Research in motion: managing explosive growth essay

Business, Industries

Research in Motion was founded in 1984 by Mike Lazaridis and was a world leader in the mobile communications market and manufactures products such as the BlackBerry. Mobile wireless communication involves the transmission of signals using radio fequencies between wireless networks and mobile access devices. One of the main economic characteristics of the industry is the high growth potential that exists. This growth potential is exemplified by RIM expecting to ' add another 2. 2 million BlackBerry subscribers by the end of May 2008' and ' cumulative global shipments would pass the one billion mark by 2012'.

Competition in the mobile telecommunication over the past couple of years has intensified, mainly due to the invention of Apple's iPhone and a recent saturation of other smart phones in the market. The competitive forces that are the strongest are the rival sellers in the industry, threat of new entrants and the threat of substitute products. The rival sellers in the industry is a competitive force that is having the greatest effect on industry attractiveness with various companies fighting to produce the competitive edge. Some of their competitors inclide Nokia, Ericson, Samsung, Microsoft and Apple. RIM is leading the overall market share with 42 percent, Apple has 27 percent and Microsoft has 21 percent.

There are many driving forces in the in the wireless phone industry that are constantly reshaping the industry landscape. The major driving forces for RIM are technological change, innovation and growing buyer preferences. Technological change and innovation are major driving forces because the software and hardware of smart phones are are constantly changing and

competitors are constantly battling for the latest technological innovation. Growing buyer preferences is changing the industry currently with the growing popularity of the Apple iPhone and other popular smart phones. According to the case, RIM's revenue in 2007 was up 98% and the ' team of 1400 software engineers should have also doubled' but ' both talent and space were getting increasingly scarce'. In order to solve this problem, RIM must find an additional 1400 new software developers just to maintain the status quo in research and development. The options the company has to increase R&D staff is; continuing to rely on existing employee personal and professional networks, forming a global talent scouting group, improving mediums for advertising available positions and lastly expanding the co-op programs to other universities and increasing the size of these programs.

Research in Motion should mainly pursue the expansion of co-op programs, this is because it will allow them to increase the frequency and intensity of their recruitment, hence finding more software developers. This allows RIM to efficiently use resources and is the more likely way for the company to immerse new employees into the culture of the company as well as giving the company fresh and creative ideas. The key issues facing RIM are the increasingly competitive industry of smart phones, the short supply of software developers in the industry and lastly how the company is going to expand for the future. It is recommended that the company explores their recruitment options and strengthening their marketing strategy to increase or to at least maintain their market share.