

Example of essay on the cross- issues affecting globe projects.

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



In this research work first and foremost I will elaborate on the history of Airbus Consortium. After discussing the history I will specify cross issues affecting and challenges that Airbus Consortium encountered. These cross issues effects are more effective and relate to the globe projects clusters of business cultures.

Research would also focus on the objective of why the states came together in doing business. Furthermore, I will show if the partnership achieved the dreams? Then what was the dilemma in pushing the Airbus Consortium in not achieving the profit anticipated. There are always problems that the organisation met in the course of doing business.

Subsequently, I would be able to discuss briefly about the parameters of global project clusters that a company need to understand when engaging in business. The parameters of assessment will depend only on performance course, future orientation and institutional collectivism just to mention a few. Why I have considered this is that failure of Airbus Consortium was due of not addressing the above issues.

In every challenges need to be viable solutions in order to maximized on the intention of consortium. There would be a critically evaluation of issues. I would be in a position to suggest some solutions that Airbus Consortium could have used in tackling the problems that I have identified in order to strengthen their capacity and ability to deliver the planes.

Lastly, we shall have a conclusion of the assessment on issues affecting airbus consortium.

INTRODUCTION

In formation of any company the purpose is to make profit. It may not only

be profit but also to dominate, control and determine the market price. In upshot one realizes that dominating, scheming and influencing price this gives an up-hand on international markets. In nutshell the emphases will focus on development. A clear road of development of airbus consortium could have created a massive developmental project world wide.

Airbus consortium was a biggest establishment that could have created a greater shake up in the international economy of today if it was to be emphasized and held with care. It could have created the impact by providing variety of skills that was to come on board. A wide establishments catches a wide market too while spreading the wings to all other countries. Airbus conglomerate is a company that was established in European association in 1970. It was a company that tried to enter the market share of aircraft manufacture that was conquered by US. It was a way to displace US from the supremacy as the conglomerate started by French and Germany and later joined by Spanish and British. Therefore, the partnership was to overcome national divides, spreading out cost, collaborating in the awareness of greater market share and even agreeing a common set of measurements and universal language. In parting short, this was an indication face of business to change and set a ground for competition that will be beneficial to the traveler, airliners and crews.

Consequently in line to the partnership there was significant development in term of manufacturing the airbus. There was production of the first identical-engine ample body jet which was a superior landmark. Why did such greater achievement? Indeed, such development required restructuring of the

company to improve coordination, reduce the price of production, time of beginning of such planes and they introduction to service.

CHALLENGES AIRBUS CONSORTIUM MET.

In any new business undertaken one will never miss the challenges even if how successful its. Business will only stand the test of challenges depending on how one handles such situations. Airbus consortium is not left behind in the world of business as same challenges it faced other business before it faced.

Nevertheless, bring A380 plane on the market was face with a lot though the merge of the four countries worked as if the countries were working independently. At this juncture I would dwell on aspects that affect effective commencements of the airbus consortium among the four states.

I would started with most important that reduce drastic the capital profit of the company to deliver planes.

- DELAY OF DELIVERY

The purpose of the merge of the four countries was to raise the capital of the company and reduce competition among them. Those four states achieved in putting there resources together, putting competition behind but failed to realized that their dominance to lodge America out was at stake from internal stifles. In reality this was not achieved as the delay of delivery of the air plane in 2001 reduce the profit of 2 billion European pounds forcing them to cut the size of its work force, close plants and outsource many more aircraft parts (Heppenheimer, 1995).

As I said these was the starting of problems for the airbus as whatever the

money they had injected in the project was never recovered at the appropriate time. More of finance was being ploughed into the project that did not give results. Secondly, outsourcing numerous more parts meant that more money was being used to procure either more expensive parts rather than if they could have produced at one destination and from their owned company.

The major cause of delay of delivery for the airbus was an intricate design of wiring system in the aircraft. In that due cause, the planes which were to be delivered in the year 2006 were delayed by two years so company which had ordered cancelled the orders. Wiring is critical as there are 1, 200 functions to run the planes, 98, 000 wires and 40, 000 connectors (Woodman, 2003). Now when we compare against the digital blueprint which has 500, 000 models all must be kept in sync by mismatched computer systems in different countries.

More complication came when the plane was distributed in different countries and assembled in Toulouse, France (Porter, 2005). This complicated the plane design as nudge section built in France, fuselages in Germany, wings in Great Britain, appendage in Spain, parts transported by a special ship from UK {Broughton}, Germany {Hamburg}, Spain { Puerto Real} and France {St Nazaire}.

On manufacturing d-day things were more difficult than anticipated as engineers from Spain and Germany used the older edition V4 of the CAD series to design the wiring while engineers of France and Great Britain used newer edition V5. Though, they had developed the software which was to be used to bring compatibility between two versions. Data of the software got

vanished when being transferred from one system to the other.

In respect to wiring designing software compatibility issues and problems arose with no solutions. When incorporating wiring changes in the fuselages sections in Germany, there was an implementation failure due to lack of combination in production.

Now the question may arise who developed the software? Where is it that they could not develop the same to proceed with the work? According to O'Connell (2009) the French had knowledge of the software while the Germany did not. It arose the conflict of interests as one group felt that it was exposing its own intellectual property rights.

- ECONOMIC PATROTISM

Patriotism is not bad but how you do it is what makes it bad. Employment for the project was distributed among the citizen of the four countries depending on the stakes that country has. That means that the more state has the contributed the more employees were from her state. In such restructuring where more than 10, 000 jobs were to be cut it's difficult to maintain an unconditional stability between employment and technology. Why? This automatically affected the efficiency of production due to national economy. In circumstances where the government wants to protect national interests against other states, government may distort private business among economic actors by discriminating the foreigners. And this is disastrous as the states which have developed you will know that most people who make it prosper are foreigners.

