This study has some aims. To get down, one of the chief aims of the study is to analyse BASF Company. To demo the strengths and chances of the company`s hereafter development. On the other manus, this study presents

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the failings and menaces of the company, for which it gives advice to do BASF more successful. In other words, this study aims to gives advice to BASF Company how to better its internal and external state of affairs.

The undermentioned information was collected for this study. For roll uping of information were used two chief research methodological analysiss. First, secondary research was done on micro and macro environment of BASF Company, for which the chief beginning was used cyberspace. Second, the primary research was done by carry oning an interview with Mrs. Sengel, who is member of Executive Board of the company.

The study has the fallowing construction. In chapter two, BASF Company and its merchandise line are shown. In chapter three, the project`s description and purpose are explained. Chapter four of the study is the Theoretical Framework of the study, in which the McKinsey`s seven S theoretical account, PEST analysis and SWOT analysis are theoretically described. In chapter five and six, PEST analysis and McKinsey`s seven S theoretical account are attached to collected information. Plague analysis is used to analyse BASF`s ageless environment, while the McKinsey`s theoretical account is used to analyse BASF`s internal organisation. In chapter seven, is shown SWOT analysis based on the collected information. In chapter eight the decisions based on the analyses are drawn. In chapter nine, recommendations for company betterment are given. In chapter 10, this study is critically appraised.

## **2. Company description**

### **2. 1 General Company Information**



Here is general information about BASF Company. BASF is the taking chemical company, which chemicals are used in about all industries. The production of the company is separate in six different sections: Chemicals, Plastics, Performance Products, Functional Solution, Agricultural Solution and Oil & A ; Gas. BASF like an International company has 70 planetary and regional concern units around the universe. The section in Germany is exhaustively oriented in green goods of Performance Products. BASF combine economic success, societal duty and environment protection. The chief mission of the company is to make chemical science for a sustainable hereafter. BASF ' s 111, 141 employees, located all over the universe, help the company to accomplish its ends. BASF is market oriented in four chief countries: Europe, North America, South America and Asia. In 2011, the most gross revenues are made in Europe and company`s one-year turnover amounted to 73, 5 billion Euros.

## 2. 2 Product Description

Germany`s section of BSAF has a wide scope of merchandises. The chief section is called Performance Products, which includes the following merchandise lines: Dispersions and Pigments, Care Chemicals, Nutrition and Health, Paper Chemicals and Performance Chemicals. The merchandise portfolio of the company in this section includes vitamins and nutrients additives, ingredients for pharmaceuticals and for hygiene, place and personal attention points. Examples are merchandises for hair attention, Sun and cosmetic attention, organic structure attention, facial and unwritten attention. The company does non offer merchandises to the concluding client. BASF develop and sale molecules, accelerators and ingredients to the <https://assignbuster.com/analysis-of-basf-chemical-company-commerce/>

other companies which use these things for industries of merchandises for concluding client. These things are non end- merchandise ; they are intermediate merchandises which go to other stages of the production procedure.

### **3. Undertaking description**

This chapter will give undertaking description. The chapter will be separate in three separate chapters, which will depict undertaking description, undertaking purpose and research attack.

#### 3. 1 Project description

This separate chapter will demo the undertaking description. To get down, BASF is one of the taking chemical companies on the universe market. In this market there is a large competition. First, the hereafter chance for the company is to make new merchandises. Second, to happen new market`s possibilities. Third, one of the most of import things in this subdivision is invention. On the whole, to accomplish its ends, BASF have to understand its own strengths and failings.

#### 3. 2. Undertaking purpose

The intent of this sub chapter is to explicate the undertaking purpose. For this undertaking was collected information about external and internal environment of BASF Company. The purpose of this undertaking is to understand the company`s state of affairs based on McKinsey 7S analysis, PEST and SWOT analysis and based on it to give recommendations about BASF`s hereafter development. Furthermore, to demo BASF`s strengths,

failings, chances and menaces. In other words, these are most of important factors which describe present state of affairs and future possibilities for one organisation.

### 3.3 Research attack

To get down, for analysis of BASF Company's present state of affairs are used two research methods. First, the primary research was done by carrying an interview with Mrs. Sengel, who is member of Executive Board of the company. This information is used for internal analysis of the company. Second, the external environment is analyzed by secondary research method. This includes McKinsey 7S analysis and PEST analysis. Third, the strengths, failings, chances and menaces are described with usage of SWOT analysis. In decision, all of collected information is used to give recommendations of the company, about its hereafter development.

