**Executive Summary**

The Winch-It Manufacturing Company was founded to fill the market gap for fishing and recreational boating needs of the people of Western Australia in the World War II period. This business venture having been co-founded by two brothers who began as mechanical engineers to meet the mentioned needs since the country was cut off from the world supply of these products. The design is peculiar and functional, attracted the loyalty and new customers like the Navy and other defence departments. This escalated to the establishment of the Winch-It. With the market demands evolving and the dynamic growth of Winch-It, it is necessary to expand the reach of the organization beyond the boundaries of the nation. This venture is a journey which may cripple the whole organization if it not faced with agility and conformity. Therefore, a need for this assessment to give a practical way forward to the exploration of new markets overseas is created.

**Introduction**

The Winch-It Manufacturing Company has created deep trust and attracted customer loyalty. Since the conception of the company, Winch-It has been attracting a reputation for their service and quality that the founders infuse in the design, creating a brand that has been admirably across many in Australia including several departments in defence office. The Navy has been sourcing for winches that have been particularly made and designed by the Winch-It. This demand being set up on the company has jolted a great deal of improvement expansion for the company.

With them the quality was being demanded by sailors both recreational and professional who used the products for either fishing or sailing the waves. Many felt that the excellence in the design is “Naval”.

The design and level of quality inserted into the products were based on the Winch-It’s a philosophy for quality manufacturing, and the need to serve their market who has been loyal since the Second World War. It is during this period that the organization experienced strict, great and notable increment in the manufacturing sector as well as the design to meet both the needs of the military and the local market. Their philosophy to serve the market reliably with quality products which have the operational functionality, it was created for has made the organization to be acknowledged and appreciated.

With the great influence and growth that the company is facing, it has reached a point where the market has grown smaller and need to fit into new shoes has come. Being a giant in the local market has leads to the need for exploration of new markets. This requires that the market giants go back to the drawing board and redo their market and manufacturing structure so that they include the international market. Where it has taken the company 200 employees to reach their present position in the Australian market, it may take a large group of employees who will bet the company to an international competitive sport. However, expansion of a company is not all that matters, the quality of the products and the reliability of service offered should not diminish at all.

**Organizational Context**

The detail and structure of the Winch-It company is based on the philosophy and the market’s demand. As much as the statement “the devil is in the details” goes, the greatness of the same also is limited and tamed by the same details. Winch-It prides its reputation upon the quality of the products produced and the design nonetheless. Therefore, for the success of the international market, the organization has to maintain the domestic business while incorporating some of the international labour.

The most suitable organizational structure for Winch-It should be the Matrix Organizational Structure. This strategy is suitable since it is the merging of the functional and the International organizational structure (Rowlinson 2001).

**The Functional Organizational Structure**

Since the quality and reputation of the design should be maintained in the international market as well as the local market (Rowlinson 2001, p. 670). This would mean that the specialized departments in the headquarters company such as the design faculty, the operations and manufacturing sector and the quality assessment department have to be the same so as to offer the desire standard quality of boat accessories and in the spirit of the Company, maximize the economies of scale with the expanding market (Bowditch, Boone and Stewart 2007).

**International Division Organizational Structure**

The company slogan, “Sail with Quality”, in the formative stages of Winch-It led to the subdivision of the various departments which are connected and depend on each other so as to produce quality products.

For the company to grow and increase their influence in the international market, need to learn the foreign market by first testing the waters by supplying the potential markets with some of the best franchise to assess the need for the demand. This then is followed closely by learning the market and tailoring the business plan for the foreign market. The next step would include establishing an independent foreign production facility with a blueprint made by the headquarters Organization (Krijnen 1984, p. 66).

**The Winch-It Matrix Structure**

With many definitions for the matrix organizational structure, the one that is perfectly conjured to fit this organization would entail maintaining function, quality and headquarters-organization’s influence over all international branches while they remain independent in research and delivery of the Winch-It’s a quality standard (Ramesh and Tiwana 1999, p. 214).

**Cultural Context**

Cross-cultural assessment of the foreign market is necessary as it helps in understanding the market and the similarities or differences between the current management and the potential market in so as to set off the effectiveness in the foreign market (Holden 2002). The success of the foreign branch of Winch-It has to have a deep understanding of its market culture and the impact that will be drawn from the two working together, if there be any (Knight 1997, p. 221).

The social cognitive theory implies that in the context of the market-organization, interaction, the decision making procedure is based on comprehension, and predict the human behaviour of the market (Schunk and Usher 2012).

**The Cross-cultural know-how**

This is the best approach in dealing with the cultural phenomenon which includes creating information collection methods and pathways for communicating with the market, perhaps through advertising and free samples and feedback pathways like the demand for the product and customer reviews (Holden 2002).

This method is subjective to pooling of information from different foreign organizational branches gives Winch-It’s a competitive advantage. This form of pooling of information stems out of the web of relationships that the organization has from the market. The knowledge-base created by the cross-cultural is tacit, and may be used subjectively or experientially (Ramesh and Tirana 1999).

**Staffing Context**

Based on the organizational structure of the overseas Winch-It branches, the organization should set apart at least two employees in every department to survey the potential market so as to find a way that the Winch-It services can fit in the market. This team should take note of the market dynamics and complexity and offer recommendations prior to the move.

**The ethnocentric staffing**

This approach is conclusive of the fact that the international markets are best run by the locals. However, so as to maintain the standard quality of the products and to maintain the headquarters influence over the foreign branches, the headquarters ought to hire managers from the headquarters (Harzing 2001, p. 140).

The major positions which include the strategists and the managerial heads run the business of the day while the subsidiary and support staff is hired from the locals. This strategy is important as it adjusts and maintains the expenditure of the company at a low, and maintains loyalty from the local since they are well represented in the organization.

**International Performance Management**

Change of the geographic location of any company has a negative effect at first. This is because the locals have high expectations for the new multinational company. They expect it to create jobs and have a great and notable impact on the economy. However, what the locals in the subsidiary companies are aware of is the initial cost it takes to keep a business up and running and ensure that profits don’t take a dive.

The subsidiary companies are usually loaded with lengthy governmental procedures with which the headquarters does not incur. This can be a huge burden to a young uprising firm in new soil. This can be solved by meeting the demands of the government while at the same time seeking for a way around their constitution to benefit Winch-It.

The young branches of Winch-It may face high competition, which may rip it off and cruelly and cause it not to take root in the new market (Messick 1994, p. 22). The subsidiary companies use the popularity of the mother company and basing on the Winch-It’s reputation, win the local’s loyalty.

Performance Assessments should be conducted annually to ensure that the subsidiary company is held up on its end of the bargain: profiting Winch-Its Organization and the local economy. The performance hunting and assessments should do the following:

* Help to identify and acknowledge the productive employees.
* To meet the personal needs of the employees with potential so as their performance at work can increase.

**Conclusion**

The journey into new markets, is long, dark, but most of all achievable. By studying the market and being ready to make the necessary changes here and there, the impossible is possible. The company will benefit most from two plans to achieve this reality: Cost Benefit Analysis and the Annual Performance Assessment. The findings obtained from the two reports will give the way forward and advise on the changes that will cause a revolution. Lastly the database created by the cross-culture interaction will help in solving departmental challenges and give a way forward thence.

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