

Contemporary developments in business a flashcard



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This report is specified towards accounting and antagonizing the external and internal drivers from 2002 to 2008 for ' Delicate & Touché ALP, a United Kingdom member firm of DID because of the business's heterogeneous nature of operations. However DOT has also been the subject of this report where global trends on wide spectrum are analyzed. Delicate & Touché ALP has been remarkably successful since its foundation.

The success factors that are pre-dominantly present ever since are innovation, diversification, adaptability, business competency, exploring new markets, intense research and development ventures, investing in its human capital and providing excellent service. The company's annual reports reveal stunning figures that are indicative of its sure success. 82% of its workers carry pride in being part of the group. The company was ranked 6th among 20 best big companies to work for by The Sunday Times 2007.

The company enjoys 1 1.

5 % increase in its gross revenue in 2008 making it reach to EH, mom from EI , mom in 2007. The report is divided in to two parts. The first part identifies and analyses primary internal and external factors that the company is subject to. The second part looks at influences of those factors with a critical analysis and commendations for improvement. The report is structured on the classical approach for analyzing internal and external factors I.

E. PASTEL and STOW analysis.

Undoubtedly, these factors play a significant role in persuading the company's responses for further mode of actions of performance, taking it further to next level, where these factors shape up the business, carry on the company's name as a success or failure, thus setting industrial and at a more advance level, global trends. Part 1 Identifying and analyzing the primary internal and external factors that influences Delicate & Touché ALP

Internal factors: Human Capital/ Human Resource: When it comes to human capital, the most challenging issue faced by a company is retaining and managing its people.

Emerging markets, mergers and acquisitions, shift in growing powers with economies such as China and India are quite influential over the employees that were developed by one company, working for its rival soon after. Beating rivalry to certain extents, Delicate & Touché ALP takes good care of its people.

The company practices best human resource practices, right from the beginning of the journey of new hires. The hiring policy has been categorized under these names: Experienced hires, Graduates and Scholars.

Delicate & touch ALP ranks 2nd in The Times Top 100 Graduate Employers 2006 and remarkably also wins Personnel Today Awards for Excellence in Graduate Recruitment 2006/2007 (www. Delicate.

Com). Moreover, the company has a flexible approach towards maintaining and improving their productivity/ performance levels by investing in project management, cultivating a knowledge sharing/ transfer culture and

identifying industrial talents. Extending the vision to 'graduate scheme' that is a huge project within and aims to acquire the best available talent.

This scheme is customized to new hires and offers them a wide platform for experimenting themselves in the wide range of service areas, taking on further with their explored skills. Also with a huge budget assigned for training and developing its people, this visionary approach retains the workforce who understands the business, changing trends and challenges to the business over a period of time. The noticeable thing here is that the business is competent enough to see beyond the obvious and believes in taking risks.

Business Infrastructure: Any business's success and failure is widely held by the infrastructure it's built upon. Having said that, either its centralized, decentralized, hybrid, authority to make decisions lies with whom and so forth destines its success or failure. Delicate & Touché ALP is a member of DOT and is responsible for adhering to DOT standards of doing business. Board of partners and partners of four year terms of office nominates the chief executive of the company.

The infrastructure is based upon development and management of professional services, designing winning strategies and policies, financial performance-the ultimate goal of any business, developing TTS people, and successfully representing Delicate & Touché ALP on the board of DOT with no compromise to 'quality' being the ultimate driver for the entire journey to meeting business objectives. **Capital Infrastructure:** When it comes to Delicate & Touché ALP, financial/ capital infrastructure raises no doubts

whatsoever because of the reputation the company has earned over a century and accountancy being its prime function of business back in 1845.

The company has its capital infrastructure build upon these principles of finance: implementing controls over the company's assets, adhering to all necessary compliance obligations, managing the risks faced by the company, cost effectiveness and efficiency in all respects of operations penetrated from top to bottom and across the company, tracking and maintaining company's performance and inferring that to financial figures, identifying and predicting the factors influential enough to change the company's financial revenues.

Adaptability to Changing Trends: Responding to change may be daunting and surely is a pain staking process too. People don't like change and so do businesses. But it is UN-avoidable. The most rapid is the technological changes any industry sees. Changing needs and diversification constantly feed the technological changes.

