The Strategic Issues, Business Plan and Implementation from Situational and Industry Analysis: A Discussion on a Specific Case

Moha Asri Abdullah

A business strategy is the focal point of the business practices and competitive strategies in the operational management. It is used to strike out a market position, conduct operations, attract customers, compete and achieve organizational objective. Thus, whether a company wins or loses in the marketplace, it is directly attributable to the calibers of a company’s strategy and the proficiency with which the strategy is implemented and executed. This paper attempts to analyse the overall situation of an accountant company in the wine industry known as Moss Adams whose company is facing the problems with strategy and execution in the specific market place of the northern California. To critically analyse this, a number of process involve; First, the use of the situational analysis and SWOT. Then, the Porter’s Five Forces model is also used to illustrate the nature of accounting industry of wineries businesses before strategic issues for Moss Adams’s company will be discussed in relation to the crafting alternative business solutions and predicting the outcomes of the plan.

Filed of Research: Business strategy, situational analysis, Porter Five Forces

1. Introduction

Strategic business plan and its implementation are the ‘heart and soul’ of any business organization and operation. A business’s strategy is the game plan management that is used to stake out a market position, conduct its operations, attract and please customers, compete successfully, and achieve organisational objectives. It is the focal point of the business practices and competitive strategies in the operational management (Sadler and Gough 2005 and Chan 2005), and the needs are not exceptional in the accounting industry (Holtzman, 2004: 949). Excellent implementation, on the other hand, ‘is the best test of managerial excellence’ that results in the most reliable recipe for turning companies into stand-out performers (see for example Thompson, Strickland and Gamble, 2005:15 and Sadler and Gough, 2005: 891).

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Whether a company wins or loses in the marketplace, it is directly attributable to the calibers of a company's strategy and the proficiency with which the strategy is implemented and executed. Implementing and executing strategy are thus the core management functions (Afuah 2003 and Grant 2002). Indeed, competent strategy and good strategy implementation are the most trustworthy signs of quality and good management. To enable a company to survive, remain competitive and growth, it should not only craft a good and practical strategy and, but most essentially proficient implementation forms a core part of the overall business growth and success. In many cases nowadays, strategic planning and strategic implementation are used to enhance a competitive intelligence culture in the internal organization (Viviers, Saayman and Muller, 2005: 577-579)

This paper analyses the overall situation of an accountant company in the wine industry known as Moss Adams whose company is facing the problems with strategy and execution in the specific market place of the northern California. The situation of this company is considerably worse if it is not bad that needs a lot of efforts on crafting new strategy to diagnose the problems areas, generating alternative solutions, predicting outcomes and evaluating alternatives strategic planning and implementation to produce the stand-out results. In order to achieve that focuses on a number of areas in its discussion. First, the understanding the overall situation or situational analysis would be carried out to understand the most problematic areas before the second part of the paper on diagnosing the troubled areas are made and pinpointed using the SWOT analysis. The Porter’s Five Forces model is used to illustrate the nature of accounting industry of wineries businesses in the areas of the northern California. Then, strategic issues for Moss Adams's company will be discussed in relation to the crafting alternative business solutions and predicting the outcomes of the plan. To enable this company revitalize its operation and gain in the market place, the implementation of the alternative business strategy is proposed and communicate the results using a number of mechanisms. Before a conclusion is highlighted, business executions are discussed with the intention to improve the overall fortune with flying colours of possible sustained growth and expansion.

2. Situational Analysis

Moss Adams LLP (MA LLP) whose is an accounting firm just launched a new initiative for developing the firm’s accounting practice to serve clients in the northern California wine industry. It highly imperative to note that despite the fact that Moss Adams is an established accounting company, this new initiative of penetrating into wine industry is the new area and the decision to go into the market of the northern California is also a new market area. Whilst, it is highly crucial to note that wine industry in the northern California is a matured and established industry and that the existing wine companies already have their own clients, and audit and accounting firms. Prior to the launching of this new market area and new operation, a strategic business plan was made and established to successfully integrate in its implementation. The business plan as in the Exhibit 1 comprises the important items including mission statement, the five-year vision, the market, the strengths, challenges,
competition, annual marketing plan and even the summary of the whole plan (Thompson, Strickland and Gamble 2005: C-553556).

