**Advantages of a Joint Venture**

**1 – New insights and expertise**

Starting a joint venture provides the opportunity to gain new insights and expertise. Think about it; the market is now way easier for you to understand given the short-term partnership that you have forged.

**2 – Better resources**

Forming a joint venture will give you access to better resources, such as specialized staff and technology. All the equipment and capital that you needed for your project can now be used.

**Related:**[**10 Keys to Business Success**](https://businesstown.com/articles/top-10-keys-to-business-success/)

**3 – It is only temporary**

A joint venture is only a temporary arrangement between your company and another. By definition, you won’t be committing to it long term.

**4 – Both parties share the risks and costs**

In case the joint-group project fails, you are not alone when bearing the costs of its failure. Because you two had volunteered to share the expenses, you both will also support the losses.

**and responsibilities.**

**5 – Joint ventures can be flexible**

According to [assignment writing service writers](http://www.assignmenthelpdeal.co.uk/), an example of this is that a joint venture can have a limited lifespan and can only cover only a fraction of what you do, thereby limiting your commitment as well as your business’s exposure.

**6 – There are ways to exit a joint venture**

In the timeline of divestiture and consolidation, a joint venture offers a creative way for companies to escape non-core businesses.

**7 – You will know what’s yours and will be able to sell it**

Gradually, firms can separate their business from the rest of the organization, and then later, sell it to the other parent company. Approximately 80% of all joint ventures end in a sale, from one partner to the other.

**8 – You are more likely to succeed**

Your chances of success will become higher as you are already riding with a renowned brand. As a result of this, your credibility will also vastly improve.

**9 – You will build relationships and networks**

Even though your partnership is only for a specific goal, this move will enable you to create long-lasting business relationships.

**10 – Your potential will virtually be limitless**

Despite having little to no money at your disposal, you can create more venture deals in the process. You will create momentum and have partners with you. Take advantage of it!

**Related:**[**How to Create a Pro Forma Income Statement**](https://businesstown.com/articles/how-to-create-a-pro-forma-income-statement/)

**11 – You get to save money by sharing advertising and marketing costs**

And that works for a lot of other types of costs. Starting a joint venture is a great way to save money and/or split costs.

**12- International joint venture eradicates the risk of discrimination.**

International joint ventures are very common nowadays. This is a great opportunity to cooperate with people from different countries and combine our strengths!

**Disadvantages of a Joint Venture**

**1 – Vague objectives**

The objectives of a joint venture are not 100 percent clear and rarely communicated clearly to all people involved.

**2 – Flexibility can be restricted**

There are times when flexibility is restricted in a joint venture. When that happens, participants have to focus on the joint venture, and their individual businesses suffer in the process.

**3 – There is no such thing as an equal involvement.**

An equal pay may be possible, but it is extremely unlikely for all the companies working together to share the same involvement and responsibilities.

For example, Company A is working on the production process, whereas Company B is responsible for the production, and Company C is in charge of planning and implementing market strategies. Since Company A is not directly involved in the production and promotion process, the pressure is on the latter companies. It will also affect individual businesses.

**Related:**[**The Best and Worst Businesses You Can Start**](https://businesstown.com/articles/the-best-and-worst-businesses-you-can-start/)

**4 – Great imbalance**

Because different companies are working together, there is a great imbalance of expertise, assets, and investment. This can have a negative impact on the effectiveness of the joint venture.

**5 – Clash of cultures**

A clash of cultures and management styles may result in poor co-operation and integration. People with different beliefs, tastes, and preferences can get in the way big time if left unchecked.

**6- Limited outside opportunities**

[](https://cdn.businesstown.com/wp-content/uploads/2017/01/18123441/joint-venture-limits.jpeg)

**You need to understand what you are getting into as a joint venture could restrict the activities of your whole business.**

It is very common for joint venture contracts to restrict outside activities of participant companies while working on a venture project. You need to make sure you understand what you are getting into if you don’t want to negatively impact your entire business.

**7 – A lot of research and planning are necessary**

The success of a joint venture highly depends on thorough research and analysis of the objectives.

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**8 – It may be hard for you to exit the partnership as there is a contract involved**

Once again, even though a joint venture is temporary, it is crucial that you know what you are getting into if you don’t want to be locked in a partnership.

**9 – You might be tempted to leave the joint venture**

You will get enough leadership and support in the early stages of a joint venture and might be tempted to leave.

**10 – Lack of clear communication**

As a joint venture involves different companies from different horizons with different goals, there is often a severe lack of communication between partners.

**11 – Unreliable partners**

Because of the separate nature of a joint venture, it is possible that the partners do not devote 100% of their attention to the project and become unreliable.

**12 – Unclear and unrealistic objectives**

Unrealistic and unclear objectives may be set up. To avoid this, it is necessary that you and your partners do a lot of research before starting your joint venture.

