

Citigroup inc. essay



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Citigroup Incorporated

Introduction

Citigroup Inc is the second largest financial service firm in the world, and it is based in New York City. The firm was formed as a world largest merger in the American history between large banking firm Citicorp and financial merger Traveler Group in 1998. The firm currently owns close to one trillion US dollar worth of assets. The company operates on over 107 nations with about 12,000 offices all over the world. The company also creates a great deal of employment with a staff of about 358,000 around the globe, and operates over 200 million customer accounts in over 100 nations worldwide.

The merger between Citicorp and Travelers Group enabled Travelers to market mutual funds to the Citicorp's retail customers and also provided banking access to broader customer foundation and insurance purchasers. Though the merger was presented as a merger, the reality on the ground was more of a stock swap with Travelers group purchasing the whole of Citicorp shares for about seventy Billion US dollars and issued two and half new Citigroup shares for every Citicorp share. The chairmen of the two companies were announced as co-chairmen and co- chief executive officers of the new firm. The company also maintained ' Citi' as brand name and adopted the travelers red umbrella as the corporate logo

Mission Statement

Citigroup Inc operates under a mission that realizes that foreclosures impinge on individuals, families and communities. The company also appreciates that early intervention and total understanding of the available

alternatives are very critical for extenuating or minimizing the impact of foreclosures. Citigroup Inc operates a Home ownership Preservation Office (OHP) that is devoted to finding resolutions that safeguard home ownership and help reduce the challenge experienced by Borrowers (Ebert & Griffin 2000).

The firm works in close association with other stake holders who campaign on behalf, including regulatory authorities, independent bodies like non profit organizations, government agencies, top officials, and many others (Dymski 1999).

Career Opportunities

There are several departments in its organization and is a large employing company. The company offers people an opportunity to grow and develop their careers. They treat their employees with respect and courtesy they deserve. The management affirms that if you ask any of the employees about the situation at Citigroup, they would always tell you that it's the greatest place for work (Ebert & Griffin 2000). The firm operates various departments and they have opened online job search sites where interested groups can look for the available career opportunities. For beginners, there is full support from the fellow employees and camaraderie among them encourages better performance. The building of a conducive working environment is a collective responsibility aimed at providing better services to their customers (Dymski 1999).

Citigroup Inc provides a working situation that allows workers to have a life of their own in that the individual priorities. Currently, the company is hiring customer sales and Service associates and collection representatives. Those

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interested are asked to register for pre employment information and test sessions at www.careers.citicards.com or call 1-800-714-CITI (2484). There are also opportunities for team managers to provide inspirational leadership. I would really like to work with the Citigroup Inc because of their hospitality and good working conditions for the worker. Besides the company offers day, overnight and evening opportunities with evening and overnight schedules offering appropriately designed shift discrepancy. In addition, the company offers exceptional salary and enticement pay to their employees including some marvelous benefits like; medical coverage, global career opportunity, schooling assistance up to 80%, and pension.

Trends in Sales and Earnings

The Citigroup Inc Company has suffered losses recently reporting a loss of about 0.72 US dollars in the third quarter of 2008. In the year 2007, the company also reported an annual earning of \$ 0.72 per share as reported on 01/15/2008. Citigroup Inc recorded revenue of 16.7 billion US dollars for the third quarter consequently missing the \$ 19.5 B estimate. It's also ascertained that this was actually -10.6% lower than the previous year's quarterly results. In 2007, Citigroup Inc collected \$81.7 billion which was -8.8% less than the previous year, Business Weekly (2008).

The company has entirely failed to meet expectations over the recent years and the management attributes the poor performance to; the critical write-downs and losses on sub-prime direct exposure in unchanging income markets. A hefty increase in credit costs in the United States customer loan portfolio.

Revenue and volumes however continue growing in other franchises and good results were obtained on the international market, wealth managing, transaction and advisory Business Weekly (2008). The performance of the company is not acceptable by the management and it's not considered to be growing in terms of the number of customers/ market share and the profits it is making. Measure have been put in place by the management to ensure that the company keeps up with the competition in the market across all franchises while at the same time taking in to account the business risks (Dymski 1999). All these steps would ensure strong market base, increased dividend rates and concentration on divesting non-core assets and commerce.

Citigroup Inc New Products

Product portfolio for the Citigroup Inc financial company is very diverse, Business Weekly (2008). There are various customer products offered and they include loans, banking services, credit cards and insurance coverage. Some of these products and service have become very essential for better performance of duties in peoples lives for example, insurance cover and credit cards (Ebert & Griffin 2000). One cannot afford to miss obtaining at least one of the products offered by Citigroup or Citibank to be specific. I would purchase a credit card and take insurance cover because of the benefits that come with the services which include convenience safety and protection.

Conclusion

The assessment of the Citigroup Inc performance shows some aspects of success that are attractive to investors. Though recently the company had <https://assignbuster.com/citigroup-inc-essay/>

experienced slowed growth, plans are underway to recover the status and the economic growth as it was in the beginning. The quarterly earnings and revenue have consistently gone down but with good planning and change in product portfolio towards commercial products, earnings and revenue are expected to go up. Being a financial company it's very hard to determine the future of the bank as some aspects show it has excellent future prospects while others signals are showing that the future of citigroup could be at stake.

References

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