Nonetheless observing from the Moss Adams’s strategic plan, analysis of the wine analysis for the firm to enter successfully as an attractive and niche market is rather insufficient, less in-depth, incomplete and not comprehensive. It may be possible that Moss Adams used only value-chain framework in developing its strategic business plan, thus ignore situational aspects of the industry and level of competition in the targeted area. Indeed, this is perhaps the biggest mistake that Moss Adams did not realized it at the beginning. Instead, a comprehensive and in-depth business plan is a must and the heart of any business operation, without with the implementation would not be practically successful (Fleisher and Bensoussan 2003). Of particular importance, the incumbent strategic plan of Moss Adams does not clearly state the industry analysis, the competitive level at the industry, locational analysis, the competitive level in the targeted market area to illustrate and reflect that there is an attractive market for the firm to move in. Indeed, this is one of the main reasons for the firm to find out that the strategy become less ineffective, if not ineffective. The analyses of those stated elements are the up-most importance in crafting any strategic business plan for the firm as it has been clearly emphasized by a number of scholars (Afuah 2003, Grant 2002, Tuominen 2000 and many others).

The incumbent business plan also appears to be rather weak as there is a list of the firm’s strengths, nonetheless, other essential evaluations such as weaknesses, opportunities and threats were not integrated. Thus, the strategic plan itself looks very unconvincing, and what else if the firm capabilities to succeed in the target market. In this context, without thorough evaluations on weaknesses, opportunities and threats, it would automatically fail to identify the threat on which the firm would face in light of the matured wine industry in the northern California. In this view, to enable to understand the overall picture of situation and position of the Moss Adams’s firm, SWOT analysis is adopted so it covers internal and external situations/environments (Kotler 2003:102).

2.1 Swot Analysis of Moss Adams

Table 1: The internal analysis highlights the resources audit on strengths and weaknesses of the Moss Adams’s firm.

<table>
<thead>
<tr>
<th>STRENGTHS – Moderate</th>
<th>WEAKNESSES – High</th>
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<tbody>
<tr>
<td>Strategy: Maintain and improve further</td>
<td>Strategy: Much Needed Improvements</td>
</tr>
<tr>
<td>• Large firm to provide the specific services demanded</td>
<td>• Strategic plan is not realistic and vision of being premier wine industry in the targeted area</td>
</tr>
<tr>
<td>• Known in servicing ‘middle-market’ businesses in line with the majority of the wine industry</td>
<td>• Targeted goal of adding minimum three wine industry clients in 2001 is unrealistic</td>
</tr>
<tr>
<td>• Focus efforts in specialized industries/ niche with the goal of becoming dominant</td>
<td>• Stiff competition as wine industry is a matured industry, in the area</td>
</tr>
<tr>
<td>• Strong emphasize on value-added services</td>
<td>• The few large firms’ domination – Big Five</td>
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<td></td>
<td>• Do not have niche wine industry in the area</td>
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for more client satisfaction, loyalty and name recognition
• Office branches throughout the West Coast regions
• Have tax accounting and consulting staffs with wine industry experience and related industry such as orchards, beverage and food manufacturing
• Have some high-profile wine industry clients within California
• Majority of niche members have roots in Sonoma County which is crucial for wineries and grape growers in the area

• Experience in wine industry is less and low
• Credibility of the firm in the industry is still missing
• Perception of the locals that Moss Adams is not to the area
• Wine industry is as new comer for Moss Adams
• Less commitment from available staffs
• Staffs too busy and not aggressive for business
• Marketing strategy is not practical and tactical and individual staffs not involve in marketing the services
• Do not have strong networking and market in the targeted areas
• Do not train and upgrade skills of individual in the specific industry prior to the launched plan
• Short-time plan to get known people and community in the area
• Inexperienced staffs in the industry with less time available and limited efforts & less aggressive
• Individuals were not involved in marketing
• Do not have personal contact with privately owned-wineries and grape growers
• Do not offer ‘one-stop’ shopping facilities
• Do not have ‘famous people’ or true industry expertise in the niche market that could convince clients.