#### **Computer networks application**

#### 1. Resource Sharing:

The goal is to make all programs, equipments(like printers etc), and especially data, available to anyone on the network without regard to the physical location of the resource and the user.

#### 2. Server-Client model:

One can imagine a company's information system as consisting of one or more databases and some employees who need to access it remotely. In this model, the data is stored on powerful computers called **Servers**. Often these are centrally housed and maintained by a system administrator. In contrast, the employees have simple machines, called **Clients**, on their desks, using which they access remote data.

#### 3. Communication Medium:

A computer network can provide a powerful communication medium among employees. Virtually every company that has two or more computers now has e-mail (electronic mail), which employees generally use for a great deal of daily communication

#### 4. eCommerce:

A goal that is starting to become more important in businesses is doing business with consumers over the Internet. Airlines, bookstores and music vendors have discovered that many customers like the convenience of shopping from home. This sector is expected to grow quickly in the future

## What is telecommuting?

## Definition - What does *Telecommunications* mean?

Telecommunications refers to the exchange of information by electronic and electrical means over a significant distance. A complete telecommunication arrangement is made up of two or more stations equipped with transmitter and receiver devices. A single co-arrangement of transmitters and receivers, called a transceiver, may also be used in many telecommunication stations.

Telecommunications devices include telephones, telegraph, radio, microwave communication arrangements, fiber optics, satellites and the Internet.

Telecommuting, also known as e-commuting or e-work, is the term used when individuals take advantage of the many technological advances to work from anywhere they desire, giving themselves flexibility in their hours and work locations (Helsin, 2007). Furthermore, it is important to note that telecommuting should be approved by the employer whereas telecommuting is a topic of which opinions differ. Not every organization allows its employees to work at their home instead of at the actual office. Telecommuting seems to be mainly driven by a change in management attitudes, improvements in technology, savings in office costs and the demand from the staff (Haynes, 2000). While saving costs is an aspect which counts for every organization, the choice to use teleworking seems to depend on the demand from staff and management. An exhibit by Harpaz (2002) displays that the biggest countries in telecommuting in 2002 were the USA (27%), Sweden (15%), The Netherlands (14%) and Finland (17%). The reason for such a high rate of telecommuters in the USA could be the size of the country, as the long distances make staying at home a good alternative. Counties like Sweden, The Netherlands and Finland are European's best developed countries regarding ICT facilities, which are needed for telecommuting. Telecommuting seems to be adapted quite a lot, for sure in countries in which the driving aspects of telecommuting are present.

## Advantages of telecommuting

Flexibility in work locations and time

In the majority of the current households, both partners have a fulltime job. It is hard for two people who both have a fulltime job to balance their professional and private life, especially while they have children. A common occurrence is young children staying at a day-care from 7.00 AM until 6.00 PM. As soon as they have finished their dinner, they already need to go to bed. In order to see each other more frequently, so to balance the combination of a private and professional life, telecommuting is a useful way of working. While conducting telecommuting, one gets more autonomy on his or her distribution of time. This rise of flexibility gives telecommuters the possibility to pick up the kids after school, instead of leaving them at a day-care, or, in case of no kids, to let the dog out. Despite of the advantage for the employee to be able to be more flexible in his or her work, for the employer it is hard to check what the employee is actually doing while he or she is not at the office. A change in management attitude is crucial for telecommuting to become successful in an organization (Haynes, 2000).

DISADVANTAGEEMPLOYER Self-discipline: work according to self-imposed schedule; not enough/ addicted to work(because of irregular working times)

Reduction of travelling costs and time

An important problem which is to be solved by telecommuting is the cost and waste of time due to travelling to and from the office. Working at home eliminates the expensive fuel costs and the time one would lose by having to drive to his or her office. Another advantage is that while more people work from home, less traffic jams would occur. Not only these direct benefits like saving time and costs are important, not having to drive to work means there would be less frustrations in traffic and one is able to sleep longer. The employee will probably become more satisfied, which will have a positive influence on the motivation and productivity. So telecommuting has very positive effects on employees regarding the travelling costs and time.

Professional flexibility

By conducting telecommuting, a person is no longer attached to his or her physical office, so the combination of two jobs could be more likely. Though, for lots of people having two jobs would be too time expensive. While people do not longer feel as connected to their job as they used to when they were physically present at the office, job-hopping becomes more likely. People tend to have the strong desire to have more control over their own careers. Because they feel less connected to an organization when they telecommute, they feel more free to quit and find another job. This development is not only an advantage for the employee, it could be an advantage for an employer as well. Employers could make use of those frequently switching employees by temporarily hiring them when they are needed for a project and by dismissing them as soon as they are no longer needed or when they do not work as good as is required. On the other hand, this development could become a disadvantage for organizations as employees could tend to switch jobs that frequently, that it becomes hard for organizations to manage their human resources. Thus professional flexibility as a result of telecommuting could be an advantage for employees as they will be able to combine two jobs or to make use of job-hopping.

