

# Global corporate governance

Business



Global corporate governance Effects of competition and government intervention on Apple Inc External environmental factors define aspects that are beyond an organizations' direct control because they rely on forces outside the organization. Government intervention is one of the external environmental factors that affect Apple Company. The interventions' effects manifest through different arms of the government and are both positive and negative. The legislative branch of the government formulates laws that govern the company and other players in the industry and failure to comply with such laws initiates legal implications. Consequently, the legislature develops a platform that regulates the company's decisions and interactions with other partners to safeguard all stakeholders' interests. The executive arm of government also formulates policies and enforces all legal provisions while the judiciary interprets laws and policies to compliance.

Implementation of established laws also stipulates liabilities and remedies in cases of infringed rights (Daft and Marcic 60-63). The company particularly experienced government intervention in its case against Samsung in which Samsung was accused of infringing Apple's intellectual property right. In the case, government intervention protected the company's interest in its innovation and therefore promoted its revenues from the protected products. The case also identifies the effects of government regulations in controlling the company's actions towards its stakeholders because any illegal act is punishable by law (Svensson 1).

Competition is another external environmental factor that affects the company and emanates from organizations that supplies products with similar utility. It affects Apple's market control as well as profit levels because of relatively reduced sales volumes and scarcity of resources (Daft <https://assignbuster.com/global-corporate-governance/>

and Marcic 64). Competition from other companies such as Samsung that produces and sells products with similar technological applications offers consumers alternatives that lead to shared market. Consequently, apple has to develop strategies for acquiring and retaining customers, whether through price reduction, improved quality, or product diversification. The stiff competition has also made the company a victim of counterfeit products as its competitors have been accused and convicted of unlawfully copying its technology, an issue that grants the competitors a market advantage against Apple (Svensson 1).

The organizations' management of employee discrimination and gender balance

Human resource management is a sensitive issue that drives an organization's productivity, and Apple has been keen on its personnel policies. The organization is specific in its employee selection but offers a fair opportunity for its employees' growth and development. In its selection, Apple Company ensures that it identifies the best quality in the job market. Consequently, it is associated with discriminating recruits based on ability and the company's needs. Limiting the discrimination to employees' potentials has however allowed for diversity in the company that significantly observes equality among its hired personnel (Ramachandran, Jacob, Kumar and Rahul, n. p.).

Like other companies in the industry, Apple Inc has a poor record in gender balance in its top management. From the year 2010 up to July 2012, for instance, the company only appointed one woman to its board. The industry's statistics also indicates lower wage rates among women that among men (Robwrite 1). The gender imbalance in the company can

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however be attributed to its recruiting strategy that focuses on recruits intellectual capacity. An identified potential in male recruits subject to an unbiased recruitment therefore downplays gender-based discrimination in the company's, and the industry's gender imbalance (Ross 8).

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