

One day leave



It is very important for the local organization to transition their strategic to the MEN. Because of the MEN can bring more new opportunities, knowledge, and resources of the information to the organization more than the domestic. It also can help the organization get more competitive advantages in the global. Introduction Tease Motors, Inc. Is a California-based company that designs, manufactures and sells electric cars and electric vehicle perpetration components including lithium-ion battery packs (" Tease motors," 2013). Tease Motors is named after electrical engineer and physicist Nikolas Tease.

Because of Tease uses an AC motor descended directly from Nikolas Teasel's original 1882 design. Tease Motors producing the first fully electric port car in the world (" Nikolas tease,"). Background In July 2003, Martin Bernhard and Marc Tarpapering incorporated Tease Motors. In February 2004, Leon Musk became Teasel's Board of Directors as its Chairman. Musk's primary goal was to commercialism electric vehicles all the way to mass market, starting with a premium sports car aimed at early adopters and then moving as rapidly as possible into more mainstream vehicles, including sedans and affordable compacts.

There are four car models in Tease Motors, which are Tease Roadster, Model S, Model X, and Future models (" Model s," 2013). Tease Motors was founded in San Carols, California, in Silicon Valley. In April 2008, Tease Motors opened its first retail store in West Los Angels, California. In July 2008, Tease Motors opened its second retail store in Menlo Park, California. In July 2009, Tease Motors opened a display showroom in New York City's Chelsea Art District. In July 2009, Tease Motors also opened a store in Seattle.

Tease subsequently opened stores in Washington, DC; New York City; Chicago; Danni Beach in Florida; Boulder, Colorado; Orange County in California; San Jose in In August 2009, Tease Motors planned to move its corporate headquarters and lid a perpetration development facility at 3500 Deer Creek Road, in the Stanford Research Park in Palo Alto, California. The new facility would occupy 369, 000 sq. Ft. (34, 300 mm) on a 23-acre (93, 000 mm) parcel previously occupied by Agilest Technologies.

In February 2010, Tease completed the headquarters move. About 350 employees are expects to be based at the Stanford site initially, potentially increasing to 650 (" Tease motors,"). Why TEASE Company Need Expand Their Operations Internationally With the development of the internal business, it is necessary that TEASE expand their operations internationally. And there are four reasons as the following: First of all, among the earliest motivations that drove companies to invest abroad was the need to secure key supplies. Christopher & Paul, 2008) With the increase of TEASE cars' demand, they will need more and more materials from different countries. Just like the automobile batteries, which need some countries that have goodtechnologyand experience for produce the batteries for the new cars. Also some of the automobile materials need stable producing area to guarantee quality. Secondly, another strong trigger for internationalization could be described as market-seeking behavior. In order to find more wide market and opportunities, TEASE need expand their operations internationally.

For example, even though make the TEASEL'S car in the U. S. , American people may not the main consumers of the cars. The reason is that from <https://assignbuster.com/one-day-leave/>

the culture things American people prefer large and straightforward cars than the light vehicle. However, in other countries, TEASE cars maybe very popular, because the countries which have different cultures may prefer the light vehicle better than the heavy-duty vehicle. So in this case, the TEASE will get more opportunity and market shares in these areas.

Beside the culture, different countries developing degree and policy will impact the selection of the cars. For example, in china because of their pollution, the government made a lot of the rules for limiting the carbon emissions such like some taxes of the carbon emissions. So the electric car will be more and more popular in China. Doing business in foreign countries will get more competitive advantage than just doing business in home country. The third is that traditional and important trigger of internationalization was the desire to access low- cost factors of production.

Christopher & Paul, 2008) No matter what the motivation is, the final things that the company focuses on is the profit. Beside the high sales volume, another important thing they should pay attention is cost. There is a problem the managers considering the every day, which is how to reduce the cost. There is no doubt that expand the operations internationally is a good way to reduce the cost. For example, the labor is more and more expensive in recent years, especially in some developed countries.

So if a company could build their manufacture in some developing countries that have low labor fees. They will save a lot of cost. Beside this reason, the freight is another problems for the cost. So the good way to solve the cost problems is expand the operations internationally. The fourth is that internal

business will increase scale economies, ballooning R&D investments, and shortening product life cycles that transformed many industries into global rather than national essential prerequisite for companies to survive in those businesses. (Christopher & Paul, 2008) The Benefit of Expand Operations Internationally For TEASE Once the TEASE expands their operations internationally, they could use Global Chess. Global chess is a kind of competitive strategy, which could be played only by the companies that managed their worldwide operations as interdependent units that implemented a coordinated global strategy. (Christopher & Paul, 2008) TEASE will get a lot of benefit from the strategy. First of all, that is a positive complementation. For example, now TEASE is very good brand of battery vehicle.

