

lop

by Jk Uij

Submission date: 16-May-2020 12:57PM (UTC+0300)

Submission ID: 1325678649

File name: joint_venture_2pgs.edited.docx (13.75K)

Word count: 782

Character count: 4158

Joint Venture

Student's Name

Instructor's Name

Date

Joint Venture

A joint venture refers to where two or more businesses dealing in a similar line of goods and services cooperate while maintaining their distinct identities. The method is preferred by both large and small organizations, willing to have a more significant market share and competitive benefits. In most cases, the businesses entering into joint ventures usually have substantial weaknesses and reduced capital needing support from other organizations to overcome them. Even though the joint venture is not a formal term in the United States, businesses have the freedom to enter into agreements as long as the legal needs are met. Saudi Aramco in 2018 began a joint venture with Raytheon Company to improve its cybersecurity aspect in the country and the region during its day to day operations, which the paper analyses to determine if the decision was sufficient.

Saudi Aramco is a company dealing with oil in Saudi Arabia and the neighboring regions. However, the company has not invested much in technology due to the lack of funds, which has led to several hacking cases hence the need to have cybersecurity protection. For example, journalist Khashoggi was murdered in one of the buildings in the nation, reports saying that the phone was tapped via a cyber-security software weeks before the incident (Censer, 2015). Such issues prompted Saudi Aramco place more effort in enhancing cybersecurity in the country and the region as a way of serving the people. As a result, the company established a joint venture with Raytheon Company by signing a Memorandum of Understanding. The company's aim in the joint venture was to become most efficient in enhancing cybersecurity protection in the nation and outside. For instance, more protection was to be given to the suppliers, buyers, as well as affiliates, among others.

The decision to create a joint venture was efficient as it has made the company gain competitive benefits in the market through the following ways. The cooperation has made Saudi Armco get new markets and expands its distribution markets (Sharma, 2015).

Considering that Raytheon is an established company, the income earned is more where the venture enables Aramco access to some finances. It increased its pool of income, enabling growth and development. The entrance of new markets and the expansion of distribution channels have ensured more excellent protection, one of the company's aims. Notably, the increased technology use in society has added the number of cybercrimes, putting individuals and organizations' lives in danger. The joint venture has empowered the company to offer more protection, thus lowering the number of data breaches.

The venture has also helped in accessing more knowledge and expertise for Aramco, thus boosting its capabilities. The employees between the two companies interact from time to time, exchanging ideas regarding cybersecurity. The cooperation has educated Aramco's workers, making them innovative and develops new ways the company could boost cybersecurity services (Sharma, 2015). The more the ideas are established, the more the company needs more workers to help execute them. The action has shed light on the nation's vision 2030 concerning the creation of jobs and improving the economy.

Since the venture was signed, the company's workers have increased meaning that all needed duties are executed, and employment chances created. The company's technology has also improved due to innovation and more profits. It is a vital milestone for the company, as the criminals develop new ideas of stealing data, making the company move at the same rate. The development means the company has become reliable and efficient in taking care of the buyers (Perlroth & Krauss, 2018). As a result, more customers have been attracted, earning it a competitive benefit in the market.

Therefore, the joint venture between Saudi Aramco and Raytheon Company has been productive as the objectives are met. As noted in the paper, the company wanted to become the best in Saudi Arabia and neighboring regions where cybersecurity was a main aspect to consider. With the joint venture, more protection to suppliers and buyers has been ensured.

Also, jobs have been created, helping the company contribute to meeting the vision 2030 regarding the economy and has also led to improved technology, making the company meet the demands in the market. The aspects indicate that Aramco has acquired a substantial part of the market, enabling it gets the capability to grow and develop.

References

Censer, M. (2015). As Others Exit, Raytheon Redoubles Focus On Commercial

Cybersecurity. *Inside the Army*, 27(31), 3-4.

¹ Perlroth, N., & Krauss, C. (2018). A cyberattack in Saudi Arabia had a deadly goal. Experts fear another try. *New York Times*, 15.

Sharma, S. (2015). Cybersecurity for the defence industry". *Cyber Security Review*.

ORIGINALITY REPORT

4%

SIMILARITY INDEX

4%

INTERNET SOURCES

3%

PUBLICATIONS

4%

STUDENT PAPERS

PRIMARY SOURCES

1

Submitted to University of Sheffield

Student Paper

3%

2

minimatika.de

Internet Source

2%

Exclude quotes Off

Exclude bibliography Off

Exclude matches Off