Factors Affecting Internationalization Of Davis & Shirtliff Ltd In The East African Region

Kitavi, Prilona Nzisa

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Abstract:
Internationalization among private companies is of considerable relevance owing to the observed growth effects and their demonstrated capacity to drive the economy at national, regional and global levels. Companies are using internationalization as a tool for growth and sustainability. Companies are diversifying into foreign markets to spread risk. The main reason for businesses becoming or going international is the need for companies to stay competitive in their respective environment. The study aimed at determining factors affecting the internationalization of Davis & Shirtliff in the East African region. The study used case study research design because the unit of analysis was one organization. The study collected primary data using interview guide. The interview guide was designed in line with the research objectives. The target respondents were senior managers at the Company were interviewed. The study concludes that the Company was driven by several factors in its internationalization process including the need for unlocking the client value by exploiting opportunities in the East African region; growth of business to expand the revenue base, the organization’s regional/global clients were demanding the organization’s local presence. The study established that firm factors including the size, age and caliber of staff affected the company’s internationalization process. The study established government related issues for example tax regulation, labor laws and regulatory framework in the countries where the company was to expand greatly affected the firm’s internationalization process. The study recommends that firms seeking to internationalize need to consider some factors prior to embarking on the internationalization process. The study also recommends that firms seeking to internationalize need to evaluate the legal and regulatory frame work within the region in which they are to expand.