With the company, achievements like ' Best professional services website' rated by The Web Globalization Report card for last 5 years has been accomplished.

Needless to say that the company's Information Technology- IT infrastructure has been build upon most suited and efficient systems hiring technologies such as 4th Generation Languages (GAL.) that reduces programming efforts, managing databases, automated report generators applications, web development etc. Also, business technologies such as Business Process

Reengineering-BPR that reduces the cost of doing business, increases cost
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efficiency and productivity gains, hiring 3 business applications like Enterprise Resource Planning -ERP but to name only few.

External factors: Globalization: The most important factor to be addressed when DOT claims being global is how strategically, the company's partners adheres to operations in 140 countries.

A regional or a more customized approach is quite a demand, which could be witnessed as a result of its proud presence globally. Also, what more important is that DOT and its partner companies think globally. Delicate & Touché ALP play its part in globalization by dressing global issues with its operations in United Kingdom such as supporting local charities NSP (National Society for Prevention of Cruelty to Children) and Cancer Research U.

K for 2008 and 2009, supporting local communities through taking community-serving projects, practicing Corporate Social Responsibility-CARS policy, building norms Of business in their respective countries of operations and so forth. A matter of pride for Delicate & Touché ALP under the umbrella of globalization is an appointment as the official professional service provider to London 201 2 by The London Organizing Committee of the Olympic Games and Paralytic Games (LOCO).

The U. K partner firm declares this achievement as once in a life time opportunity for its people to serve LOCO in staging 201 2 Olympics.

Environmental Policy: Marking a global presence couldn't be possible without adhering to a firm environmental management which is aggressively

practiced too. Delicate & Touché ALP focuses on from broader issues like waste management that shadows the same culture to third parties; suppliers by educating and communicating the expectations of accepting only environmental friendly supply (implementing procurement policy), archiving green energy and aiming further 10% of energy from dark green sources that are wind, solar energy (whom.

Elliott. Com) to more communicate issues like providing only fair trade coffee at its premises, water served in re-usable bottle. 'Low carbon economy' that screams for adoption by the businesses in a desperate need of saving our planet provides a great opportunity to the company through offering consultancy products that are devised with a 4 strategic approach such as Business Process Re-engineering-BPR to modify business processes.

BPR could be used to re-design business process to cut carbon emission both mechanically and or manually as required. ; Carbon Management: Analyst articulates that financial crisis wouldn't make 'going green' any easier for companies.

However, a major effort made in this regard by the company is a mission called 'green agenda'. This agenda flows internally through individual/ team obligation that attend to recycling 70% of the waste, reducing paper consumption, replacing business traveling by virtual systems (video conferencing) where possible.

This agenda is an outcome of tracking its carbon footprint. Competition: Delicate & Touché ALP operates in an extremely challenging and tauter market, which provides little room for mistakes.

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Since it encompasses four respects Of the services offered, and compete with other big three global auditors, namely PricewaterhouseCoopers with a revenue of \$28. Ban, Ernst & Young; revenue \$24. Ban and KEMP; revenue \$22. Ban, DOT has its revenues declared as \$27. Ban ranking it 2nd in the list of four.

Getting back to prevailing economical trends, one company's loss could be other company's gain; Delicate & Touché ALP could either clutch the opportunity of administering/ providing solutions to collapsing businesses or face itself, an extreme competition from the rivals.

Two examples of such that very recently appeared is firstly where ' Whittier of Chelsea' yet another chain of stores on high street is too in need of administrator, for which Ernst & Young had been lined up. (guardian. Co. UK-23rd DCE 2008) and secondly The Officers Club, taking into account hiring PricewaterhouseCoopers administrator.

Telegraph. Co. UK-23rd-DCE 2008 Economic Recession: One of the most powerful amongst all external factors is the local and global economy that concerns businesses. Current revive'; presented by the Economic Adviser, Roger Bottle indicate a further crash of reedit crunch yet to be experienced. This would impact in further raise in unemployment rates expected to be 1.

5 million over the next two years, slow growth in peoples' income, inflation adversely controlling consumer spending and lesser investments to be made in the business sector.