Table 2: The external analysis of situation in SWOT evaluates the opportunities and threats faced by Moss Adams

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
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<tbody>
<tr>
<td>STRATEGY – to improve</td>
<td>STRATEGY – to overcome</td>
</tr>
<tr>
<td>• Market size and growth rate of the wineries and grape growers in the targeted areas</td>
<td>• Perception of the wine industry community (especially Sonoma County) that Moss Adams are not the locals</td>
</tr>
<tr>
<td>• Experts in relevant industry such as orchards</td>
<td>• Stiff competition from established accounting firms in the area</td>
</tr>
<tr>
<td>• Rely on established track record of Moss Adams</td>
<td>• Entrance of new players with small size tailored with local needs of wineries and grape growers</td>
</tr>
<tr>
<td>• Targeted at more clients for middle-range/size market</td>
<td>• In-house people become the ‘go-to-person’ among new players and the established incumbent firms</td>
</tr>
<tr>
<td>• Accounting was a large and relatively stable service industry</td>
<td>• The wine industry was expected to have poor to modest growth in revenue and employment in the 21st century</td>
</tr>
<tr>
<td>• All the ‘Big Five’ accounting firms reported double-digit growth rates in 1998</td>
<td>• The most established company comfortably offer ‘one stop’ solution services</td>
</tr>
<tr>
<td>• Opportunities to offer ‘one-stop shopping’ for all professional services needs</td>
<td>• Less experience as compared to competitors</td>
</tr>
<tr>
<td>• Ability to offer a depth of services that local firms were not able to match</td>
<td>• The entrance of non-CPAs and owners in influencing accounting firms</td>
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Based on SWOT analysis, it is clear that Moss Adams LLP’s resource strengths and capabilities to successfully pursue in the wine industry is less. There are many weaknesses that had not been detailed out and discussed in the strategic plan leading to ineffective implementation. Clearly, the strategic plan seemed to ignore the threats from the established competitors as a new entrant into the business and matured wine industry in the targeted areas. Apparently, it is no point for a company to pursue wine industry because of Mr. Gutsch, the senior manager and Mr. Pritchard, the accounting manager of Moss Adams both had interested in the industry. It is doubtful for Moss Adams to focus on the wine industry just to obtain more billable hours and revenue generated for the sake of allowing employees to focus on areas in which they were interested (Thompson, Strickland and Gamble 2005: C560).

What matter most is the strategic business plans. No doubt that Moss Adams is an established firm for middle-sized clients and in construction industry, but the existing strategic business plan of Moss Adams is rather insufficient, less in-depth, and incomplete that contribute to the failure in its implementation. The strategic business plan and its implementation are highly interrelated. To enable a firm to survive, remain competitive and growth, its should not only implement it exactly as planned, but more importantly craft a good and practical strategy is an up-most importance (Afuah 2003 and Grant 2003).

3. Industry Analysis

It is important to note that the wine industry in the targeted area is a more matured industry. It is recorded that there are approximately 122 wineries in Sonoma County, 168 in Napa County, and 25 in Mendocino County. In addition, there were over 450 vineyards within the same three counties. It was recorded that in 2001, about 55% have sales over US$1 million, and up to one-third have sales in excess of US$10 million (Thompson, Strickland and Gamble 2005: C553). Most of them had been historically serviced either large accounting firms or much smaller firms in a very competitive market. It was recorded that in the year 2000, the ‘Big Five’ accounting firms included Deloitte & Touche, Price Water House, KPMG Peat Marwick, Arthur Andersen and Ernst & Young, while Moss Adams LLP ranked 18 out of top 20 accounting firms in San Francisco Bay Area (Thompson, Strickland and Gamble 2005: Exhibit 3). This indicates that how competitive is the market for Moss Adams in the accounting industry and what is more in the wine industry where the firm is considered as a new entrant.

