

Case study example

Business



Case Study Case Study Benefits and drawbacks of moving HQ When working on the identification of a good place to set up a HQ the movement will be a beneficial one based on the anticipated gains. The moving of a business to a place with so many opportunities such as New York or London will be beneficial as it provides numerous opportunities for investors as well as positions the company at a strategic place to gain from all the traffic emanating from all business dealings taking place in that location. It will increase the company's visibility to new shareholders and expand its investments based on the number of people wishing to capitalize on such chances (Bischoff-Turner, 2008).

The movement of a company to a place with lower taxation regulations allows it to capitalize on the legislations present and attain as much investment and revenue from its activities. This provides it with a better way of looking at things and provides new opportunities that will boost its future investments (Lamb, 2012). Political motivation could also be a boost as it works on strengthening commitment to that country and providing more strength to its corporation. It will build good reputation with the new economic aspects present to provide better commitment. It also positions the company as a global player and provides different investors with investment opportunities (Bischoff-Turner, 2008).

The most important goal is to provide new avenues that will boost a country's position in terms of employment opportunities. Relocations will see a loss of revenue, loss of jobs and more doubts about the country's potential to sustain economic growth and development (Bischoff-Turner, 2008). High-quality service provisions may lack in the new area, and that could influence the company negatively as it seeks to attract new clients and provide them

<https://assignbuster.com/case-study-example-essay-samples-50/>

with quality services. It is always important to look into the impact this will have on its service provision (Lamb, 2012).

Moving a HQ

The movement of a HQ from one country or city to the next will depend on the benefits noted in that particular area. The problem with this is the inability to generate the required amount to sustain the business in the new area and lack of stringent measures to pursue a competitive edge in the new area (Lamb, 2012). If these were sorted out, it would be good to move. The company will also move if the intended gains are both in terms of revenue and investor visibility. If the gains are more to the company and shareholder investments, the movement will be ideal, and the HQ will be relocated (Bischoff-Turner, 2008).

Discouraging MNE movement

Setting the right policy mechanisms will be a great maneuver since bad legislations lead to poor investments and average revenue gains. As such, working towards this will provide a new way of looking at things, and this will only work if the companies can withstand the changing global trade rules (Lamb, 2012). As a country, setting the right pace for more companies to set shop in the country is imperative. Improving security and encouraging stringent measures to protect investors is another strategy since that will provide more freedom to transact. This will also make the country a home for more MNEs seeking to increase their presence in the region (Bischoff-Turner, 2008).

References

Bischoff-Turner, S. (2008). From strategic planning to strategic positioning. New York: Conservation Impact

<https://assignbuster.com/case-study-example-essay-samples-50/>

Lamb, C. (2012). Essentials of marketing (7e ed.). Mason, OH: South-Western Cengage Learning.