Critical Thinking

[Enter your name here]

[Enter the name of the institution here]

**EXECUTIVE SUMMARY & INTRODUCTION**

**Introduction**

The Ferguson Company is one of the biggest providers of construction accessories in the world. The Ferguson Company has $ 16.7 billion of sales as of 2018. This provides a consistent and long-term source of cash to the company (Ferguson, 2019). The company has shown consistent growth in the revenues and has a very clear vision and mission. This is coupled with the excellent human resource developed by extensive training and development. All these factors have made the company one of the leading names in the business currently. The brand extension is a key factor in the company's success because customers want to see changes and improvements in the existing products (Higgins, 2007).

**Summary**

The company pursues growth opportunities that are consistent with its basic operations. There are two options for the company to pursue a strategy, namely market penetration and market development. The first strategy is about giving the same product to the same markets. This strategy is intended to increase the market share held by Ferguson in the USA. The second strategy is about introducing the existing products in the new markets e.g., Ferguson may offer its services in the UK (Ferguson, 2019).

The major challenges to the company are posed when it starts working in a country other than the home country. It can change its structure and culture accordingly. The company should continuously try and find people who have the characteristics that match company requirements. This will help the company retain and enhance its competitive advantage in human resource (Ferguson, 2019). There is a danger of failure when a company is establishing operations in new markets. There are differences in cultures and business practices in different countries. Adapting to these different scenarios will affect the company performance some way or the other. The company should use cooperative strategies to manage its operations in the new markets. This will help it to learn important aspects of the environment and adapt to them accordingly.

**References**

 Ferguson. (2019). *https://www.ferguson.com/content/about-ferguson-enterprises.* Retrieved from https://www.ferguson.com/content/about-ferguson-enterprises

Ferguson. (2019). *https://www.ferguson.com/content/about-ferguson-enterprises/executive-team.* Retrieved from https://www.ferguson.com: https://www.ferguson.com/content/about-ferguson-enterprises/executive-team

Ferguson. (2019). *https://www.fergusonplc.com/en/who-we-are/corporate-governance.html.* Retrieved from https://www.fergusonplc.com: https://www.fergusonplc.com/en/who-we-are/corporate-governance.html

Ferguson. (2019). *https://www.fergusonplc.com/en/who-we-are/our-leadership/executive-committee.html.* Retrieved from https://www.fergusonplc.com: https://www.fergusonplc.com/en/who-we-are/our-leadership/executive-committee.html

Higgins, J. M. (2007). The Eight ‘S’s of successful strategy execution. *Journal of Change management*.