DID may face further tough challenges as the business earns from partnerships around the globe. The world's once strongest economies struggling for their sustainability 5 in these times could create a 'domino effect'. However, the picture may not be as gloomy as it may appear.

Dot's U. K partner firm is operational in the economy where a drastic fall in commodity prices, lowered interest rates has already been experienced. This signifies a stable economy, investments prospects and more business. Part 2: 1.

Analysis of technological change and its influence on policies and decommissioning within Delicate & Touch ALP First, let us establish what we would be looking at in this report under the heading of technology.

Technology encompasses a wide array of subjects from Information Technology-IT, Information Systems/ Infrastructures, business applications like Enterprise Resource Planning-ERP, regulations and legislations and so forth. Technology is used interchangeably with the aforementioned issues.

Nevertheless, the most critical of all is environmental and data security. Having said so, the paramount importance of other issues is not challenged, though. The nature Of the business that is Audit, Tax, Consulting and Corporate Finance radically draw particular attention to environmental and data security, therefore these two would significantly be discussed.

Information/Data Security: Information and or data are the bloodline of any company.

If compromised, the consequences could be starting from bad reputation ending up to a catastrophe.

Therefore, immense amount of researches and resources have been poured into securing company's information or data which is earned over a period of considerable time through hard work. Organizations and industries are screaming for professionals in this regard so as to secure their data, consequently adhering to industry standards where they operate. Non-compliance to these standards simply means no business. Delicate & Touché ALP is in the similar professional service I. E.

' auditing.

Also, these two things have been the most escalated, experimented and explored, since 2007 (Peter Donahue, Speaker to Delicate & Touché ALP 2008). Not only does it provide service in auditing that ensures that its client(s) complies with the required standard, but also provide consultancy services to further enhance the products/ service, that of the client. Although DOT started as an Accountancy firm, 6 it diversified itself into Auditing and Consultancy too, as an adoption to changing demands of the business.

Environmental Security: Environmental security embraces quite serious matters that have been readily compromised ever since in the race of globalization and making profits. The matters that concern most are consumption, restoration, conservation and management of natural sources and ecosystem. Narrowing it down further, carbon emission has been the highest concern for the global economy. Businesses, small or big are being continuously questioned about following their carbon- foot print.

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A business's growth has been conventionally seen as high contributor to carbon emission too. For any business, it's now a matter of survive and thrive to follow its carbon foot print.

Dolomite & Touché ALP surely has its contribution towards its ethical behavior in the business environment. It acknowledges and subsequently takes on government's urge to companies for tracking their carbon footprint and take appropriate measures, The wake-up call was against the carbon-emission a company's car fleet is responsible for.

Steps to reduce the carbon-emission were encouraged by company having environmental friendly cars in their fleet and disapproving of employees' cars with high carbon emission and taxing company cars in their fleet.

(Alison Chapman, Tax partner at Delicate).

Other technological issues such as availability of Delicate & Touché ALP researches, analysis, review on potash that far-reaches the masses, is something offered as convene niece to its listeners/viewers. Not to forget, when it comes to businesses, the ultimate objective is to make money, unless it's a non-profit/ charity organization.

As mentioned earlier too, change is something that's not very welcomed. It is much easier for ' Board' to back the winning business strategies/ solutions rather than taking risks and going against what is tried and tested.

Nonetheless, shifting trends indicate promising situation with re-thinking strategies, being UN-conventional, making investments where it's toughest to make, De-fragmentation of business units to optimize resources.

Technology has its strongest role yet to play in aforementioned probabilities of overcoming these depressing economic situations.

Delicate & Touché ALP has been actively seen adhering to the moves as discussed throughout this report. li. Critical evaluation of the effectiveness of the organization's response 7 In one's strongest opinion, the company has been more than successful in responding to the changing trends.

The most recent and most compelling example is Delicate & Touché Alp's formal appointment as an administrator for high street legend Woolworth. The formal decision is soon to be taken by the board of Woolies. (BBC News channel, 26-Nov-2008).

While exploring the local market, the intensity of the turbulence could be seen distressing Woolworth that have been almost 100 years old now. A very smart move by Delicate & Touché ALP, as it posses all the competencies and reputation in terms of team of professionals and range of services that are consulting, taxation, financial advisory and risk management to provide complete business solution to the ' lame duck retailer' as Woolworth is known in the market. Moreover, what is most noticeable here is that Delicate & Touché ALP takes the challenge for administering Woolworth, when the government effuses to interpose to save the retailer.

