

## **A Project Based on the Significance of the Global Factors that shape the UK**

### Executive Summary

This project is based on the significance of the global factors that shape UK and national business activities of both local and international businesses. They are guided by the Chaserâ€™™s Consulting Firm. This paper focuses mainly on the European policies and the international trade among UK and local business. The type of business which Simms Traders Ltd was discussed. It was referred to as being a Private Sector business as it is driven by family members so no one outside of that family boundary is allowed to buy into the business. The purpose of such type of business was discussed as well.

The stakeholders are what keeps the organisations going so it is their responsibility to maintain and keep up with every stakeholder's objective for the business. The government is one of the main stakeholders as they affect the legal existence of the business. The customers are important as well as they give feedback to the service or product offered. Strategies will have to be employed in the meeting of each objectives, so this was thoroughly discussed in the project.

Valuable recommendations were made as to the necessary issues which were noticed or on what could be done to improve

further performance of the business especially for its stakeholders.

## INTRODUCTION

I. Rationale: The purpose of this assignment is to conduct a research on the significance of the global factors that shape UK and national business activities to our client. This report will focus on the international trade between UK and local businesses and how the EU policies will affect business activities.

II. Objectives: To evaluate on the significance of international trade to UK and local business organisations To analyse the impact of global factors on UK and local business organisations To evaluate the impact of policies of the European Union and the impact on UK and local business organisations To make recommendations for performance of business

III. Literature Review Explained by (MBA, 2013) A business organization cannot exist a vacuum. It needs living persons, natural resources and places and things to exist. The sum of all these factors and forces is called the business environment. For a business to perform efficiently it has to have customers, suppliers, competitors, the government, banks etc. These are all called the stakeholders of the business. Who are stakeholders you may ask; they are in a nutshell the

persons responsible for the input and output of goods and services?

Definition stated by (Education Portal, 2013) Stakeholders any person, organization, social group, or society at large that has a stake in the business. Thus, stakeholders can be internal or external to the business. A business needs to keep the best interest of their stakeholders as it is one of their responsibilities. Stakeholders have their various needs and expectation for the business which makes it important for a business to understand their stakeholders. This will help a business to make stakeholders feel as they are part of the business and contribute new ideas.

Organisations also have legal responsibilities in which they need to be obstruct about in order to keep the business running. The government also plays a important role in the daily activities of any organisations. It's the duty of the business to keep up to date with the laws and regulations set by the government. Stated by (UKessays, 2014) If an organisations does not comply in ethical behavior, they might not only lose customers but they might even not even get employees who are willing to work for the organisations.

#### IV. Methodology

The type of research conducted was a qualitative research. This type of research is where data is collected from numerous sources by observation and analyzed or interpreted. Secondary sources such as internet books or articles were used to collect data.

Secondary sources used were internet and articles. The benefit of secondary data has stated by (Crossman, 2014) is that are Someone else has already collected the data, so the researcher does not have to devote money, time, energy, and other resources to this phase of research. Information is always available on a wide scale through internet, books etc. so its a lot easier and accessible for the researcher. The use of secondary sources are more useful as persona's share their knowledge so it's easier to get information via internet as well as for organisations who update their websites daily with valuable information.

The limitations were not much as information was quite accessible due to the source in which was used.

Chaserâ€™s Consulting Firm

Chaserâ€™s Consulting Firm was founded in 1990. We are located at 12 St. Lucia Avenue, Kingston 5. We have two other branches located in Spanish Town and Montego Bay. We have 23 employees consisting of our consulting agents, HRM,

Accountant and the manager. Chaserâ€™s firm analyses existing and start-up businesses, creates solutions to problems and helps small businesses to develop efficient plans for meeting their goals. Our firm analyses existing and starts up businesses, creates solution to problems and help small business to develop a plan to meet their specified goals. The experience and knowledge of our well-trained staff helps our clients to improve performance, comply with complex regulations and deliver measurable, sustainable results to the growth of their business. Our clients' needs are always our number one priority.

Vision Statement: To be the most respected firm and number one in customer satisfaction across Jamaica.

Mission: To deliver great customer satisfaction by providing the highest quality service that helps in addressing our client's business issues.

## Context Background

Simms Traders Ltd.

Simms Traders Ltd is a family business which was founded in the year 2000. We are located at 36 Spanish Town Road. We also have two smaller branches which are located in Kingston and Montego Bay. We currently employ 8 persons working at

each branch. We offer membership cards to customers who are frequent shoppers based on our database system.

Our employees are well trained to deliver excellent customer service to our customers to keep them happy and our business running. We sell products of every kind and brand for the satisfactions of our customers.

Our primary objective is to deliver consistently the highest quality customer service to satisfy the needs of our customer. Our mission is to continue bringing to our customers the best of the home appliances and commercial food services, at the most affordable prices available, keeping our assortments fresh and updated, so their experience with us is always long-lasting.

Findings/Data/Results 4.1 Discuss the significance of international trade to UK and local business organisations Stated by (Dudovskiy, 2013) International trade is the exchange of capital, products and services across borders. Countries from different borders now have the opportunity to communicate and co-ordinate business of goods and services. The development of technology has played a vital role in the formation of international trade. The impact of this on both UK business and local business can be shown in different areas of the economy. Organizations who use the international trade as a lot of advantage. International trade creates market

opportunities for business. Products which are produced locally can now be in the reach of consumers from different regions. Stated by ( ) For a market opportunity to exist, a company must be able to identify its potential customers are , the specific needs to meet, the size of the market and its capacity to capture market share. International also increase competition amongst countries especially most monopoly business who have little or no competition. Most times some countries may feel that they are facing unfair competition so Protectionism is put in place to control fair trade. Defined by (Riley, 2012) Protection is represents any attempt to impose restrictions on trade in goods and services. The aim is to cushion domestic businesses and industries from overseas competition.