\*The universe can be seen in the Glossary

## 4. Theoretical model

The intent of chapter four is to demo the theoretical model of internal and external analysis. Hence, the existent company's state of affairs will be shown. First, in sub-chapter 4.1 will be shown the internal analysis-McKinsey 7S theoretical account. The theoretical account include seven elements, which are separated in so called difficult S's - Scheme, Structure and Systems and four so called soft S's - Shared Values, Skills, Staff and Style. Second, in 4.2 will be discuss the external PEST analysis. In other words, Political, Economic, Socio-cultural and Technological factors that

influence the company will be include. Finally, in 4. 3 SWOT- overview of the company will be given.

#### 4. 1 Internal analysis

Figure 1: McKinsey 7S theoretical account

7S. gif

Beginning: 7S scheme package

In this paragraph will be shown the so called difficult S` s of McKinsey 7S theoretical account. First, Strategy describes actions and programs of an organisation to accomplish specific ends. The external environment influences the company and its scheme. Thus the endeavor prepares to accommodate on alterations and to find the right topographic point among client and rivals. Second, Structure describes the hierarchy of the company. It shows the relationships between the people which work in the organisation. It can be seen on the organisation chart. It ever depends from the concern scheme, organize the concern internationalisation, size and diverseness. The 3rd " S " from so called difficult S ' s is Systems. Systems are all processs which company uses to run every twenty-four hours. This includes internal and external processs. Systems are straight related to the Structure and Strategy of the company, because they describe the chief patterns of the organisation to accomplish its ends ( Cuypers 2010, 3-9 ) .

The soft " S " from McKinsey 7S theoretical account, which will be given in this paragraph includes - Shared Valuess, Skills, Staff and Style. Peters and Waterman ' s ( 1984 ) argued that shared Values in 7S analysis find the <https://assignbuster.com/analysis-of-basf-chemical-company-commerce/>

nucleus guiding rules of the company. Furthermore, it refers to what an organisation stands for and believes in. Understanding the Shared Values of the company is the easiest manner to happen the chief thoughts and ends of the endeavor. To accomplish these ends helps Skills. Skills are the alone abilities of the company. Skills describe the capacity and quality of the company in contrast with the rivals. It refers to the erudite capableness of staff within the company. Very of import here is quality of the merchandises and services within the organisation. These things are related with the Staff and Style of the company. Staff refers to the figure and type of people employed by the company. However, staff describes the procedures used to pull off the callings of employees. It is related to the Style, because it is straight dependent on the human resource ' s system that manage the manner staff is encourage, wages and motivate. Style is the work civilization. It is depicting the chief manner in which senior directors run the organisation. It is related to the system that influences the processs in the company. The most of import things that manner describes are how directors allocated their clip, beliefs and their leading accomplishments. The chief factors are the size and the construction of the organisation which determines how different sections inside of the company are managed ( Spencer, 2011 ) .

#### 4. 2 External analysis

In the first topographic point, every organisation depends on the political factors. Political factors include authorities ordinances and legal issues. The political factors define the construction of the company and the regulations under which the company must operated. It depends on the construction,  
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because in the different states the trade limitations, duties, revenue enhancement policy and employment Torahs are non the same ( Oxford University Press, 2004 ) .

The 2nd factor which straight influences every sort of company or administration is the economic factor. The economic environment consist different factors, for illustration income and income distribution, current and project economic growing, rising prices and involvement rate. This environment can offer to the company both chances and menaces. Understanding of economic environment determined the company development ( Oxford University Press, 2004 ) .

Third, the company is influenced by societal factors. This lifestyle tendencies and demographic alterations determined the consumer behaviour. The chief intent of every company is to understand which precisely are the consumer ' s wants and demands. If social-cultural alterations are clear, it is easier for the company to developing schemes and patterns to accomplish its ends ( Oxford University Press, 2004 ) .

Finally, in these yearss, one of most of import factors which influence the company is technological environment. This is the most dramatic and the fastest development factor. These are forces that create new engineerings, merchandises and market chances. In the universe of engineering, the company has to be unfastened and fix for new chances ( Oxford University Press, 2004 ) .

#### 4. 3 SWOT

Harmonizing to Berry, the SWOT analysis is an highly utile tool for understanding and decision-making for all kinds of state of affairss in concern and organisations. SWOT is an acronym for Strengths, Weaknesses, Opportunities, and Threats ( Berry, 2012 ) .