3.1 Porter’s Five Forces

To enable us to analyse the industry analysis in a better approach, the Porter’s Five Forces is considered as the appropriate analysis. Porter’s five forces model is a powerful tool to systematically diagnosing the principal competitive pressure in the industry which enable us to evaluate how strong and important of each of the following five main components (Porter 1985 and 1996). According to Grant (2003), Bailey, (1996), and Bateman and Snell (1996), the model would assist to identify the source of competition within the industry and how the competitive will impact the firm that is analyses i.e. Moss Adams LLP. The overall five forces model is shown in the Appendix 1, while
their respective major elements in relation to Moss Adams are discussed in below.

3.1.1 Competition within the Existing Players

Competition from the existing players in the wine industry is rather stiff and high. Other than there are the top 20 accounting firms that are operating in San Francisco Bay Area, Moss Adams was ranked 18 in 1999. Among them, the ‘Big Five’ have also served their services to clients in the wine industry. The most established company comfortably offer ‘one stop’ solution services that provide a more attractive and value-added services to the wine industry in the areas. Moreover, Motto Kryla & Fisher noted not only to be the most established accounting firm, but a well-established wine industry leader, with majority of its clients base located in Napa County. In addition, this firm had diversified its services from offering traditional accounting and tax compliance services, to consulting and research. This firm also managed to gain market share in the areas as it was considered as ‘the insider’ among the local wine industry.

Furthermore, Dal Pagetto and Company which is located in Santa Rosa has also a number of wineyard clients and poses a considerable to each others especially in the Sonoma County. Even though a small firm in nature, it clientele is more much smaller and the contact is more personal that its focuses more on ‘go-to-persons’. Other accounting firms that have significant wine industry practices that would compete against each others include G & J Seibertich & Co., Brotemarkle Davis & Co., Zainer Reinhart & Clarke, Pisent & Brinker, Deloitte & Touche and Price Water House. The two firms, i.e. G & J Seibertich & Co., and Brotemarkle Davis & Co., for example, are the wine industry specialists and have headquarters in Napa County that pose a very competitive market there, if other firms would like to penetrate their market base. In short, it may well be stated that competition within the existing players of accounting firms in the wine industry in the areas has been very touch and stiff for both large-sized clients as well as small-sized clients. With loyal, historical and personalized clients to specific existing players, it makes further difficult for others to penetrate and leverage on the market base.

3.1.2 Potential New Entrants

Presumably, barrier for new entry in the accounting industry is not that difficult. As long as a firm has the expertise and can offer services in main areas of business assurance (auditing), tax, international and consulting, it could enter into the market. This is perhaps the main reason for Moss Adams to target to obtain 20 percent of the market share in the regional wine industry in three to five years (Thompson, Strickland and Gamble 2005C-552). Thus, the business objective to obtain 20 percent of the market share in the regional wine industry over the next three and five years for the new comer like Moss Adams is really unrealistic.

Other than Moss Adams whose would face competitions from the existing players, the entrance of new players with small size tailored with local needs
of wineries and grape growers should be the main concern to take into account. These accounting firms, even though they are new comers in the areas, would pose a strong challenge to Moss Adams as some of them practice ‘in-house people’ and become the ‘go-to-person’ in the wine industry. Meanwhile, the entrance of non-CPAs and owners in influencing accounting firms also causes potential competition to Moss Adams and other firms. Some of them are the locals that have contacts and networks with the local vineyard and grape growers. Meanwhile, new entrants would also be an interest from large accounting firms having specialized and expertise in the wine industry that is looking for their expansion. All this would make the presence of new players in the niche areas is felt more and hence, pose considerable threat to Moss Adams.

