

apple inc



**ASSIGN
BUSTER**

Apple Inc. is an American multinational corporation headquartered in Cupertino, California, that designs, develops, and sells consumer electronics, computer software and personal computers. Apple is the world's second-largest information technology company by revenue after Samsung Electronics, and the world's third-largest mobile phone maker. As of May 2013, Apple maintains 408 retail stores in fourteen countries as well as the online Apple Store and iTunes Store.

Organization strategy June 20, 2010 Organizational structure is the framework companies use to outline their authority and communication processes. Several factors affect the organizational structure of a company. These factors can be internal or external.

. Apple has earned the reputation as one of the most admired brands — and envied companies — in the world. For the third year in a row Apple ranked as the world's most admired company, by the highest margin ever. But this didn't happen overnight, and it's not just because Steve Jobs is one of the world's most admired CEOs. There are several factors that influenced apple's organisational structure for Apple's continuing success as a market innovator.

Size Size is many times the driving factor for a company's organizational structure. Smaller or home-based businesses do not usually have a vast structure because the business owner is usually responsible for all tasks. Larger business organizations usually require a more intense framework for their organizational structure. Companies with more employees usually require more managers for supervising these individuals. Highly specialized business operations can also require a more formal organizational structure.

Apple has already expanded its presence in businesses significantly in recent years. In North America, 18 percent of employees said they use an Apple device for work, according to Forrester data. Just a few years ago, that number was more in the 3 percent range, Schadler said. Apple, as a company, is huge and one of the most wealthiest ones in the world. But how big exactly? I don't think anyone can accurately answer that question, although there have been many infographics about Apple's wealth and what it can do with all that money.

Here's another one, but the point of view here is different than the others. Of course, it does involve Apple's surplus and never ending bank reserves. This infographic was made by Best ComputerScience Degrees and shows how Apple successfully moved from being a computer maker to products maker. Apple's products like the iPhone, iPod Touch, iPad, MacBooks are amazing and have sold in millions. The infographic contains some interesting facts about the company and the comparisons made are pretty cool too. For example, the company sold over 72 million iPhones in 2011 and that's approximately the weight of the Eiffel Tower.

The biggest force driving Apple into the workforce is simply because consumers want it there. " It is the pull of the consumer, or the employee, who is helping Apple grow traction, both in mobile and in laptops," said Trip Chowdhry, an analyst at Global Equities Research. " Apple products are fundamentally built for ease and it has a user-centric interface. Microsoft does not. Employees feel more productive using Apple products, forcing IT managers to bring it in." While consumer adoption no doubt got Apple's foot

in the enterprise door, the company now appears to be trying to expand its business clients in a more proactive manner.

Organizational structure refers to the way that an organization arranges people and jobs so that its work can be performed and its goals can be met. When a work group is very small and face-to-face communication is frequent, formal structure may be unnecessary, but in a larger organization decisions have to be made about the delegation of various tasks. Thus, procedures are established that assign responsibilities for various functions. It is these decisions that determine the organizational structure.

In an organization of any size or complexity, employees' responsibilities typically are defined by what they do, who they report to, and for managers, who reports to them. Over time these definitions are assigned to positions in the organization rather than to specific individuals. The relationships among these positions are illustrated graphically in an organizational chart (see Figures 1a and 1b).

Life Cycle The company's life cycle also plays an important part in the development of an organizational structure. Business owners attempting to grow and expand their company's operations usually develop an organizational structure to outline their company's business mission and goals. Businesses reaching peak performance usually become more mechanical in their organizational structure. This occurs as the chain of command increases from the business owner down to frontline employees. Mature companies usually focus on developing an organizational structure to improve efficiency and profitability. These improvements may be the result of more competitors entering the economic marketplace.

Strategy

Business strategies can also be a factor in a company's organizational structure development. High-growth companies usually have smaller organizational structures so they can react to changes in the business environment quicker than other companies. Business owners may also be reluctant to give up managerial control in business operations. Small businesses still looking to define their business strategy often delay creating an organizational structure. Business owners are usually more interested in setting business strategies rather than developing and implementing an internal business structure " think differently). " Apple is interesting. On one hand, you have 'Think Different' propaganda posters all over the wall (you have all seen these ad campaigns and know what they are about). On the other hand, Apple has the strictest rules of any place I have worked. Apple cares about its brand image above all else.

Business Environment

The external business environment can also play an important part in a company's organizational structure. Dynamic environments with constantly changing consumer desires or behavior is often more turbulent than stable environments. Companies attempting to meet consumer demand can struggle when creating an organizational structure in a dynamic environment. More time and capital can also be spent in dynamic environments attending to create and organizational structure.

This additional capital is usually a negative expense for many small businesses " The Apple Campus itself is an amazing place, with the huge building surrounding a central Quad with grass and sidewalks and the <https://assignbuster.com/apple-inc-essay-samples/>

amazing cafeteria: You get trays and silverware just exactly like in College, and go pick from a large handful of sushi, Mexican, make-your-own sandwich or salad, or countless other options, then check out at a register before sitting down inside or in their little Outdoor Cafe in the Quad. Even the food is running at 100% throttle, with the Cafeteria crowded and bustling, and even the Chefs dressed perfectly and clean-white smocks with black Apple hats on, doing their part to keep everyone fueled and running their war at 100% efficiency."

In its traditional computing market, Apple continues to maintain its position as a leading innovator, strengthening its range of high quality laptop and desktop products. This has led to total Mac unit sales growing to over 7m and delivering \$10.3bn of core revenues in 2007 - an increase of 40% on 2006. Allied to this, the iPod range has been extended with the new iPod Touch and an increased capacity for the classic models. Despite the average unit price decreasing from \$195 to \$161, there was an increase in unit sales from 39.4m to 51.6m, and overall iPod sales generated \$8.3bn.

The launch of the iPhone created global publicity and cemented Apple's reputation as a company that continuously produces truly innovative, sector-disrupting products. With sales in the fiscal year of 1.4m units, the iPhone contributed only a small proportion of Apple revenues. However it created huge consumer pull. Additionally the iPhone demonstrated Apple's ability to break through existing paradigms - it is sold at a fixed price, is linked to a specific contract and is only available through specific mobile operators. As with the introduction of iTunes, Apple has entered a new market and challenged existing business models.

This is a key element of Apple's approach to innovation: while many see the product as the focus, for Apple it is the interplay between the product and the service that allows it to fundamentally change the underlying business model operating in the sector. First it was music and now it is movies. Via its iTunes service, Apple has challenged the way the music industry operates and the company has now expanded its music videos, audio-books, television shows, movies and podcasts repertoire still further with major links to all the key studios. In 2007 iTunes had its three billionth download and this helped music related products and services account for a significant \$2.5bn of sales.

Of course customers also expect a suitably 'Apple' experience when they enter a store. And they get it. Apple now has 197 stores worldwide and this has redefined computer retail. All of the above innovations have translated into corresponding financial success with Apple's share price doubling in 2007. Total sales increased by 24% to just over \$24bn while net income increased by a staggering 76% to just under \$3.5bn. This is all ample evidence to highlight that innovation in Apple is not hype: Apple really delivers its goal to provide 'innovative integrated digital lifestyle solutions' and is a company that consistently demonstrates the power of innovation in driving profitable, sustained growth.