In addition, economic patriotism or nationalism has a component of strategy motive. For the strategy motive to occur then national protection or attempt

to incarcerate rents in abroad in monopolistic market. These affect the economic efficiency in the name of national economic and protection of lobbies.

- INEFFECIECY

Inefficiency came as a result of national patriotism so as to gain advantage. Countries wanted to protect its territory from what is called take up of jobs by foreigners. Threat of takeover was experienced and host country feared driving away potentially more efficient corporate. It created poor corporate governance in the company (Norris & Mark, 2005). Hence, also resulted form the cut of jobs as automatically it could have reduced the more qualified ones.

Inefficiency is one of greater downfall of any organizations as no more quality things being produced. When planes produced are not of quality then customers could resort to the competitors. Reducing the profit maximizing and ability to withstand or pay bills that are importance to the running of the organisation.

- DIVERSITY

With the company in Toulouse but operated in many countries that of 16 locations. Airbus has owned auxiliary in China, Japan and North America, expert amenities around the world, fast response spare centre in Beijing, Singapore, status of the art centers in Miami and 160 field service offices at key customer. In reference to workforce the airbus benefit from unique and invaluable competitive advantages.

This could have been crucial element in terms of success, sharing resources or experiences, discern and emergent know-how together in a motivating

environments. In short it would have developed new trends against old one that hindered development in those countries.

FEATURES OF GLOBAL BUSINESS CLUSTERS

The world has become a small village and doing business is becoming easy each day. Global being a small village that ability of individual to persuade, inspire and facilitate others to support towards the efficacy of the company like airbus consortium. So I will discuss briefly some of the parameters that have enhanced business of international nature.

- PERFORMANCE COURSE

Performance course is crucial as this increases the efficiency in the organisation. In the course of the encouragement and rewards either groups of members or countries for performance improvement and excellence.

Airbus consortium lacked performance course that is why even after lose of software to make v5 and v4 compatible the state that had knowledge did not want to share the skills.

If one puts all the four states together getting the top brain in relation to the technology is easy that going alone. I can say that the partners were still handling issues of the plane when they came together to complement each other not to compete. Competition was conspicuous in establishing Airbus Consortium that is why arriving at a decision unanimously was a problem.

- FUTURE ORIENTATION

In this principle, one as a company or country must take in consideration delaying fulfillment, scheduling and investing in the future. Airbus consortium did not have clear policy on this. There was delay of delivery of

the plane that that company that had ordered cancelled them. Foreseeing in business is crucial for planning as rendering of people jobless is not the solution. Airbus Consortium could have invested more and partner countries were to plough more money.

The states could have invested first in spare parts and centralizes manufacturing of the plane before embarking on manufacturing it. But when one checks mode of operation was mainly from the top down which becomes unpractical. Being unpractical they could not anticipate the issues that arose and face them more boldly.

- INSTITUTIONAL COLLECTIVISM

Institutional collectivism mostly concentrates on practices of encourage and incentive with collective sharing of capital and shared action. Spain, Germany, England and France had resources but failed to share that is why the plane could divided into pieces, manufactured in different countries. Partner states could not share the resource equally for the purpose of developing each other.

In an argument by Robertson (2006) relied mostly on the conceit, allegiance and cohesiveness of their national borders. National patriotism overrode the partnership which established the Airbus Consortium for the best cause. That is why the action of manufacturing the plane was so scattered even making it difficult to deliver in term as due to technologically difference hindered compatibility of spare parts. All these must be tested against the values and practices of the states.

Airbus consortium came with a bang but looks like was a white elephant project who's fruits were not released by member states. All these were due

to national values which if tested could have created viability of development (Mellissa, 2012). Development is important in modern world during this time of economic crunch being felt through out the world. And certain projects could have done a lot in relation trying to bring down the crunch of economy.

Airbus consortium was to set the trend of viable competition and reduction of domination of the manufacturing of planes. In line of reduction of monopoly then would have maximum right prices and competitive one? Domination does create cartels which use that to flee the customers.

Conclusively, airbus consortium made greater effort in trying to establish a platform for the business for member states. The conception of the idea was greater and could have increased the stake of member states in the international business. When one looks at the fall off the consortium in the business is not about global project's clusters of business cultures but failure of the states to have clear policy of interaction.

Having money can not solve everything. Money with right decision and sacrifice automatically reach out for probe project. Where there is probe project then efficiency and prompt delivery will be achieved. I have talked about sacrifice why? Sacrifice was to apply to all states {Germany, Spain, Britain and France} wanted to accept their inefficiency and inability in delivering her part. All states wanted to take part but all failed to deliver to the agreed standards.

If the member states could weigh between their national patriotism, delay of delivery, inefficiency and diversity against the parameters of global clusters of business cultures then they could have made a decisive decisions. A

viable business have been ruined due to protecting few and unreasonable interests within the borders (Sparaco, 2001).

The repercussion of not following the laid down rules was foreseen in the establishment of the Airbus Consortium. Repercussion that the states have to face is cut of jobs. The cut of jobs means that the states make its citizens redundancy. Joblessness increase jobless people and citizens hence making the greater disadvantages to national's economy. Therefore, such citizens become a burden and overstretch the public coffers. In the event of overstretching the coffers the government tends to borrow money form outs to meet the demands of its citizens.

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