

Visa Inc. Innovation Process

Name

Institutional Affiliation

www.primeassignments.com

Visa Inc. Innovation Process

Introduction

Visa Inc. is a global payment company that operates in over 200 countries around the world connecting business, consumers, governments and other financial institutions by giving them a platform to conduct business transactions and make payments using virtual payments. Visa is the most used retail electronic payment system in the world with 21,000 financial institutions clients and averages a total of 100 billion transactions annually (Visa). The company offers the users the VisaNet platform to make financial transactions where they enjoy other value-addition services ranging from risk-free transactions, fraud detection, dispute resolution and loyalty rewards. The growth in client base and total transactions are attributed to excellent innovation in the management and organizational process to meet the market changes and demands.

Innovation Process

Companies continuously seek newer methods to cross the performance threshold through management and organizational innovation. As such, managers devise new ways to organize, motivate, lead and coordinate various aspects of a firm to increase the performance. In addition, firms develop enhanced structures, products and better ways of doing things, making a shift from the traditional methods to increase efficiency in its processes (Jimenez & Sanz-Valle, 2010). The changes in management principles and organizational processes are inducted in the business to enhance its competitiveness, and enable the business take advantage of the prevailing conditions.

Visa Inc. has continuously enacted innovation process over the years to become the leading electronic payment retailer in the world.

Visa success can be attributed organizational innovation that has made it a near-virtual company incorporating technology in all its performance aspects. The company started as a consortium based in the US but has changed to a global virtual multinational with a financial web spanning in over 200 countries. The company has undergone various reconstructions to allow integration of the innovated processes and has made technology the key driver of the new patterns of doing business. In addition, the company integrates process innovation using an upstream integration mechanism that enhances value addition to the users and the contracted financial institutions. Visa relies on greater financial institutions cooperation and customer alliances to drive their growth (Langdon, 2013). Visa Inc. does not issue customers with debit and credit cards, set user fees or offer cash-access services. Instead, the contracted financial institutions establish and manage customer relationships. Visa provides innovations and platform for the customer to enjoy a wide range of financial services across territorial boundaries. The company derives revenues from fees from contracted financial institutions depending on the number on the transactions, the volume transacted and fees from utilization of the company's services. The company has integrated process, product and security innovations to make it a leading retailer in the provision of financial services.

Process Innovation

Visa Inc. has implemented processing innovation to enable it handle the massive scale of transactions performed by its Visa Net platform on daily basis. Without processing innovations, the company would not be able to complete over 100 billion virtual transactions on the platform.

The current scale is incomparable to the meager transactions it was conducting before restricting from a consortium to a global virtual company. In addition, the innovative processing has increased the reliability of the company and increased the security features of VisaNet and visa card to allow customers peace of mind when using the two services.

Product Innovation

The company has come with globally accepted electronic payment options that have no geographical barriers. Visa credit cards are tailored to meet the needs of individual market requirements, enhancing its competitiveness. The card come with credit, debit and prepaid options to reach the maximum number of potential clients with diverse financial needs. In addition, their cards cater for commercial interest of small businesses and big companies and governments. Visa products provide financial solutions to the specific commercial requirements of all these diverse clients through effective product innovation process.

Security Innovation

Innovation in the security features of their products has made Visa Inc. a trusted financial partner for millions across the world. The security features have evolved to cover financial risks across the globe especially with the development of complex technologies used to hack in financial institutions. Visa uses series of security features to enhance the security of transactions or to minimize the impact of any security breach of their systems. The company ensures security of the card information through multi layered security features and has put measures to identify and prevent fraud (Visa). In addition, the company regularly educates financial institutions

partners and the clients on preventive measures enhance the security of the users and develop trust among the partners.

Conclusion

The growth of visa from a consortium offering financial services to the United States geographical location to multinational virtual financial services provider proves the significance of organizational innovation. Organizational innovation allows companies develop and integrate innovative processes in their operations that enables them derive competitive advantages and take advantage of prevailing conditions. Visa Inc. integrated process, product and security innovation processes to emerge as the leading retailer in financial services globally.

www.primeassignment.com

References

Jimenez, D., & Sanz-Valle, R. (2010). Innovation, organizational learning, and performance.

Journal of Business Research , 408-417.

Langdon, M. (2013). Three dimensions of innovation. *International Management Review* , 5-10,

94.

Visa. (n.d.). *Visa Inc. Corporate Overview*. Retrieved 10 11, 2017, from

<http://visacorporate.tumblr.com/>

www.primeassignments.com