

Joint venture

Sport & Tourism



Joint venture A joint venture is a business agreement undertaken mutually by two or more parties that otherwise maintains their identities. They start by the parties having an agreement or a contract that indicates their joint responsibilities, as well as goals. The contract is essential for preventing trouble later on; the parties should specify the intention of their joint venture along with its limitations.

MGM Resorts International and Hakkasan Group today entered into a joint venture enterprise that deals with hotel management called MGM Hakkasan Hospitality. The strategic coalition focused on the design, development as well as management of extravagance non-gaming hotels, residential offerings and resorts under the Hakkasan, Bellagio, MGM Grand, and Skylofts brands in main international gateway cities along with prime resort destinations all over the globe. The entire hotel together with resort projects contributed to the joint venture, counting MGM projects in the Americas, Asia, the Middle East, and Hakkasan projects in Dubai and Abu Dhabi.

Challenges facing MGM Hakkasan Hospitality

Hakkasan and MGM combined their efforts and resources; they have a challenge of bringing all of the essential elements of their organizations together. The amount of negotiating and planning needed to bring this about is reasonably significant. This integration planning is strongly related to cultural issues since it requires the two to determine what corporate culture is to look like. Another challenge is the differences between the two companies. Differences in view or management style cause partners to fail to agree. This can come about for other reasons too. Differences in personality may lead to partners to part ways even though it is mutually advantageous to unite their efforts.

<https://assignbuster.com/joint-venture/>

References

Press Release. (n. d.). Retrieved from

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