Strengths are internal capablenesss that may assist the company to make its aims ; in contrast failings may interfere for that. This includes apprehension of the internal environment or the state of affairs inside of the company or administration. The factors which determined the straightness and failings of the company are tend to be in the present. Factors are associating to merchandises, pricing, quality, staff and procedures within the company. With apprehension of these factors the company may understand the alone merchandising proposition and how to better it ( Berry, 2012 ) .

Opportunities and menaces are related with the external environment which shows the state of affairs outside of the company or administration. Here, the factors tend have to be in future. Factors here are associating with markets chances - manners, tendencies, seasonability, political relations, society, rivals and every other external factor which influence the company. With apprehension of chances company is able to work the external factors to its advantage. Menaces are negative factors that may dispute the company`s public presentation ( Berry, 2012 ) .

## **5. External analysis**

This chapter explains the external environment analysis - Plague. The chapter is divided into four bomber charters. First, sub chapter 5. 1 will give the Political factors, which influence the BASF Company. Second, 5. 2

illustrate Economic factors. Third, 5. 3 show Social factors. Finally, sub chapter 5. 4 analyzes Technological factors which influence the company.

### 5. 1 Political factors

There are some political factors, which influence BASF Chemical Company. One of these factors is a common enterprise for a sustainable chemicals industry has launched by European Union in 2005 twelvemonth. This factor has a positive consequence on BASF, because the mission of the company is to make chemicals for sustainable hereafter. This political factor gives chance to the company to do more inventions with coaction on European Union. The negative political factor for the company is unfavourable political environment. In European Union there are different Torahs and ordinances about Genno- modified merchandises and some molecule merchandises. For these ground USA is more favourable market for these sorts of merchandises ( Thomas, 2005 ) .

### 5. 2 Economic factors

One of the consequences from present recognition crisis is reduced ingestion of clients. This is strong factor, which influence BASF Company. It makes the hereafter more unstable and precariously. Merely the best companies with the best merchandises could maintain their market`s topographic point. The 2nd economic factor which influences BASF is increasing energy monetary values. It is negative because it could damage chemicals industry fight farther. On the other manus, there is increasing competition from new economic powers, such as China. To avoid these negative factors, BASF



Company could orientate to different markets, such as Africa and Middle East ( Thomas, 2005 ) .

### 5. 3 Social factors

In chemical`s industry is really complicated to happen new good educated faces. The ground is the fact that immature people choose other callings in different subdivision. Young endowments in chemical`s subdivision, which are good educated require really high wage and good working conditions. BASF Company is working to better affairs. Flexible on the job clip is one of determinations of the job. On this manner could be attached qualified labor ( Thomas, 2005 ) .

### 5. 4 Technological factors

For BASF Company the technological inventions are really of import. The chief ground is that technological inventions gives chance to the company to do merchandises better, and to add new merchandises in company`s portfolio. The company is focal point of solutions for sustainable hereafter, and decidedly inventions are the cardinal point for it. At all, the planetary engineering platforms act as spouses in merchandise development ( Thomas, 2005 ) .

## **6. Internal analysis**

### 6. 1 McKinsey seven S model

To get down, for BASF like as world`s taking chemical science company is really of import to beef up its place on the market. To accomplish this end, company has to concentrate their concern on customer`s demands and  
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demands. In chemical science market, and for company, which do non bring forth merchandise for the concluding consumer is required to concentrate on invention, to make new merchandises and functionalized stuffs, and to happen new solutions for more sustainable hereafter. These things are really of import excessively, for the other purpose of the company, which is to increase year`s net income with mean four per centum per twelvemonth, and to turn two per centum points faster than planetary chemical production ( Interview, Appendix 1 ) ( BASF, 2012 ) .

The construction of BASF Company is a Matrix construction. The Matrix organisational construction divides authority both by functional country and undertaking country. In BASF there is Board of Executive Directors which consist eight members. They are responsible for the direction of the company. The Board of Executive Directors on a regular basis reports to The Supervisory Board. Supervisory Board consist 12 members, six stockholders representative elected by the Annual meeting and six members appointed by the representative organic structure of the employees. Every state and every different section in BASF Company has a head, who are supervise from the Chairman of the direction board - Kurt Bock ( Interview, Appendix 1 ) ( BASF, 2012 ) .

The company systems are really of import for the concern and for good done work. BASF has an ain selling section in every state where the company is located. In add-on, they have back uping selling bureau outside the company, which helps them to develop the motivations and the manner BASF wants to show itself to the clients. Like a chemicals company, BASF usage merely trait media for advertisement - place personal attention

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magazines or euro- decorative magazine, which are particular magazines for decorative market. To be and to be successful a large company like BASF is necessary to hold fixed regulations and good communicating between different sections. Primary method within the company to discourse the jobs and development in the market are manager`s meetings. The complicated construction of the company determined the demand from day-to-day meetings of the leader figures in the organisation, much that the other companies ( Interview, Appendix 1 ) ( BASF, 2012 ) .

