

# Comparative analysis on mitsui and samsung groups case study example

[Business](#), [Company](#)



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## Introduction

The report is a comparative examination of two electronic based companies. The Samsung group and the Mitsui group companies. Samsung group is largest Korean conglomerate. Samsung accounts for 16. 5% of the Korean exports and thus becoming the pride of the Korean people. Samsung was founded in 1938 by Lee Byung-chul (Chang, 2000). From its time of inception Samsung has rapidly grown to become one of the leading electronics producing companies in the world. The company specializes in semiconductors, digital appliances and media, system integration and memory. Samsung join the electronic industry in the 1960s and since then it has become an influential business in the economy of Korea. In 1990s the company globalized its operations thus expanding its business and in the year 2011 the company's revenue was 17% of the Korean GDP measured at \$ 1, 082 billion.

On the other hand Mitsui group is the largest conglomerates corporate company in Japan and serves as the largest world traded company. Mitsui

group original enterprise is older than that of Samsung as it dates back to 1673 where its founder the son of Sake brewer from the family of Mitsui established textile shops in modern Tokyo (Johnson, 2000). Samsung and Mitsui group never stated their businesses as what they are now but they started as trading companies. In the 19th century the Mitsui group focused on trading, banking and mining leading to its dominance in the Japan industry. Unlike Samsung group Mitsui group constitutes of many companies with 17 members and 171 affiliates.

## **Management Philosophy**

Samsung group though being a profit making group it has its managerial philosophy as ensuring its social responsibility. The group strategies its services in such a way that, it embarks on national building through its involvement in business across the world and within Korea. The group recognizes the importance of personnel as the vital resources in the business. The group thus ensures that it gives services to humanity at a fair price (Yang, 2007). This confirms it's simply philosophy but with strong values that are dedicated to ensuring that all people live better life.

Mitsui group also seeks to profitably offer services to the society while ensuring that their products are of high value. Unlike Samsung, Mitsui mentions its growth aspect in its management philosophy. Mitsui being a corporation constituting of several affiliates, it highlights its strategic dedication to ensure the growth of the group (Liu, 1997). The Mitsui managerial philosophy unlike that of Samsung, it is more focused on the

benefit of the group than the community and the people around the group including its employees.

## **Business Operations**

Since 1990s Samsung has been establishing various plants, among them are the Busan plant, Sejon plant and establishment of overseas operations that is aimed at departmentation and specialization in development of each of its products. Suwon plant (HD) is charged with the responsibility of R & D and acts as an engineering center for whole sale products. The company also operates a pilot line for sample products produced for matters of testing. Suwon plant is the company's headquarter for R & D, business strategy, procurement and sales in addition to being the integration network center of global station. The company invests so much in technological advancements including R & D which develops high-technological futurity industry and facilitating state-of-the art system of business (Yang, 2007).

Mitsui group has its operation being differentiated from that of Samsung because of their differentiated product. However, the groups operate on a centralized management for their businesses. The Mitsui group has its office building as its central place for operating its business. The Mitsui office building serves as bases for conducting business in addition to connecting people to the city (Morck, 1999). Mitsui engages itself in various business operations among them are, development of housing, residential leasing, hotels and resorts and office buildings in Japan and overseas. In addition to the main business office building the company operates under five main offices namely; the real estate distribution, real estate solution services,

residential leasing hotels and resorts, residential business and commercial properties business.

## **Global Networks**

Mitsui group conducts its business globally. Being the leading real estate developer and distributor in Japan, the company expands its business nationwide through its building management department of the company. The Mitsui Housing Lease coordinates the business of the company in the field of residential leasing management. The company coordinates its business across Europe, Asia and America (Porta, 1999). The coordination is based on location of services centre to specific states and countries thus offering office services to its clients.

Just as Mitsui group, Samsung operates and conducts its business globally. The Company unlike Mitsui has its retail shops in almost every country in the world. The company has its retail shops in Africa where the services of Mitsui have not yet reach. Being an electronic company, Samsung has its own products moving around the globe as it utilizes the current advancements in technology to advertize its products across wider networks. The company built its 21st century global network which is currently bearing fruits.

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