3.1.3 Substitutes

Substitute accounting services of are many. These days, accounting could not rely on ‘generalist accounting practices’ anymore. Accounting firms and certified public accountants (CPAs) in USA began offering a wide array of services in addition to traditional accounting, auditing and bookkeeping services (Thompson, Strickland and Gamble 2005C-559). This trend was partially a response to clients’ demand for ‘one-stop shopping’ for all professional services need. It was also noted that relatively flat growth for traditional accounting and auditing services over the past 10 years was behind this shift, while the desire of CPAs to develop more value added services was an additional factor. In other word, management consulting, legal and other professional services to the practice mix of large national account network in USA are transforming the accounting industry as a whole. According to Holtzman, innovative initiates into new areas of business such as consulting opportunities in information technology, operations management, operations research and other management advisory services are profitable substitutes to the traditional accounting practices that many accounting firms, small and large alike, prepare to participate (Holtzman, 2004:953).

In this view, those traditional accounting practices whose quickly response to these new demands would become the most appropriate substitutes. Moreover, keeping with technology was also the strategic issue and the accounting firms hose provide training and recruiting staffs in these new substitutes are expected to gain more clients. The situation seems do not favour Moss Adams much as the emphasis on solely ‘cost segregation’, whereas skills, knowledge and expertise outside traditional accounting is lacking that would not help to pose strong substitute to the industry.

3.1.4 Buyers Power

Due to the nature of the niche industry, the least expected will be from buyers bargaining power and seller-buyer collaboration. However, several winery clients that being service by the ‘Big Five’ may pose the real bargaining power. With the large firms offering attractive fee to win over the big clients of wineries, this would tremendously result in strong bargaining power from other wineries and grape growers to leverage demand for lowest possible fee. Thus,
the presence of ‘the Big Five’ becomes the strongest possible power of seller-buyer collaboration in the wine niche market in the areas. Since they are large both could leverage consideration impact on the bargaining power on the part of buyers. At the smaller size accounting firms, Dal Pagetto & Company is the biggest Sonoma County competitor that could also pose possible bargaining power from other small and medium wineries and grape growers to Moss Adams. Moreover, the majority of clients base in Napa County that could have buying power go for Motto Kryla & Fisher whose is considered as the most insider posing another challenging dimension for Moss Adams.

### 3.1.5 Suppliers

As the accounting industry is the service industry, there is no direct supplier unlike the manufacturing sector. Perhaps the main suppliers are the personnel and individual accountants who have skills, knowledge and experience in the wine industry plus local niche market. Thus, those who are considered insiders and the locals and practices accounting and auditing are the biggest suppliers in the services industry like accounting firms. Those accounting firms employing such personnel would pose strong challenges and more competitive.

### 4. Strategic Issues Facing Moss Adams LLP and Crafting Alternative Strategic Business Plan

Indeed, there are a number of strategic issues facing Moss Adams. The most important one is that MA LLP is seen to have not only failed to secure the wine clients in the targeted areas of Napa, Sonoma and Mendocino Counties, but could not been able to build up it client base in there. Despite the fact that MA LLP has the wine industry experience for three years in outside targeted areas, these could not help much when it comes obtaining clients in the northern California. In this view, the failures of MA LLP are due to strategic plan and execution that are rather slow, insufficient, incomplete, less in-depth, unrealistic as well as comprise some obvious weaknesses in it marketing plan. For example, the MA LLP’s vision of being ‘the premier wine industry accounting & business consulting firms’ in those three Counties is rather unrealistic and ambitious. Another example is the goal of adding a minimum of three wine industry clients in 2001 is not practical with less commitment and time from the existing staffs. The execution and implementation's part is lacking with the existing team members in MA LLP had been too busy with other things to provide sufficient attention to win new clients in the areas. Another issue is that only a few people involved in the marketing functions. Literature shows a number of strategic options for Moss Adams to consider. To enable MA LLP to revise the overall fortune with flying colours of possible sustained growth and expansion in the niche market place, some alternative and offensive strategies are highly recommended. These, among others include, focuses on low-cost, broad differentiation and overall cost strategies, sufficient and competence personnel's and human resources, good and competence marketing plan, strategic alliances, joint-venture and acquire companies. These alternative strategic plans are illustrated in Graph 1 below.
STRATEGIC PLANS