#### 4.2 Analyse the impact of global factors on UK and local business organizations

Stated (Dudovskiy, 2013) Global forces impacting UK businesses include, but not limited to increasing scale of international trade, increasing levels of multiculturalism in UK organizations, increasing levels of inter-dependency of national economies and others. The impact of global factors on UK business can be analyzed in a PESTLE analysis.

Political: This has to do with changes in government policies has it has a great influence on the operation of business



activities. The policies which is placed on goods to prevent unfair protection such as tariffs between different UK countries (see diagram in appendix).

Economical: These factors involve the changes which happen within the economy based on government change in policy and the monetary and fiscal policy. Stated by (Essay UK, 2014) A rise in living standards would ultimately imply an increase in demand for products thereby, providing greater opportunities for businesses to make profits.

Social: These factors focuses on the changes in social factors of the economy. Business analyse the market based on the age, gender, lifestyle etc of their consumers in order to know the type of product to put out on the market. Stated by (Essays UK, 2013) In a global environment it is important that business strategies are designed keeping in mind the social and cultural differences that vary from country to country. Consumer religion, language, lifestyle patterns are all important information for successful business management.

Technological: Availability and developments in technology play an important part in businesses creating a global business strategy. With technology increase business can create new products and develop new strategies to increase production. State by (Essays UK, 2013) Technology helps business to gain



competitive advantage, and is a major driver of globalization. Legal: These factors influences business strategies has it has to do with the legal regulations and laws of the government. Business need to be up to date with government policies to run business operations smoothly.

4.3 Evaluate the impact of policies of the European Union and the impact on UK and local business organizations.

Within the European Union there are some rules and regulations which needs to be followed by member countries in order to operate business activities successfully. These policies are: Employment policy, Regional policy, Inflation policy, Education and training policy, Taxation policy and International policy. Employment policy: the government is always doing what they can to stop unemployment. They have come up with a programmed call the New Deal to help persons who are unemployed to get the opportunity of developing training and gaining experience through their different programmes. The government also encourages UK businesses to be more competitive within the international market and this also helps to create new jobs as more business opportunity will develop. Inflation Policy: Explained by (Business Case Studies, 2014) The government seeks to make sure that there are no sudden general rises in prices. They do this through the Monetary

Policy Committee (MPC) of the Bank of England which sets interest rates. The interest rates are put in place when persons tend to start borrowing and spending too much. When interest rates are increased less borrowing from banks will take place and less spending by consumers will take place, thus pushing down prices.

Taxation policy: Taxes collected from business and consumers can in turn help to improve infrastructures or help business with projects in which they are caring out to improve the livelihood of communities.

#### Recommendation

Based on the information gathered by Chasers Consulting Firm there are several recommendations which can be implemented by Simms Traders Ltd. To study the policies of the European Union in order to keep business on the legal side. To try to gain more competitive advantage by being a part of the UK International Trade. The manager needs to implement some of the managerial approaches in some situations which may arise within the organization, play more of a manager than a friend. Implementing more strategies to improve the quality of employees work performance, working as a team is beneficial in certain circumstances. Involve employees in most of the organizational decisions as that will make employees feel as if

their suggestions matter and they are more than just a worker to the organization. Managers and leaders need to work hand in hand in ensuring that everybody plays their part and productivity is being increased.

## Conclusion

Based on research done by Chaser Consulting Firm they were able to evaluate UK and European policies can affect business activities and how international trade can aid the development of UK and local businesses.

The information gathered should help Simms Traders Ltd to better understand how international trade can help their business. The more they understand about the European policies and the international trade the better they can get in terms of becoming more competitive.

The International trade helps businesses in a lot of ways and also helps them to gain more market opportunities etc. With every business there are certain policies to be followed and the European Union provides these policies to every business both local and international who are a part of the international trade. The consulting firm has found a few glitches within the business and has recommended a few suggestions which will aid in the development of Simms Traders Ltd.

## Appendix

## Political

The level of global political stability The level of bureaucracy in international affairs The extent of freedom of media Global trade control initiatives Threat of international terrorism Tariffs between the UK and other countries Global copyright, patent and intellectual property disputes

## Economical

Impacts of intensifying economic globalization Global economic crisis Stock market fluctuations Cost advantages possessed by emerging superpowers such as China, India etc. Impact of The World Bank and The World Trade Organization Increasing importance of outsourcing and offshoring initiatives

## Social

Changes in family values in global scale Changes in family patterns (same-sex marriages, single parents etc.) Increasing popularity of immigration and migration practices Increasing mobility between social classes Greater concern for minorities in society.

## Technological

Level of global technological infrastructure Industry-specific technological breakthroughs Regular emergence of innovative communication technologies Adoption of technology as

competitive edge by increasing numbers of businesses  
Ecological Impacts of global warming tendencies Increasing  
levels of air and pollution Increasing level of sensitivity towards  
"green" problems among business stakeholders  
Activities and initiatives of global environmental organizations  
Legal Laws and regulations related to data protection Global  
data protection rules and regulations Increasing levels of  
ecological globalization Changes in cross-  
country employment and health and safety laws

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