

Cases analysis

[Finance](#), [Investment](#)



The company is known for producing high quality and prestigious cars. It holds patents on most of the safety features Weaknesses High costs are incurred in maintaining the company's cars Weak management because of its large organizational size It has a weak supply chain, which affects its product delivery Opportunities There an opportunity on production of hybrid cars and fuel that Is resourceful for the future.

People are growing conscious of cleanenvironment, which Is a good opportunity for the company to extend the market for its products on this line There is an opportunity of tapping emerging markets across India and the rest of the roll, contributing to creation off global brand The luxury automobile market is growing as a result of income increase.

Threats The price of fuel keep on increasing, which limits the ability of potential customers to buy its products There is high competition from major companies such as Lexus, BMW, and Range Rover, as well as local companies such as DATA Strict government polices wealth the automobile segment not only In India, but also across the world Step 2. Problem Definition Following the relocation of the company's operation sites, it Is faced with the problem n the nature of informationtechnologythat could be implemented.

Particularly, there is a challenge on implementing the technology that would cater for the current needs based on the existing market conditions, as well as that could lay essential grounds for the company's future growth needs. Besides, following the impact of the recent past global financial crisis which affected the company's market growth projections, It Is not clear whether the

proposed relocation should go ahead as planned. Step 3. Identification of Alternatives . The company should implement new information technology in the new operational site, different from the one used in the old site 2.

It should use the same old technology in the new operational site 3. It should put on hold the proposed relocation until the market shows improvements after the financial crisis 4. It should go on with the relocation plans, even though the projected market growth rate has been affected by the financial crisis Step 4. Critical issues Growth rate of the company Managing operational costs The viability of the investments of the company Addressing the needs of the customers Location decisions Step 5.

Analysis Option 1 Pros: (i) the operational costs will be reduced in the long-run (ii) high production rate (iii) ability to meet the demands of the customers (iv) high growth rate (v) better chances of going green Cons: (i) high investment cost Re-training employees on the new technology Option 2 Pros: (i) manageable investment costs Re-training employees is not required. Cons: (i) High operational costs inability to satisfy customer demands (ii) endurance on the company's growth rate.

Option 3 Pros: (i) reduced chances of making potential losses (ii) matching production with the current demand Cons: (i) inability to satisfy customer demand in the future (ii) delayed investment Option 4: Pros: (i) better chances of matching demand in the future (ii) early investment preparation for the expected market growth Cons: (i) Incurring unnecessary investment costs, this could have been carried forward Step 6. Recommendation Based

on the above analysis, the company should go on with the proposed relocation of operational site, and implementation of new technology.

Despite the high investment costs associated with these options, it is a viable undertaking because it not only addresses the current needs of the company, but also its future needs. Besides, this option opens various opportunities that the company could pursue to differentiate itself from its competitors. For instance, with the proposed new technology, the company stands a better chance of producing green products to suit the changing tastes and preferences of the customers.