And it was born in US with a very good reputation. Because of its name and brand, more and more people know that, especially the foreign countries, they are very expected to try this new car model that is the reason why that is so popular in some Asia countries. We know that the American population is limited; also because of the fierce competition there are not so many people in US automobile market. However, in China the market will be very wide, there are a lot of people who need good vehicles. So TEASE could get a huge profit from the Chinese market.

And use this money to create new technology in TEASE in US, and use them back to the Chinese and create better service and suitable cars for Chinese drivers. So that will be a very positive complementation. The second hint is it could promote the company's bad position. For example, TEASE cars will be sold in a lot of countries. However, we could not guarantee that TEASE cars

could sell well in every country. If a new product want to enter in a new market, it need a very long process, people need time to accept it.

During this time, the company will spend a lot of cost such as the inventory fees, advertising fees, managing fees and so on. Expending operations internationally which offer a possible that using Global chess. For example when the company get trouble in Europe, they could use the Asia arrest's good profit to help the Europe company ride out a storm until the new cars are accepted by Europe customers. Finally, this strategy could make sure the abundance of capital.

Global chess is very helpful for TEASE adjust their capital among the world business. And that will make the TEASE Company having more power for respond the risk of the world business. Issues When TEASE Becomes Transnational Organization The issues that transnational organizations have to facing with are: the force for local differentiation and responsiveness, and the challenge of management style and the lobar business management strategies. With regard of push Tease Motors, Inc. Into transnational organization, these issues are unavoidable.

First, the core issues that inside the force for local differentiation and responsiveness is: Cultural differences, government demands and growing pressures for localization. Cultural differences in other word operating in a diversified condition could have numerous barriers and uncertain issues. Each market has their characteristics and talent. For example, in Japan, people are exchanging gifts with their working partners such as suppliers or customers. For American managers it is definitely looks like bribe. And many

U. S. Managers thought the action is wrong. Ultra, they turned to accept it and even encourage, the practice as ethical behavior in Japan (Cert., S. & Cert., S. (2012). As this case, the management of transnational organization must facing with the culture shock by diversity. When TEASE reforms them into a transnational organization, they must know the culture of the targeted market. For instance, in vehicle industry, U. S. Market has more pick up truck or heavy engine vehicle. One of the reasons is the usage. However, the other reason is not cause of any geographic or physical reason but people Just like it.

When promoting TEASE vehicle to China, management has to a lot of research and completely understanding what they like but not only consider about the pricing or design. In other word, transnational organization managements need to not only consider about technical and general marketing issues but also have to capture all of these specific traits in the target market. The second issue government demands is the issue between home country government and host country government. Both of these two sides are desire for benefits. For host country the benefits would be funds, technology, and expertise from the transnational organization.

And for home country that desire the transnational organization can successfully growing the host country and bring extra revenue and benefit to both company side and government side. The government of host country is an extremely important access point for the transnational organization. It could let the company access to the local market or receive resources in the host country. When both side of home and host government come into win-

win situation, the conflict would not exist. However, actually the conflicts still existing between two parties.

For example, transnational organization would drive rural exodus, rising consumerism, rejection of indigenous values, or a breakdown of traditional community structures of the host country (Bartlett & Beams, 2011). Thus the government of the host country would take a good balance to treat transnational companies. For example, there were a lot of issues of North American Free Trade Agreement (NAFTA); the free trade agreement between the United States, Canada and Mexico. The expectation of the agreement should be numerous positive things or all of the partner countries.

However, in Mexico government perspective, they complained about the environmental pollution issue because of NAFTA. The huge amount of trading also caused a serious damage of nature in Mexico. Deforestation and reduce of farmland getting much worse than before. In annual, more than 630, 000 hectares of land has been deforesting after NAFTA official started. Moreover, the large amount using of agriculture chemical also brought a terrible damage of the land. Also other industries cause scarcity of hazardous waste disposal facilities, water pollution issue and scarcity of fresh water simultaneously.

According to this Mexico government had announced compensation to the United States government. The data should be questionable here because there is no evidence of the pollution is exactly caused by free trade agreement. However, the point in here is; even under a free trade

agreement between two countries, there still have conflict from each other. Similarly, when a transnational organization goes into a oversea market, even they bring new Job opportunities or contribute to the host country, there still would have complain by the government (Villager, 2012). Hence the pressure from government

Thirdly, according to the development of information technology, the living standard is increasing continuously. To meet the needs in each market, transnational organization should be very flexible with market trend. A large group of consumers has emerged to reject the homogeneity product design and performance of standardized global products (Bartlett & Beams, 2011). For example, TV is becoming a part of necessary items in each home. More people are connecting DVD player, game player, computer or other equipment with TV let the homogeneity product " TV" becomes more entertained product.

