

Samsung value
innovation innovation
and change creativity
marketing essay



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In most of the companies, opportunities for mergers and acquisitions are drying up, which leaves modernization as the most important source for creating escalation of the company. On the other hand, nearly all managers move violently to improve their organization's innovation performance. One reason is that running a business professionally and successfully requires a special skill like creativity, and driving a radical innovation through to implementation (Samsung designs an innovative future, 2005). There are various concepts of creative management that can be used by an organization to achieve the highest peak of growth and profitability. These concepts can be value innovation, innovation and change, creativity and so on. Many leading organizations are using these concepts of creative management value as a key source to drive organic growth and sustainable advantage. Now here we can discuss the three major concepts of creative management i. e. value innovation, innovation and change and creativity. Through this discussion we will be able to understand how an organization i. e. Samsung electronics is using these three concepts to promote their products and how they are raising their profitability by achieving the highest peak of growth and popularity. So let's discuss the three major concepts by applying in an organization i. e. Samsung electronics.

Today, innovation is increasingly seen - or at least talked of - as the engine for growth, and therefore something that must be strategically managed and securely harnessed. It is the new currency of competition (Barriers to innovation, 2007). In associations involving modernization, the persons in the facade row make the judgments. It is the duty of the employee at the job place to gratify the customers and has the authority to modernize and make

developments. As we all know that “ Innovation is a commercial success” (Tischler, L. 2007), thus, consent of the manager is not to be obtained by the employee again and again. The workers at the same time use both their heads and hands to bring about a mutual result to the labor course, thereby taking correct decisions at correct time and at correct place. There is no separation for scheduling, implementation and management by managerial functional limitations. In such institutes, work is executed wherever required, verifications and controls are abridged and settlement is reduced to minimum when many activities are compiled together. Thus, the working scheme is entirely altered by the innovation logic. Instead of a mechanistic, method -ridden and bureaucratic association, pattern breaking requires a replicated delegated organizational design, which is known as an organic structure. (Mohanty, R. 1999)

Samsung electronics has adopted the new viewpoint in a very effective manner. It plans to treble white-collar output by taking help from some expertise of an American authority. At one of its plant at Suwon, one can sense the effectiveness of the Chairman’s view that for good quality, the basic requirement is a clean and healthy atmosphere. Every employee is convinced that he is not just a 24-hour sweating poor but is a working noble. Monthly salaries are preferred over hourly payments. Here, the employees are advised to recommend ways of reforming their jobs and the managers are advised to listen. This new ‘ line-stop’ system allows the workers to stop production at once when they encounter any problem. Samsung uses advanced technology to improve its output, which is very well reflected by the Suwon plant. A VCR line that used 26 once now employs Only14 workers.

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In 1990, the first automatic line was set up which exploits machineries purchased from Japan's Sony. The second line consisted of devices prepared collectively by Sony and Samsung. The latest line, set up in 1992, is equipped with Samsung's own robots. All Samsung's trades follow an analogous practice - acquire skills abroad and then become autonomous. The new car scheme will immediately certify Japan's Nissan but Samsung is resolute that this association is only for eight more years. Samsung is sharing advancement costs with Japan's NEC, in memory chips. In recent times, it has purchased two optical technology leaders- Germany's Rollei and Union Optics of Japan and 40% of AST, an American pace-maker. From 1987 to 1991, Mr. Lee made investments overseas of about \$1 billion; in 1994-95 he invested another \$1.5 billion. In 1994 and by the end of 2000, Samsung sold goods overseas worth \$27.5 billion and \$60 billion respectively. (Yang, H. et. al, 2007)

“ It's easy to be seduced by raw creativity; slick, smooth talking gurus; and the glitz of the creative world. The reality is that supermarkets are battlefields and so are the rapidly fragmenting channels available for brand communication” (LETTER: Creativity does not equal brand success, 2007). Samsung has outshined at low cost, me-too designs and now it is bucking the trend with a blending of industrial wizardry and high-gloss advertising campaign introducing famous personalities like Britney Spears. This Korean industry, by all these efforts, has become the world's no. 1 supplier of high technology cellphones and on the whole the third largest seller. The company utilizes 112 designers for its various phones. They inhabit a place near by Samsung's headquarters in city center Seoul. Company's

achievement can be attributed to the fact that it introduces new features quicker than its competitors. Samsung first introduced color screens and now it has added features like TV remote controller, mp3 player and camcorders to its phones. It is trying to make phones from luxurious and classy materials, for example, titanium phone. The new video camera phone introduced by Samsung is called 'swing and flip' model as the upper half of it can turn around and bend to one side to impersonate the viewfinder on traditional video camera. 120 minutes of moving images can be stored in it, which can easily be shifted to a personal computer. The users can photograph hard-to-capture images like business cards, memos and sketches with the help of digital zoom. The field of fashion is also not untouched by Samsung. According to 55 years old Mr. Lee-Customers are developing an emotional attachment with their cell phones. The designs of phones are changed regularly to provide consumers with new alternatives. The company plans to launch more than 130 models this year. For high salary male experts, Samsung produces phones that bring to mind the interiors of luxury cars with metal and leather. For high-class ladies who consider their phones as fashion accessories, the main aim is something that reverberates a make up case. (Choi, H. 2004)

Samsung makes an active involvement of customers in its design procedure by monitoring them. When it is about workers, rather than customers, who are the center of innovative input, organizations must also generate favorable environment to creativity and support and promote new ideas, even if they fail afterwards. (Samsung designs an innovative future, 2005)

So these three different concepts of creative management i. e. value innovation, innovation and change and creativity are used by the Samsung electronics as a key source to drive organic growth and sustainable advantage and Samsung electronics has adopted them as a new viewpoint in a very effective manner.