

# Apple inc. strategic management

[Business](#), [Management](#)



### Case 10: Apple Computer and Steve P. Jobs (2006) Issue/Problem

Identification 1. Apple is known to provide customers with a personal computer revolution that is easy-to-use machine. It was founded in 1976 by Steve Jobs and Steve Wozniak. Apple was a success at the beginning period of its production due to marketing and technological innovation and the company has invented. Apple grew quickly as the development of the products increases and the revenue continued to grow. Apple's business strategy is to focus its products on differentiation by providing a unique product that is impossible to clone and charges its products at a premium price.

In 1983, Apple faced a difficulty because PC entered the market and was marketing their products at a low price to its consumers taking some of Apple's consumers. About two years later, Job resigned and John Sculley became the CEO and Chairman of Apple. With Sculley taking over, Apple increased its sales in the 1990s and was selling more personal computers than any other companies until PCs using Microsoft Windows started to dominate the market. In 1997, Job was replaced back as the CEO and brought its products back to success. 2.

One of the major overriding issues in this case deals with the management team. The CEO of Apple was continually changing. The result of shifting CEO made Apple unstable. The company was successful at the beginning of the business and after a few years when a new CEO took over, it was faced with a couple issues, and the CEO was replaced once again to bring Apple back to the competitive market. Another major issue to the case includes the

late filing of the quarterly report. Apple was warned by NASDAQ of their possibly delisting.

Because Apple was having difficulty with their options accounting, the company took more time to figure out what to report for their third quarter. Yet, Apple was not the only company that faced this issue. More than 7, 300 companies were also faced with the same issue. 3. The continually changing of CEO and the delisting from NASDAQ exchange were not the only two issues that Apple faced. Other related issues include the stock option investigation, the laptop batteries, and making iTunes and iPod player a compatible music player.

In 2006, Apple faced an issue on the investigation of irregularities related to the company's issuance of stock options. The shares of stock fell 3 percent and the investigation was performed. Another related issue was the recall of 1. 8 million laptop batteries. Apple was not the only company who recalled their product; Dell was also faced with the same issue. Furthermore, iTunes was the source that allowed customers to download music if they are using an iPod. iPod was not compatible with any other music player except for iTunes; that created an issue because it limited the customer's source of downloading music.

Stakeholder Analysis and Management Evaluation 1. The stakeholders in this case are Steve Jobs and the other CEO of Apple, the customers, the employees, and the government. Steve Jobs, the co-founder of Apple, and the rest of the CEO have a hope of earning income from the company. Customers from all over the world purchase products from Apple. As for the

employees of Apple, the company cannot function without its employees and these employees receive income from the company.

Another stakeholder is the government. Apple has to pay license fees and the government has regulatory authority over the company. 2. The central management decisions were effective at a certain period of time. The company is basely run by Steve Jobs. When Jobs created Apple, the business was a success. After he resigned and passed the CEO position to someone else, the company continued to do well for awhile, but faced a downfall at a point until Jobs came back for the CEO position again.

When Jobs was the CEO, the management decisions were effective because the company was creating revenues and the products were attracting to customers. As competitors started to sell similar products, Apple was faced with a few issues since the company chose to differentiate its products by selling its product at a premium price. For Apple to sell its products at a premium price, it must be a trusted and well-known brand. As it is obvious today, Apple has created manyloyaltycustomers. Recommendations and Implementation 1.

In order for Apple to create more revenues and continue to stay in business, Apple's management team should not only depend on Steve Jobs. The management team must work as a team and make sure that the company can still be successful without Steve Jobs. It is true that because of Steve Jobs, Apple has become a successful company but Steve Jobs is not going to be with Apple forever and the management team must take that into consideration and be able to carry on the business without Steve Jobs. 2.

Some alternatives include developing new products every so often to attract consumers.

Also Case Study will describe why Apple Inc. is a very successful company.

Apple is already good at doing this because it is always renovating its products in many different ways whether it is a Mac Book, an iPod, or an iPad to attract its customers and keeping up with the society. This alternative is good for both long-term and short-term. People will continue to trust that the brand is still attracting. 3. Some of the implementation that should be considered is to hire the right people to work for the company; people that will bring new ideas to the company. Because Apple is always developing new products, the company should also continue to ensure that the quality of the products is at its highest level.