

Walnut case essay sample

[Business](#), [Marketing](#)



Investment is an undertaking that entails the initial release of capital with an expected return after a given period of time. Walnut organization is an investing firm seeking to fund emerging organizations and companies for a defined or expected return from the investment. In this scenario, it is worth evaluating the nature of the potential company before the release of the funds. This is the situation with the organization in deciding the potential opportunities available in RBS Company to fund its operation. The organization funding capital frame is 250, 000 to 1, 000, 000 dollars. This is a substantial capital that needs satisfying decisions for it to be funded. On the other hand, RBS is a growing software firm owned by Bob O'Connor. The business owner is indifference regarding the numerous decisions he has to make regarding the potential investors in regard to their intent of increasing their capital base. It is a desire for the Bob O'Connor to raise the capital base level of 400, 000 million to 1, 000, 000 dollars.

Potentials of RBS organization

Financial performance

The financial performance of an organization will portray its sustainability capability in the future. This is in terms of capital level and income generating capability. RBS organization being a software firm has a projection of generating a net income worth 4. 2 million dollars from sales worth 35 million dollars. This is an indication that 8. 3 percent of the sales will be generated as profit to the organization. Despite the range being small compared to the sales level, there is an opportunity of an increase in the level as the organization is in its early development stages. This is evident from the fact that the organization will have a sales growth rate of 91

percent from the year 1998 to the year 2002. This shows that the organization operating profit level can increase by a higher magnitude than the stated rate. The organization target customers by the year 2002 will be 600, an increase from 50 customers in the year 1998. This implies that the organization will have a larger market share as compared with that in the year 1998. This is an indication of an increased performance of the organization in the long run.

Competitive capabilities

The competitive capabilities of RBS organization are mostly defined by the organization market share and products. First, the organization projection of increasing its customers is an indication of an increased market share. The organization has set competitive attributes that it uses to gain customer confidence. Some of these competitive measures are such as a customer centric development process with a strong SOFTRAX Advisory group. The organization is a first entrant in a competitive market, close platform and multiple relational database support systems among others. If these are some of its competitive strategies, then it is clearly evident that the organization has strong competitive grounds. The implication of this is increased performance which is brought by an intensive market conduct by the organization. Organization conduct is a function of its competitive powers. On the other hand, the organization products have high demand by its customers. The organization softwares are of high quality and are effective and efficient in meeting the customer's preferences. The gain of customer confidence by an organization describes the financial capability of the particular organization.

Management capability

The RBS organization has a management team who comprises of Robert D O'Connor, who is the president and Chief Executive Officer, with 12 years of experience in software management, finance, sales and marketing. Lane W Ford, the director of software management who has 10 years of experience in software management. He had the similar management position in Lewtan Technologies and BancWare software developers. David j Milligan, the vice president in software services with 15 years of experience in the same position. This is an indication that the organization has great human capital which is required in making rational decisions regarding organizational success. The organization potentials lie with the management team. The development of ideas and strategies which lead to financial performance and market performance requires a well qualified management team. From the analysis of the RBS management team, then these attributes are met. The organization shows an opportunity of thriving in the market if the necessary resources are made available.