Hence for TEASE to Join a new oversea market, only selling the vehicle would not be enough to survive in current market trend (Bartlett & Beams, 2011). For TEASE Motors successfully go into oversea market, they should have an unbeatable management style and the global business management strategies. Three strategies that TEASE Motors can be use, Decentralized Federation, Coordinated Federation or Centralized Hub. Each strategy has characteristics for prevent unexpected issues. Decentralized federation is an organizational configuration model that provides authority of most key assets and resources to each subsidiary.

And the connection between each subsidiary and head office is comparatively loose. In other words, the organization treats subsidiaries as independent national businesses (Bartlett & Beams, 2011). In TEASE Motors' case, this model should not be efficient and sustainable. The separation of each subsidiary would cause the leaking of information. The coordinated federation indicates decentralized many assets and resources to each subsidiary but still the corporate management has the authority to control everything.

Additionally, the linkage between each subsidiary and head office is very tight and formal thus compare with centralized federation, it would be relatively easier to control and protect technologies. Last, the centralized hub means most of the assets and resources are controlled by center office. It only allows a small portion of authority to each subsidiary about management. In other words, this type of managing strategy treats subsidiaries as a pipeline for global marketing (Bartlett & Beams, 2011).

It sounds a good managing strategy for TEASE to protect its information and technologies. However, it might cause losing chance to gain new opportunities. Again according to the development of living standard and culture difference, we cannot give a conclusion only consider with these definition of managing model. In management perspective of TEASE, extend market business into transnational organization must consider every single piece of information. If they do not have a complete managing strategy, it would be very vulnerable to leak their top business secret or core technologies to others.

How to solve the problems in establishing a transnational company In the process of becoming a transnational company, different levels of economic, political, culture, genealogical and management forces are faced to the company. Thus, It becomes more and more vital to the company that how to develop their ability to effectively solve those diverse and conflicting problems at the same time. Transnational company needs to use transnational strategy to solve the conflicting environmental forces and win the competitive advantages.

In the aspects of responding to the force for global integration and coordination, transnational company must build global efficiency through a worldwide infrastructure of distributed but specialized assets and capabilities that exploit comparative advantages, scale economies, and scope economies simultaneously. (Bartlett & Beams, 1943 PI 25). Through exploiting differences in sourcing and market potential across countries, exploiting economies of scale, and exploiting economies of scope, the transnational company can build worldwide competitive advantages.

In the process of exploiting worldwide economies of scale, the transnational company must develop a more sophisticated and differentiated configuration of assets and capabilities, which means the transnational company needs to centralize the key resources and capabilities within the home-country operation to not only realize call economies but also protect certain core competencies; certain other resources must be ex-centralized to complement the benefits of scale economies; and some other resources must be decentralized on a regional or local basis to protect against operation risk and reduce logistical and coordination costs.

Also, in order to achieving the competitive advantages, transnational company need to fully understand the concept of " global chess" which is using cross-subsidizing method to leverage their existing strengths to cover their weaker products and market positions.

On the other and, the transnational company not only need to build an interdependent and integrated network organization within the company but also need to collaborate relationships externally with other firms. This needs the transnational company to form strategic alliances and coalitions to collaborate, isolate and defeat competitors through the technology exchange, global competition, industry convergence, economies of scale and reduction of risk.

In the aspects of responding to the force for local differentiation and responsiveness, because more and more national customers o longer demand simply differentiation and the host government desires to build their national competitiveness and dominates economic policy in many countries, so transnational company must have the flexibility to change product designs, sourcing patterns, and pricing policies continuously to remain responsive to continually changing national environment and to snatch the minimum scale efficiency, as well as the requisite government relationships and consumer understanding to respond to market.

In the aspects of the forces for worldwide learning and innovation, transnational company must build the capability to learn environmental and nominative information from many complex circumstances in different parts of the world, collate and interpret that information to become a part of the

company's shared knowledge base and provide input to future strategies.

Also, transnational company needs to spread and share its learning outcomes to other companies throughout their global operations.

