



Briefing: Stap Sart - International Expansion Overview

Internal Dynamics:

Conflicts between managers and workers are a recognized issue within Stap Sart. The root causes could be multifaceted, stemming from the very lean organizational structure and the dynamic environment that requires constant adaptation. While these conflicts are common, they also reflect a culture of passion and engagement with the company's vision and operations.

Ownership and Control:

The owners of Stap Sart have a preference for maintaining a higher degree of control over foreign operations. This inclination is likely due to the desire to preserve the company's core values and business model integrity when scaling internationally. They understand that the extension of their operations into new markets will necessitate a balance between exercising control and adapting to local business environments.

Implications for International Expansion:

- **Conflict Resolution Mechanisms:** It will be essential for Stap Sart to develop effective conflict resolution strategies that align managers and workers with the company's international goals, fostering a unified direction for expansion.
- **Control Mechanisms:** In foreign markets, particularly in Poland and Austria, Stap Sart's preference for control suggests a potential leaning towards entry modes that allow for a stronger presence and influence, such as wholly-owned subsidiaries or joint ventures with significant ownership stakes.
- **Cultural Training and Integration:** Preparing both managers and employees for the nuances of international operations through cultural training can reduce conflicts and align all staff with the company's global objectives.
- **Local Leadership Engagement:** Empowering local managers within the subsidiaries to make strategic decisions could strike the necessary balance between control and localization, ensuring that operations are responsive to the local market while adhering to Stap Sart's overarching policies and culture.
- **Risk Management:** With the preference for higher control, the owners must be prepared to navigate the increased risks associated with deeper involvement in foreign operations, necessitating robust risk management strategies.

Conclusion:

In summary, while Stap Sart faces internal challenges and has specific preferences for its international operations, these can be addressed with careful planning and strategic implementation of management practices that are sensitive to both the company's culture and the realities of operating in new, diverse markets.



Activity: Assessing Market Entry Modes for Stap Sart

Time: max 45 minutes

Aspect: hierarchical modes

Task:

- **Research & Discussion:** Investigate hierarchical modes like wholly-owned subsidiaries, either through greenfield investments or acquisitions. Discuss how Stap Sart's flat structure and dynamic environment could handle these modes.
- **Presentation:** Develop a risk assessment report outlining the challenges and potential benefits of Stap Sart establishing its own subsidiary abroad. Include potential locations and strategies for managing these subsidiaries..

Guidelines:

- Use available resources such as academic articles, market reports, and real-life examples of similar companies.
- Consider Stap Sart's specific characteristics, such as size, industry, and lack of clear hierarchy.
- Think creatively about how different entry modes can be tailored to fit a small SaaS provider.
- Be specific in your argumentation.

Outcome:

- Prepare a 5-minute presentation to share your findings with the class.
- Upload your ppt here: <https://is.muni.cz/auth/go/y7kj6o>