One of BASF`s ends is to do regulations and system more common in the different states. The leader manner in the company allows to employees to portion their thoughts about inventions. Every thought on issue placed by some of employees is consider, but the chief determination is ever taken by The Supervisory Board. In the same clip, the direction manner is people oriented, one of the most of import things for the company is to understand consumer demands, and to make values for them ( Interview, Appendix 1 ) ( BASF, 2012 ) .

BASF is company with about 200A 000 employees. Every twenty-four hours in Germany for BASF works 54A 000 employees. They work in different sections but the duty for their work is taken by directors of every section. There are a batch of models and ushers which are coming from the cardinal section, and which are common for every employee. The employees have to esteem the regulations and framework given by the chief section. Wages and warnings in the company depend from Human Resource Department. There is non something particular within the company, they fallow the legal system. Every employee has a set of mark which is called “ employee

duologue ” . This makes direction manner in the company unfastened for thoughts from employees. “ Employee duologue ” gives chance to employees to speak about the ends which they are accomplishing in the twelvemonth and to portion new thoughts. The inducement system in the company is connected with wages as money fillips for good done occupation ( Interview, Appendix 1 ) ( BASF, 2012 ) .

BASF Company, as company which do non bring forth merchandise for the concluding clients, it is really of import to makes merchandises better, healthier and safer than rivals. The ground is that the terminal consumer ne'er seen and could non understand that BASF Company is better than rivals, and can non contrast them. The most of import thing for the company are inventions, this is the lone manner that company can be alone and typical from rivals. The Company passing a batch of money every twelvemonth to do research, which helps to happen new chances for development. In the same clip, the company makes everything possible to hold merchandises which are already developed and to do them successful on the market. The chief inquiry for BASF is to understand better than rivals what are precisely consumer`s demands and to be ready to fulfill these demands on clip ( Interview, Appendix 1 ) ( BASF, 2012 ) .

The nucleus value of BASF is to make chemical science for sustainable hereafter. To accomplish its ends BASF tries to be a company with advanced merchandises, intelligent solution of jobs and good service sections. The company strives to be the universe most widespread provider in the chemical industry and to bring forth high return of its assets. It wants to

make these purposes without harming the environment and nature

( Interview, Appendix 1 ) ( BASF, 2012 ) .

## 6. 2 Interconnection of the seven S

To get down, for BASF like as world`s taking chemical science company is really of import to beef up its place on the market. For accomplishing its end for the Company is necessary to do its merchandises better than competition and to has high quality of its services. For this helps The Matrix organizational construction and the direction manner of BASF, which is people oriented - oriented to understand client ` s demands. The company is focus on inventions and every determination for a new thought is taken by The Supervisory Board. For the company`s success is of import to hold good communicating between the different sections and to hold fixed regulations. In BASF this is achieve with regular meetings of The Board of Executive Directors.

The company strives to be the universe most widespread provider in the chemical industry and to bring forth high return of its assets. For these ends, company has to use extremely qualified staff. Furthermore, the leader system of the company is focal points to promote the employees to portion their new thoughts. For this, the company usage so called " Employee duologue " . On the other manus, the company has to put in researches. The R & A ; D section is responsible to happen new market chances for BASF.

The chief mission of BASF is to make chemicals for sustainable hereafter. For this end helps the good administration construction, cooperation between sections. On the other manus, really of import are employees and the

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manner they are managed. Very of import are inventions and the manner of the company. All of these things determined the current state of affairs of the company and its future place and development of the market.

## **7. SWOT overview**

First, BASF Company is one of the taking chemicals company in the universe. This factor gives opportunity to the company, to pull off the large portion of the market and to hold difficult influence on smaller chemicals companies. Furthermore, as so international and large company BASF has a batch of production sides around the universe. One of the company`s strengths are production sides, so called Verbund sides. These sides have truly good pudding stones of the production. This conglobation allows, every sort of merchandise produced within the company, to be used in the most efficient manner. Different stuffs produced in one section of the company, can be used in another one, which means that the BASF Company produce natural stuffs which use in its ain production. Besides, this allows to the company, to bring forth a batch of different stuffs and merchandises, to do inventions in this sector and to make more value for the clients than rivals ( YouSigma 2011 ) .