Administering the lame duck, is an exceptional job to be done through hiring various business applications that are time and cost effective, integrating and experiment technologies with that of business prospects and so on. The current recession in economy strongly predicts a further immense shock to retail industry and financial institutions. Success with Woolies opens up <https://assignbuster.com/contemporary-developments-in-business-a-flashcard/>

tremendous amount of opportunities to the company as the economic trends would prevail for a couple of years. A shift in market trends call for following them or setting them from there onwards.

Delicate & Touché ALP could be seen as falling under the latter category.

With its presence in 140 countries around the world, success surely doesn't come without taking all the pain such as intensive research and development activities, investing in its people, being attractive enough to accumulate the fresh talent of the respective markets. A remarkable and smart strategy is seen by researches made in emerging markets. This provides a platform where the problems could be realized as have been experienced by the local markets.

The point here is devising business solutions for markets that may have extremely different problems from the racket where the researches are done, that may not serve the purpose.

Further more lateral acquisitions, diversification such as providing integrated IT and Finance audits intensify the service where the company gains a competitive advantage by serving varied nature of businesses in different industries. Another significant technological development adapted by strategic businesses is ' digitization'. ' Digitization is the process that converts information into digital 8 format. '(what's. Com).

The process makes information easier to restore, retrieve and share when required.

The professional services offered by the many consolidate this technology offering it through a range of services such as strategy and planning, customers and products, risk management, regulatory requirements, corporate finance. Delicate & Touché ALP is still mastering the subject and exploring potential possibilities. Digitization as widely adapted, would cut down the paper usage significantly; yet another environmental issue to be taken care of.

The company has been distinctly overwhelmed with the changing trends. Governing and exploring business subjects such as Corporate Governance, Corporate Social Responsibility-CARS,

Community Investment, Official Professional Service provider to London Olympics 2012, Islamic Finance, Sports Assurance and Governance are directives and drivers of the business in the gloomy economic situation. Conversely, being a part of big four also means to avert the negative impact the credit crunch is laying. The daunting situation leaves the business arena with an anxiety that how and to what extent Delicate & Touch ALP would cushion unemployment. The year 2009 has strong predictions of massive job cut down that again raise the same concern of accommodating the professionals in its wide range Of professional services offered.

Furthermore, how well prepared is the company to tolerate the impact, in an economy where giants are struggling for their survival. Though the economy would be experiencing a bounce back as analysts foresee, however it's not expected any soon. Another disillusion may be caused by services and its derivatives offered. Maintaining its reputation needs further investments; the

source could soon be a question mark. Declining business and loans could also be a matter of survival in long run.

In context to the current situations, the company could be a subject of merger, acquisition, differentiation of business units as situation may demand.

This could both be an opportunity and a weakness that needs a visionary and strategic approach. In case the concerns are executed, the business model that the company claims to be thriving upon would be tested then only. If seen critically, changing trends always influence the business conduct. An imperative tactic by DOT needs attention here. Back in 2002 when the global economy was sensed to be declining and the prevailing trends were predicted, rebinding and De fragmentation of the businesses to optimize the resources and present a more customized approach to its clients was too adapted by DOT.

Brannon 9 was the brand that emerged as the result of newly adapted strategy. This provided an opportunity to the company to devise its objectives towards optimizing its services to respective markets. As getting accustomed to the regional needs is a necessity for feeding and maintaining its global image too. Iii.

Recommendations for improvement in the response of the organization The recommendations for improvements and or opportunities presented here are in context to technology. The dynamic nature of the business has been broadening its horizons ever since. The business today is a result of responding to changes.

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Yet an emerging field is of Corporate Governance that aligns the business and IT objectives. Since IT is now a backbone of any organization, its pervasiveness couldn't be ignored. However, IT should not be stand-alone function.

Its integration into business is all what corporate governance talks about. In this regard Control Objectives for Information and Related Technology- CUBIT is a framework, upon which an organization's IT infrastructure is suggested to be build so that IT contributes immensely in achieving organization/ business objectives. This framework is yet to be established as a standard.