Strategy 1

a) Overall low-cost provider strategy
Strategy to obtain clients and increase revenue in existing markets of Napa, Napa, Sonoma and Mendocino Counties
Objective is growing in existing markets

b) Focused low-cost strategy
Strategy to improve competitive position, quality, efficiency and productivity
Objective is improving overall margins

c) Broad differentiation strategy
Strategy to enter new markets around the areas
Objective is to diversify growth

Strategy 2

Competence personnel and human resources
Strategy to sufficiently and competently upgrade personnel and human resources
Objective is to strengthen organizational capacity & availability

PREDICTED OUTCOMES

• Win over clients
• Gain market share
• Increase revenue per customer
• Expand market demand

• Gain customer loyalty and retention
• Attract clients in small & middle-sized wineries
• Obtain differentiation advantage of good quality and better services
• Gain marketing advantage, obtain higher value and volume & hence higher revenue
• Obtain a good company’s position & reputation among clients

• Enter related new markets
• Enter unrelated new market
• Enter new emerging markets
• Develop new markets

• Obtain new expertise and competencies
• Gain confidence among clients
• Provide quality and efficiency services
• Gain higher productivity & revenue
• Obtain better access to market share
• Open up much broader opportunities
Strategy 3
Competence Marketing Plan (IMC)
Strategy of integrated marketing communication (IMC) to build and expand market share
Objective is to create awareness, company’s brand, client base, market share & opportunities

- Gain services awareness among clients
- Obtain company’s confidence & loyalty
- Build clients base
- Gain clients’ confidence
- Better access to bigger market share
- Gain higher productivity & revenue
- Open up much broader opportunities

Strategy 4
Strategic alliances
Strategy to form alliances with accounting firms in the areas
Objective is to raise capability and capacity of service & to hold the position in the niche market

- Obtain better, efficient and productive organizational
- Gain talented & experience personnel in the accounting
- Encourage & promote innovation
- Raise the position of capability & capacity of Moss Adams
- Gain higher productivity & revenue

Strategy 5
Joint-Venture and Acquire companies
Strategy to acquire and merge with existing players in the targeted areas
Objective is to further expand the business services

- To further obtain higher efficiency and productivity
- Gain talented & experience personnel in the accounting & stimulate innovation
- Raise the position of capability & capacity of Moss Adams
- Gain higher productivity & revenue
- Open up much broader opportunities

ULTIMATE OUTCOMES
- Obtain market share & clients’ confidence
- Generate higher productivity & revenue
- Talented, experienced and capable employees
- Efficient organizational structure
- Achieve further growth
- Achieve further development & greater height
5. Implementation and Execution

Undeniably that strategy implementation and execution is one of the fundamental criteria in a company’s success (Brown and Eisenhardt, 1998). Good conceptual planning would not result in good outcomes if implementation and execution is weak and unpractical (see in Tuominen 2000 and Afuah 2003). Thus, good strategic business planning needs good and practical execution. To enable Moss Adams to succeed, a practical and competence execution is crucial. The first execution is for Moss Adams to have an enhancing capable organizational structure or set up. Practical and proper organizational set up would tremendously enhance the internal capability and capacity of Moss Adams. It is recommended that new talents are recruited for key positions to exhibit the following dispositions of energy (ability to motivate and energize others); edge (having instinctive competitiveness and the ability to make tough decisions rapidly and definitely); and execution (strength to carry out things up to the end of the project).