Reduces office size

The use of telecommuting could result in lower costs in organizations. While organizations always target on saving costs, current economic difficulties will make organizations even more aware of saving costs. Organizations are not only able to reduce costs because of the earlier mentioned travel costs which will be saved, but also because the offices could become smaller. Organizations used to need to facilitate at least one desk with a computer for each employee, because of a part of the staff is staying at home, the office size can be reduced. This will save money, not only for the less square meters over which a company needs to pay rent, but also because there will be lower electricity costs. Thus, next to the reduction of travel costs, telecommuting can result in lower costs because of the smaller size of an office that is needed.

Increasing health

The effects of telecommuting on the employees' health are doubtful. It is hard find whether they could be allocated to the section of advantages or to the disadvantages. Earlier described advantages state that the fact that an employee could become more flexible in working times, could make them more satisfied. On the other hand, an employee who works at home seems to need to make sure there is a good balance between private and professional life in order to avoid a burn-out (Peters, 2010). In order to create this balance, an employee needs to have the adequate facilities at home, which contain a decent working place with access to new technologies. Also, the employee would need to have a place where he or she could get some distraction from work occasionally. So in order to work from home, while taking care of its health, an employee should be able to create a balance between private and professional life and make sure there are adequate facilities.

## Disadvantages of telecommuting

Isolation

A crucial difference between working at home and working at an office is the presence of colleagues. The fact that someone works all alone throughout a day, could affect its performance. Although it does not count for all people, many people seem to need to have the feeling of belonging to a team (Harpaz, 2002). This psychological aspect of being separated from the office environment which contains colleagues, new developments and occurrences is for many people very important. Those people like to interact with colleagues and to share what they are doing. So although people seem to feel better when they stay at home, because they are able to see their partner and children more frequently, the lack of having colleagues around could affect the quality of their work in a negative way. Other disadvantages of working at home are that some people would like to be seen and others would like to have responsibilities at the office (Novay, 2011).

Security risks

The fact that an employee works at home, means that important documents with information need to be accessible from home. For an organization this gives the risk that confidential documents could be stolen from the desk at the employee's home or his or her car. Most employees live in a surrounding which is less secured than the actual office. As soon as an employee is about to work at home, his or her manager will not be able to check where those important documents might be (Sturgeon, 1996). Again, for an organization it is important to trust employees, otherwise telecommuting will not work properly. Documents could be divided in physical documents and electronic documents. For organizations it could be hard to secure the physical documents, however the electronic documents could be secured a little better. By providing employees a laptop, on which they can work at home, with the best security software, the chances of spyware might be reduces. Still the employee needs to preserve the laptop on a secure location, in order to make sure the laptop itself will not be stolen. Depending on the measures both employers and employees take, the security of information could be reduced, however the problems with the security of information will remain to be a big disadvantage of telecommuting.

## Conclusion

There have been a lot of articles written about the advantages and disadvantages, however it has been showed that the arguments given in those articles differ in some parts. This paper states the most important advantages and disadvantages given in those articles. It is generally believed that telecommuting is an important new trend in professional life, because of its many advantages. In short, flexibility in work locations and time, reduction of travelling costs and time, professional flexibility, reduces the office sixe and the increase of health seem to be the most important advantages. Though, there are also disadvantages of telecommuting: isolation and security risks. On this basis, it may be concluded that the phenomenon telecommuting has some disadvantages alongside of the advantages. While in this paper it shows only two disadvantages towards five advantages, this does not indicate that those five advantages weigh heavier than the two disadvantages. I think that an organization could only have its employees to telecommute while keeping both advantages and disadvantages in mind, because there are two sides. The employees themselves should consider both sides as well. Given this, it could be said that for many people it is interesting to make use of telecommunication. It might be very useful to be able to work during a time schedule that works best for someone's home situation and also for his or her career. Whether telecommunicating is good for someone's health is not certain and seems to depend on each person individually, there are people who cope better with the autonomy they get in dividing their time in personal and professional moments. Telecommuting seems to be a good way to combine the extreme busy life people currently tend to have, the environmental issues everyone wants to improve and . Assuming that the techniques will improve during the coming years, telecommuting could probably only get easier to apply. Regarding the advantages and disadvantages, it would probably be hard to choose for a professional life in which telecommuting would be applied throughout the entire week. I think that telecommuting is useful, but only if it would be used during one or two days a week, in order to keep away isolation risks and to make sure that employees keep up with news on the office floor. Telecommuting is useful for both employees and employers, though too much use of telecommuting could cause risks.