Second, BASF Company has a immense net income in the last twelvemonth. Nevertheless, in the last few old ages is ascertained worsening net incomes in several concern sections, which is one of the company`s failing. There are several grounds about this fact. The firs ground, is one of the company menace, is the Economic lag in the European Union Region, which is due of the present recognition crisis. The recognition crisis in these yearss screens and influence, both little and in the same manner immense companies like <https://assignbuster.com/analysis-of-basf-chemical-company-commerce/>

BASF. The other ground is that people in European Union have possibility to take between hundred different merchandises. Here the competition is truly strong and the market in Europe is developed till upper limit. One of company chances is to lifting trade good chemicals market in parts like Africa, Asia Pacific and Middle East. These are the growing parts of the hereafter, for about every sort of industry, because the growing rate of net income in future in European states would non be so high. The other chance for the company is ever to develop new merchandises and new thoughts ( YouSigma 2011 ) .

Figure 2: SWOT analysis tabular array

**Location of factor****Favorable****Unfavorable****Internal****Strengths****Leading chemical company****Concept of Verbund****Assortment of merchandises****Failings****Decrease earning in some states****Less outgo for R & A ; D****External****Opportunities****Merchandise inventions****Expand the concern in Africa, Asia and Middle East****Menaces****Laws and ordinances****Economic lag in European Union****8. Decision**

BASF is international company, which is leader in chemical market. The company production is separated in six different sections and its market is oriented in four chief parts. The section of the company which is located in Germany is oriented prissily in production of Performance merchandises -



merchandises for personal attention. Furthermore, the chief mission of the company is to maintain its place on the market and to make merchandises for sustainable hereafter. For understanding the present state of affairs of the company was collected information, based on it was made analysis for internal and external environment of the BASF Company.

In this study, BASF Company was analyzed. For this analysis were used McKinsey 7 S theoretical account for internal environment of the company. The failings, strengths, chances and menaces were analyzed based on SWOT analysis of BASF. Based on these analyses it was found that the company has good conducted Matrix Structure and good on the job direction manner. However, planetary company like BASF is hard to pull off and demand rigorous regulations and models for the employees. On the other manus, the company produces intermediates, which are used from other industry companies to bring forth concluding merchandises. For these ground, the concluding client is non ever informed for the quality of BASF`s merchandises. This is the chief fact, that one of the most of import things for the company is inventions. Surely, the inventions and development are the company`s chief mission. For this mission helps quality R & A ; D and selling section. The conglobation of the different sections is one of company`s strength.

For apprehension of BASF`s external environment was used PEST analysis. It was found that, there are different political, economical, social-cultural and technological factors which influence the company. One of negative factors is different Torahs and ordinances, which limited the production of Genno-modified merchandises and some molecule merchandises in European

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Union. In the same manner, negatives factors which influence the company are increasing monetary value of the electricity in these yearss, and increasing competition from states such China. But at the same clip, the European Union gives chance for inventions, which is positive political factor for the company. In decision, the company is focus to bring forth merchandises and to happen solutions for sustainable hereafter. Understanding of internal and external environment is the chief factor for achieve its end.

## **9. Recommendation**

In this study BASF Chemical Company was analyzed. Based on these analysis was find the chances, menaces, strength and failings of the company. Furthermore, the internal and external environment of the company was analyzed. Based on this information, this study gives recommendations of BASF how to take advantage of its chances.

First, BASF Company can be better than competition if it makes more inventions. This is possible with coaction of R & A ; D and selling section. The company has to be unfastened for new thoughts and to seek for people who are utile for it. Furthermore, the chance for the company is to lifting trade good chemicals market in parts like Africa, Asia Pacific and Middle East. On this manner, BASF will go on to develop the concern and to retain its place on the market.

Second, one of BASF`s mission is to do its direction systems more common for every company`s section in the universe. For this mission the company has to make more purely regulations and models, which a common for every

employee. Furthermore, BASF have to maintain the good communicating within sections.

Finally, BASF Company have to put more in research about customer`s demands. This is the best manner to beef up its place on the market. The most of import thing for one company is to cognize precisely client`s demands and to do everything possible to make merchandises better than rivals.

## **10. Critical assessment**

First, the information collected for the external environment of the company - Plague analysis, was really less. There were non interview inquiries about PEST analysis. For this ground, was really hard to find the current external environment of the company and factors which influenced it.

Second, BASF Company is immense company for which is easy to happen a batch of information. It is hard to find which of the information is truly of import. Furthermore, the clip for composing the study was limited and the interview was conducted tardily. It is really hard with so much information to happen the right beginning. To shut, it is necessary to be more prepare with the information for this sort of study.

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