

# Example of business leadership and business integration essay

[Business](#), [Company](#)



## **XYZ Construction: Strategic Plan**

In order for the XYZ construction company to execute its strategic, it needs capital. One way to getting access to capital is through offering the company to the public. A strategic plan is vital as the company prepares to proceed with its IPO. Within the strategic plan, the company will include information that offers guideline on the following components marketing: workforce and operational management, organizational structure, international operations, financial and accounting management, compliance and legal considerations, internal control and evaluation, information technology, leadership. This strategic plan is intended to help the company navigate through the entire process of initial public offering and beyond. It is important to establish the suitability of the company to offer its shares to trade in stock exchange markets. The goal of XYZ Construction Company in going through the IPO is to increase its capital. The company also needs to have its presence in new markets. It intends to ensure that the IPO process is within its expansion plans.

## **Marketing**

Marketing is an essential component that the company has to take into consideration when preparing for an IPO move. During the process of IPO, the company will be getting an entry into a new market. There are several decisions that the company will be required to make regarding the entry strategy. The company will particularly have to determine the best way to manage its properties after the initial public offering. To do this, it will also have to consider the local resources. From marketing research, in order to

make an entry into a foreign market, the company will best be required to first align its weaknesses and strengths with the local environment. In addition, the firm will have to align its strengths and weaknesses with the strategic and structural characteristics of the company.

There should be a clear distinction between the ownership decision and the control decision after the initial public offering. As a construction company, the ownership will shift to the new shareholders of the company who will buy its shares when it is listed. However, the management serves the right to control the company and move it forward in the right direction. The company will have to make a decision on the exchange market to list and trade its shares on. It can either choose a global market or a local market. By going IPO, the company needs to attract the right investors to buy its shares. The company could either be required to attract individual investors or institutional investors. Stock prices are mainly driven by institutional investors compared to individual investors. Investors usually consider financial and non financial measures when purchasing or selling shares.

## **Work force and operational management**

Making an entry into a new market requires an experienced team. The company is therefore recruiting and retaining a work force that is experienced enough to help with continuity and growth of the company. An advisory team has been established to help decisions of choosing the right market and investors. This team is also charged with the mandate of preparing the business for the new entry, perform valuation in order to determine and reflect the potential and position of the business for the initial

public offering, and sell the story of the company to the potential investors. This advisory team will include investor relation executive, an attorney, an auditor, and an underwriter. The internal management of the company is working together with the advisory team to help come up with the right work force that will take the company to the next level through the IPO and beyond. The internal team in place will have to function well before listing in the market and after the listing.

## **Organizational structure**

The company is establishing corporate governance for the initial public offering. The organizational structure that is being adopted is expected to inspire shareholders and instill confidence in them. The board of directors includes a mix of financial executives, experienced business executives, corporate strategists, governance specialists, compliance specialists, and compensation specialists. The standards for corporate governance are heightened for the company. The company has managed to attract independent board members who are qualified to help the company through the Initial public offering.

## **International operation**

Being a construction company, it will have to set up units in other countries. The units will be operational fully once the company establishes its presence in the market. The company is also to be listed on an exchange market that allows shareholders from all over the world to trade in its shares. Budgeting for the international operation is a consideration for the company. Some of the factors that are being considered therefore include inflation index in the

various market the company will be operating in, the interest rates, and the foreign currency exchange rates. These three factors are beyond the control of the company's financial analysts. They are an external force. None the less, these factors are being examined regularly as needed and being incorporated into the strategic plan of the company's international operations. The three factors are interrelated in one or another. For instance, when the inflation index is high in a particular country, the value of its currency will be driven down and as a result the exchange rate will also be affected. However, the budgeting process of the company's international operations will be mostly affected by the international currency exchange rate.

## **Financial and accounting management**

Operating under the modern business environment requires that the company implements strategic management of its financial asset and accounts. The business environment forces the company to be highly competitive. The company has developed a business strategy that is coherent to enable the use of its accounting tools to support the control, decision making, and strategic planning of the organization. Implementation and management of the accounting tools is therefore the most important area of focus in its financial and accounting management. In order to come up with the appropriate financial management tool, the company has put into consideration the delivery channels, the geographical markets, the type of customers, and the identity of its products and services. This is expected

to assist with the process of implementation of the financial management tools.

## **Compliance and legal consideration**

There are many legal considerations that the company has considered before the venturing into the new markets and in readiness of the initial public offering. Even though some of the process simply involve filling out legal forms of business registrations, the company has also gone a step further to seek professional advice from its team of legal experts. The company's experts have the knowledge of the financial, legal, and economic environment that affects the business in the new markets and when listed for trading in stock exchange markets. The legal experts have advised the company all the possible problems that may arise in the process of its operations. For instance, in the contract and leases the company may be required to sign and the business structure. The human resource department also has to comply with the employment laws within the various countries where the company will establish itself. All these are legal considerations that company seeks to consider before making any move or venture into any market.

## **Internal control and evaluation**

Internal operation entails the process, the design and system of the business. The internal operation affects the overall performance and results of the company. In order to come up with an effective internal operation, the company seeks to conduct regular business assessment, quarterly strategic planning, and business revitalization programs. Business assessment refers

to assessing and evaluating the environment in which the company is set. Within this evaluation process, the company will be considering the strengths, weaknesses, opportunities, and threats that exist within the business environment. The entire workforce is expected to be involved in the solution. The expected result of the business assessment is a productive team that is motivated and works towards achieving the strategic goals of the organization. The company also seeks to be conducting quarterly planning. Even though the company is growing to some huge scale, it still wishes to maintain quarterly planning since it is more effective compared to annual planning. A lot of things can be accomplished within the three months or 90 days period that constitute a quarter of a year.

## **Information technology**

Incorporating the latest and most recent technology is a priority for the company. Information technology helps in making the operations of the company effective and efficient. It is used to increase the quality of the day to day functioning of every business unit within the company. The company currently uses the enterprise resource planning software program to improve the flow of information within the entire business unit. Through this IT tool, the company has managed to integrate all the departments and business functional units into one component for easier and quicker tracking of information. This helps the management to effectively make prompt and timely decisions which translates to efficiency and quality service delivery to the customers. The information technology has improved supply chain

management, customer relations management, inventory management, and human resource management.

## **Leadership**

The company's leadership has been strategically positioned to help with achieving the overall goals of the organization. The company takes note of the role that leaders play in the strategic planning before the commencement of the initial public offering. Leadership helps the company in defining and interpreting the individual responsibility of every member of staff and staying the course on every project that the company decides to venture in. If the individual responsibility is misinterpreted, then the company might have to incur unnecessary costs. The leadership assists in understanding the context of the IPO, coming up with an organizational structure and team that is experienced enough to take the company through the next level.

## **References**

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