Second, new position of the Deputy General Manager (DGM) of Moss Adams’s Napa, Sonoma and Mendocino Counties, who is responsible and accountable directly to the Moss Adams’s headquarter is to be appointed. He or she is expected to be a vibrant and experienced person who can develop and implement new strategic plan of focuses on low-cost, broad differentiation and overall cost strategies, to form strategic alliances, joint-venture and acquire companies and able to be accountable for the control of sales figures. The DGM and his/her selected employees will be the new core group that will be keys to the successful penetration and development. He or she is expected to implement the following:-

i. Upgrading and training of selected staff. The selected employees of the company need to be retrained in new areas of industry expertise, recent trends of accounting firms’ auditing, enhancing competitive processes and increase business acumen to wine industry-oriented challenge

ii. Rewarding high performing employees need to be rewarded with above industry average in salary increases, performance bonuses, stock options ownership so that this employees are retained for the long run.

Third, a specific and competence marketing division for Moss Adams’s company in the Napa, Sonoma and Mendocino Counties is recommended to execute the integrated marketing communication (IMC) plan. Competent personnel and accounting expertise with local knowledge and contacts in the wineries plus sufficient budget are most needed for marketers to create and to build brand awareness and brand loyalty among clients of wineries. The kind of IMC that is used is advertising, sales promotion, public relation, and direct marketing in the targeted areas. Advertising must be done through newspaper, radio, billboards, pamphlets, and television whereas sales promotion is done by sponsoring events, such as healthcare seminar, and cosmetics seminar.
Marketers do public relations like press relations and releases for launching new services, services publicity and public affairs.

Fourth, sufficient allocation of financial resources is recommended to be executed with the strong sense of accountability is to be instituted in the daily work life of all employees for the accounting operating in the targeted areas and possibly expansion into new surrounding areas. In this respect, the detailed practical planning from the main strategic business plan is to be made and transparent which will show their activities to meet the respective department objectives. Schedules and deadlines for accomplishment and detailed assignment task with responsibilities and due dates are to be presented and agreed at management meeting for immediate medium and long-term executions.

Last but not least, upgrading and updating database on clients and competitors or strengthening management information systems (MIS) on clients and competitors are much needed in the areas of the Napa, Sonoma and Mendocino Counties. This would enable the Moss Adams to identify and approach clients and competitors at the right time and correct approach. In this relation, possible strategic alliances with accounting other and selected firms in the areas especially those firms whose have local knowledge and the locals. Joint venture and acquire companies are also the optional executions upon satisfying scrutinisation that proved to be on the advantage and competitive position of Moss Adams.

6. Conclusion

The incumbent strategic planning and execution of the Moss Adams have nothing much to offer as they did not take into account on a number of areas including internal strengths and weaknesses of the firms, external threats of existing competitors of accounting firms, matured markets and established clients in the wine industry. The business plan appeared to be less valuable and less practical. Besides, the results of SWOT clearly indicate that the plan was rather less in-depth, insufficient, incomplete and not comprehensive enough to become the strong case and position to obtain the sufficient market share and generate revenue for the company. Meanwhile, Porter’s Five Forces model proved that the Moss Adams at the vulnerable positioning strategies that were commonly known in the accounting industry to obtain sufficient marker share in the areas of the Napa, Sonoma and Mendocino Counties.

In view of providing avenues to improve and revamp the Moss Adams’s situation and position, alternative and offensive strategies were recommended. These, among others included, focuses on low-cost, broad differentiation and overall cost strategies, sufficient and competence personnel’s and human resources, good and competence marketing plan, strategic alliances, joint-venture and acquire companies. In implementing the crafted alternative strategic plan, it was proposed that capable organizational set up be made to enhance internal position and improve external situation. The new managerial position was recommended to be more accountable and responsible in
implementing the above business plan. The new Deputy Managing Director of Moss Adams who oversees the training talented and experienced personal in accounting audits plus rewarding high performing employees were proposed. The division of marketing to better implement marketing plan of IMC was recommended. Besides strengthening human skills and resources, sufficient allocation of financial resources is also suggested to execute with manageable budget especially when the company is ready to take up the strategic alliances or acquire other existing accounting firms in the wine industry in the targeted areas. It is hopeful that those crafted strategies and stated execution would produce a fruitful return to Moss Adams.

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