

"apple inc – failing and succeeding" essay



**ASSIGN
BUSTER**

Application Case: " Apple Inc - Failing and Succeeding" 1)How would you classify each of Apple's two decisions — programmed or nonprogrammed? Explain your answer. The decision regarding Apple's choice to not license their operating system and software to other computer companies was a non-programmed decision because the decision was made solely on the fact they were the first (pioneer) to introduce an operating system and thought that they were superior with their command in a premium market making their non-programmed decision uncertain of what the outcome would be making the consequences unknown as well.

Apple's decision to introduce the " iPod" while adding a Window's version of " I-Tunes" was a programmed decision because it did stem from prior experience or technical knowledge about what works or does not work in a given situation (such as the choice not to license their software and how they learned that it wasn't working as well as Microsoft who did license their software enabling them to surpass when they were new and clueless as to merging with other computer companies.)What type of decision-making environment — certainty, risk, uncertainty— did Apple have for each decision? Explain your answer. The initial decision not to license their technology put the decision-making environment at a Uncertainty as a result of this decision. Uncertainty increases the risk of failure for organizational responses and makes it difficult to compute costs and probabilities associated with decision alternatives. The uncertainty was what caused a risk decision-making environment to begin with.

The decision making environment for the decision to: release the Apple iPod while integrating a Windows version was a " risky" decision because the

alternatives to and consequences could not be determined. The idea is success and the probability is greater than the degree of risk. This would in turn cause the environment to be more creative. 3.)What internal and external factors might have influenced the success of each decision? The decision(s) on not to license their software, may have influenced its success by: Degree of Certainty, Imperfect Resources, Internal Environment, and External Environment. If the " Degree of Certainty" was risky then they would have had a better knowledge of the risks and be sure of the consequences to each alternative. Risk at least provides a certain level of probability that success outweighs the degree of risk that is involved. Allowing that, they had all the ideal resources at such time to collect information about any possible problems, than they might have had the opportunity to make a different choice or allow for one to have alternative solutions.

Internal factors that might have influenced the success of Apple's first decision could have been completely different if they would have had the support from everyone within the organization. I believe instead of leaving the decision to license their software should have been left to management (who also gathered input/suggestions from their subordinates) such as the CEO's vs. the decision be placed solely on the engineers.

Apple would have seen better results working with groups who could have offered input and raised questions allowing; reduction in any uncertainty. In order to better the product or service the external environment plays a huge part in letting business's know what they expect and even offer suggestions on improvements allowing a company to hear a variety of responses that

could have helped Apple in their choice to not license their software. The decision to introduce the Apple iPod had several factors that were probably the cause for their success with this decision.

Factors such as: Imperfect Resources, they were introducing a new product into the market but knew through information resources the importance of integration and also knew the time that it would take to accomplish this decision. The Internal Environment could have played a huge role in the success of this decision because if they used methods such as brainstorming, The Delphi Technique, Nominal Group Technique, and other collaborative work. The external environment was what probably caused Apple to add a Windows version.

Apple knew that their first decision not to license out their software to other computer companies only hurt them so by watching Microsoft take the exact opposite approach thus allowing Apple to see how that decision allowed Microsoft to rapidly gain and surpass with rapid success in this business industry. Outside the box thinking allows managers and employees freedom to take risks and try new ideas. Using group decision approaches broadens your perspective by: allowing you to see other points of view from other cultures, ethnic backgrounds, national origins, ages, gender, and personal thoughts.)What quantitative decision techniques might have helped Apple in making its decision to license its software to other computer companies? Explain your answer. The two quantitative techniques that I think might have helped Apple to implement their decision to license their software to other computer companies are: " Decision Trees" and " Simulations". By using a

decision tree technique Apple may have been able to see the complete picture of their potential decision at hand.

It would allow them to graph alternate decision paths, observe the outcomes of each decision, and see how they would /could relate to any future business events. Decision Tree's require vital information such as important decisions, events, and/or results. Ones that have consequences must be compared with expected results. Another quantitative decision technique that might have helped Apple would have been simulation by using the "Game Theory". In this decision they could have predicted how people or other corporations may have behaved allowing them to devise strategies that could counter the behavior of their competitors.