

Managing multinational operations

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Managing Multinational Operations The Acme Company is exploring strategic options. Within this area of understanding, the organization has gathered a significant amount of capital. The organization is now seeking multinational banking options as a means of best implementing these funds. Within this context of understanding the company has a number of assumptions about its future business practices; as such the organization must find a multinational bank particularly suited for their strategic interests. This essay examines a number of banks that offer multinational options and determines which bank is the best option for Acme Company.

Acme's first business assumption is that they will have subsidiaries in South America and Asia. Within this context of understanding, all the banks analyzed have South American and Asian locations, with HSBC having more diversified locations in these areas than either Bank of America or Citibank. Acme also has the specified need of local lending sources for operating cash. In these regards, HSBC presents the most local subsidiaries for access to lending cash. Acme's next assumption is the need to centralize cash management. In these regards, all banks offer centralization opportunities. Acme has also specified the need for short-term investment vehicles for excess cash balances.

All banks contain investment vehicles, but it's clear that Citibank's investment model is based for life-term retirement interests rather than short-term options. Conversely, both HSBC and Bank of America provide short-term and international investment options. While Bank of America has a self-directed investment program it's clear that the impetus must come from the client to seek out international investments. HSBC is different than Bank of America in that it offers and promotes a number of short-term and

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multinational investment opportunities. In these regards, HSBC is the most effective short-term investment vehicle for Acme. In terms of access to foreign markets and forward market services, all banks offer a version of these needs. Still, it's clear that Bank of America and HSBC offer the best options. In these regards, the decision is based on a qualitative assumption, as both banks offer equal access to foreign exchanges. All of the banks analyzed offer currency exchange options, which will allow the organization to pay bills in both local and other currencies.

While both Bank of America and HBSC satisfy the future assumptions of Acme Corporation, it's clear that HBSC would be the greatest option. The primary reason for this decision is the large amount of foreign subsidiaries this bank has in the South American and Asian markets. Even as Bank of America offers comprehensive foreign investment and exchange options, their small amount of branches in the South American and Asian markets would ultimately prove burdensome to Acme Corporation, as they seek regular funds for operating cash.

In conclusion, this essay has examined a number of number of banks for the institution that offers the best strategic option. In this context of understanding, it is revealed that HBSC offers the most comprehensive options for Acme Corporations needs. Ultimately, this investigation is illuminating as it reveals the extent that major banks have captured global markets.