In addition, although some products and processes must still be developed centrally for worldwide use and others must be created locally in each environment to meet purely local demands, transnational company must create truly transnational innovations through increasingly use its access to multiple centers of technologies and familiarity with diverse customer learning and innovation is to act as the sensors of new market trends or technological developments; to attract scarce talent and expertise; and to collaborate with other subsidiaries to exploit the resulting new products and initiatives worldwide. Bartlett & Beams, 1943 IPPP) Responding to management forces In the process of managing a transnational company, the management must create the ability to sense and analyze the numerous and often conflicting worldwide opportunities, pressures, and demands.

Within the management groups, national subsidiary management is needed to sense and represent the changing needs of local consumers and the increasing pressures from host governments; capable global business management is required to track the strategy of global competitors and provide the coordination necessary to respond appropriately; and influential worldwide functional management is needed to concentrate corporate knowledge, information, and expertise and facilitate their transfer among organizational units. Bartlett & Beams, 1943 IPPP). Because of the unbalance relationship between sectional subsidiary management, global business management, and worldwide functional management in the decision-making,

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the transnational company need to build the multidimensional perspectives which means the transnational company need to build up the capability, credibility, and influence of the less powerful management groups while protect the moral and expertise of the dominant group to balance the different management groups.

Simultaneously, the transnational company should build the integrated network configuration, which means the management needs to specialize and give the responsibility to their national units to lead them become the company's world source for a given product or expertise. However, the parent companies still hold the capability to secure and tap into the operation activities of their national units. Finally, the management in transnational company is required to have the ability to differentiate its operating relationships and change its decision-making roles by function, across businesses, among geographic units, and over time.

In turn, the management process must be able to change from product to product, from country to country, and even from decision to decision.

(Bartlett & Beams, 1943 IPPP). Similarly, the transnational company not only needs to build an interdependent and integrated network organization within the company but also need to collaborate relationships externally with other firms. In the process of managing the alliance as following: 1. The management of transnational company needs to evaluate the potential partners, escalate the commitment, and try their best to make the scope of alliance simplicity and flexibility. . The management needs to manage the boundary though structuring the interface, manage the knowledge flows through integrating the interface, and provide the tragic direction through

building an effective governance structure. Responding to challenge forces
In responding to the challenge force, the transnational company needs to become a transformation company that not only complete the commitment required but also help developing countries deal with problems.

The transnational company needs to make significant investments in developing products or services to meet important to use their positive influence to improve the exploitative and unfair circumstance in the workplace and the communities in which they operate. China - A New Market

1. The Reason of Choosing China A. New Entrepreneur Sometimes, companies that enter the market first would take more advantage than the others, which enter the market later, such as Amazon and Fed. They are both good examples to show the advantage of being leading entrepreneurs. But for China 's foreign enterprises, the situation would often just be the opposite.

In this vast, undeveloped, and big market, the phenomenon that firms, which enter later, would take more advantages occurs. In fact, just entering the market, enterprises are likely to get support from the pioneers. The specialists of business and the legal said that in the automotive, retail and technology industries, new entrants that enter into the business may be more smoothly. Many foreign companies can set up fully owned Company directly, rather than Joint ventures with Chinese government-owned enterprises. Moreover, we can also learn from the lessons advance into the enterprise.

Some previous companies entering China is still enduring the trauma that Chinese bureaucracy gave them the last eighties and nineties, not to mention sometimes they had to corruption and inefficient behavior and even local businesses cooperation. B. Potential Upscale Market According to recently study, the power of Luxury purchasing of Chinese consumers is one of the top three positions of the entire world. That implies that China is absolutely a market of huge potential and we should make Tease a luxury brand and the target costumers are the people who are not sensitive to price.

About the dealer location, we should select the most high-end shopping center, with many famous brand luxury goods and fashion neighbor, we can see that the initial positioning Tease into China, taking the luxury car brand image. We may take experiences from Apple, for the reason that we are similar with Apple. Since Steve Jobs' published speech, prices of apple products tend to lead to amazing cheer, given Apple's these experiences in China, Phone's brilliant achievements, we have no reason not to learn from Apple. 2.

Management Configuration To protect the core technology and essential patents, we decide to adopt geographic subsidiary management; means that we would like to operate subsidiary company in China instead of choose a partner of international Joint ventures. We would send top managers from the US parent company to supervise the local companies and do decision-making with few local managers. We would like to choose Chinese local lealer to make marketing research and development, make marketing plans and charge the sales department. 3.

Tease Commitment in China Tease is committed to the principle of working in China, with China, for China. We desire to bring about positive change also extends to the workplace and the communities which we operate. In that case, we would build a partnership with Non- governmental Organizations or supra-government agencies that can provide expertise in social program delivery that the companies typically lack. To be pacific, friendly and be helpful to the local communities though all the sections. We would ray the best to focus on design and develop the new economizing energy engine.