

# Strategic leadership on alliance or vertical integration case study on cisco syst...



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1) Cisco is one of the leading world companies dealing in Internet technologies, famous for its acquisition policies. It has integrated many companies since its inception. Its business strategy revolves around leadership in manufacturing technologies with total customer satisfaction. It has benefited from unprecedented growth of the Internet market. Within 2 to 3 years of its establishment, it vigorously pursued policies of acquisition of other companies related to its field of specialties. The main purpose of acquisition was to get hold of technological knowledge. It also wanted to use the expertise of employees of acquired companies. Cisco's employee friendly policies was instrumental to its success. This acquisition policy has played a key role in the swift development of hardware components used in the Internet field. As all the acquired companies had their own infrastructure and clientele base, it helped Cisco in development and expansion. Although it maintained its leadership role in the market, yet this did not deter it from entering into partnerships with other manufacturing and software designing companies. Morgridge's philosophy proved very successful. The strategy of integration with competitors and other associated companies have made Cisco a world leader in the field of Internet and IT.

2. Hi Writer, I think this framework will help you better. Forget about the write up. Please help to identify all the factors and analyze why it is important from the perspective of customer, employer and writer. I am very sorry, but when reading your paragraph, I am not clear even after reading a few times how to pluck the factors into the following table. This is exactly what the question is asking for. Thanks.

Factors Assessed

Why is it important

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## Customer

1. Demand of Products of Company

2. SWOT analysis of Services & Products of Company

1. It would help in future planning of products after acquisition.

It will help in assessing potential of company.

2. It gives clear idea of Strengths and Weaknesses of Company 's Products and Services as Customer.

## Employer

1. Technical Know how of workers.

2. Strengths and Weaknesses of Employees

1. Cisco always remains interested in Technical Knowledge of workers of candidate company. Cisco likes to retain these capable employees.

2. As employer it is important to select the best workers for retention and leave the less capable ones

## Investor

1. Stock Performance

2. Strengths and weaknesses of Company

1. As investor Cisco assesses the stock performance of company in order to use it after acquisition

2. SWOT of company performance in Stock market will help in future ventures after acquisition.

3) Many factors favor the purchase of INS. INS is a leading network consulting company with about 2000 employees. Most of them are senior professionals in their field of expertise. It is a rapidly growing company with very good market share. Cisco possessed 8% share of the company and its

executives also serve as members of the Board of Directors. The <https://assignbuster.com/strategic-leadership-on-alliance-or-vertical-integration-case-study-on-cisco-systems/>

requirement of INS products is conditional depending on the type of installed networks. It is estimated that about 0.5 million engineers and technicians would be required in future for Internet companies globally. INS major telephony products (services) are Cisco expertise dependent. They are requirements for IP telephony roles and Cisco Certified Design Associate. Here comes the Cisco acquisition strategy in play. The main interest of Cisco in INS rests in its workforce. Cisco thinks that it can provide better service by making INS a part of its company. It is recommended that Cisco acquire INS. Cisco can enhance the customer service range and expand its influence on the market. However, Cisco should go through a proper due diligence exercise associated with any acquisition, taking into consideration qualitative and quantitative cost and benefits. For building a significant position in the telephone company market. They should have expertise in combination of data, voice and Microsoft skills.