

# [Samsung the south korean company sold more](https://assignbuster.com/samsung-the-south-korean-company-sold-more/)

Samsung :                    Samsung Group  is a South Korean multinational conglomerateheadquartered in Samsung Town, Seoul.

It comprises numerous affiliatedbusinesses, most of them united under the Samsung brand, and is the largestSouth Korean chaebol (business conglomerate). Samsung was founded by LeeByung-chul in 1938 as a trading company. Over the next three decades, the groupdiversified into areas including food processing, textiles, insurance, securities and retail. Samsung entered the electronics industry in the late1960s and the construction and shipbuilding industries in the mid-1970s; theseareas would drive its subsequent growth.

Following Lee’s death in 1987, Samsungwas separated into four business groups – Samsung Group, Shinsegae Group, CJGroup and Hansol Group. Since 1990, Samsung has increasingly globalised itsactivities and electronics; in particular, its mobile phones and semiconductorshave become its most important source of income. As of 2017, Samsung has the6th highest global brand value Notable Samsung industrialaffiliates include Samsung Electronics (the world’s 2nd largest informationtechnology company measured by 2015 revenues, and 5th in market value),  Samsung Heavy Industries (the world’s 2ndlargest shipbuilder measured by 2010 revenues), and Samsung Engineering andSamsung C (respectively the world’s 13th and 36th largest construction companies). Other notable subsidiaries include Samsung Life Insurance (the world’s 14th largestlife insurance company), Samsung Everland (operator of Everland Resort, the oldesttheme park in South Korea) and Cheil Worldwide (the world’s 15th largest advertisingagency measured by 2012 revenues) Market  Share:                           Samsung is theleading smartphone vendor worldwide. In 2016, Samsung’s market share of theglobal smartphone market was at around 20 percent with Apple as its closestcompetitor in the market. in the market. In 2016 alone, the South Koreancompany sold more than 300 million smartphones worldwide. Next to Apple Huawei, OPPO and vivo are currently Samsung’s main competitors in the smartphonemarket.

Operations:                       Samsung comprises around 80companies.  It is highly diversified, with activities in areas including construction, consumer electronics, financial services, shipbuilding and medical services. In FY 2009, Samsung reportedconsolidated revenues of 220 trillion KRW ($172. 5 billion). In FY 2010, Samsungreported consolidated revenues of 280 trillion KRW ($258 billion), and profitsof 30 trillion KRW ($27. 6 billion) (based upon a KRW-USD exchange rate of1, 084.

5 KRW per USD, the spot rate as of 19 August 2011). However, it should benoted that these amounts do not include the revenues from all of Samsung’ssubsidiaries based outside South Korea. Competitors:·        APPLE.             Appleis a multinational corporation that designs, manufactures and markets consumerelectronics, personal computers and software. ·        SonyCorporation.

Sonyis a multinational conglomerate corporation that designs and developselectronic equipment, instruments and devices.·        BlackBerry.                                  BlackBerryLimited is a company specializing in enterprise software and the Internet ofthings.·        Whirlpool.                             The Whirlpool Corporation is an American multinational manufacturer andmarketer of home appliances Vision 2020.                    The Vision 2020 is at thecore of our commitment to create a better world full of richer digitalexperiences, through innovative technology and products.

The goal of the vision is tobecome a beloved brand, an innovative company, and an admired company. Forthis, we dedicate our efforts to creativity and innovation, shared value withour partners, and our great people. We have delivered world bestproducts and services through passion for innovation and optimal operation. We look forward to exploring newbusiness areas such as healthcare and automotive electronics, and continue ourjourney through history of innovation. Samsung Electronics will welcomenew challenges and opportunities with joy. Mission.              “ At Samsung, we followa simple business philosophy: to devote our talent and technology to creatingsuperior products and services that contribute to a better global society.

”   LO1) Explain the different types , size and scope of organizations . Task1What is an organization, explain the difference between profitand not for profit organizations. Organizations are set up inspecific ways to accomplish different goals, and the structure of anorganization can help or hinder its progress toward accomplishing these goals. Organizations large and small can achieve higher sales and other profit byproperly matching their needs with the structure they use to operate. There arethree main types of organizational structure: functional, divisional and matrixstructure. Functional StructureFunctional structure is set up sothat each portion of the organization is grouped according to its purpose. Inthis type of organization, for example, there may be a marketing department, asales department and a production department.

The functional structure worksvery well for small businesses in which each department can rely on the talentand knowledge of its workers and support itself. However, one of the drawbacksto a functional structure is that the coordination and communication betweendepartments can be restricted by the organizational boundaries of having thevarious departments working separately. Divisional StructureDivisional structure typically isused in larger companies that operate in a wide geographic area or that haveseparate smaller organizations within the umbrella group to cover differenttypes of products or market areas. For example, the now-defunct TecumsehProducts Company was organized divisionally–with a small engine division, acompressor division, a parts division and divisions for each geographic area tohandle specific needs. The benefit of this structure is that needs can be metmore rapidly and more specifically; however, communication is inhibited becauseemployees in different divisions are not working together.

Divisional structureis costly because of its size and scope. Small businesses can use a divisionalstructure on a smaller scale, having different offices in different parts ofthe city, for example, or assigning different sales teams to handle differentgeographic areas. MatrixThe third main type oforganizational structure, called the matrix structure, is a hybrid ofdivisional and functional structure. Typically used in large multinationalcompanies, the matrix structure allows for the benefits of functional anddivisional structures to exist in one organization. This can create powerstruggles because most areas of the company will have a dual management–afunctional manager and a product or divisional manager working at the samelevel and covering some of the same managerial territory. Types of organizations There are generally five types’organizations like private organization, public, government organizations, co-operatives, charities and NGOs. It has been noticed that limitedcompanies are generally corporate association; they have legal identity in itsown right. Therefore, the properties and other assets are owned by company butnot their members.

On another hand the assets of the members are not fororganization use. Therefore, the liability of the individual is limited. As stated Macrosoft Pakistan(SMC-Private) Limited is a software design and development company establishedin October 2006 in Lahore, Pakistan. It is as an offshore development center ofMacrosoft, Inc USA. The key to Macrosoft’s success, with respect to its qualityassured products, customized solutions, and client satisfaction, are its welldefined software development processes and procedures. As argued by Zairi(2012), theprivate limited companies must have minimum one share holder but organizationcan offer large share to the public. However, the organization can offer largeshare to those people who want to sign business contract with thisorganization. It has been noticed that public limited companies have started asa public limited companies.

In 1938, Lee Byung-chull(1910–1987) of a large landowning family in the Uiryeong county moved to nearbyDaegu city and founded Samsung Sanghoe Samsung started out as a small tradingcompany with forty employees located in Su-dong (now Ingyo-dong) . As of 2017, Samsung has the 6th highest global brand value. As of April 2011, the SamsungGroup comprised 59 unlisted companies and 19 listed companies, all of which hadtheir primary listing on the Korea Exchange. It has been observed that samsungoffers their share for sale to the general public. There are three different types’ publiclimited companies such as small, medium and large. As stated by Holcombe andIpate (2012), Small businesses have faced difficulties to sustain in thecompetition with large businesses. It has been found that small businessworksin a very small market.

On another hand there is small scope for theorganization to changes their management strategy randomly. Generally, entry ofcompetitors could damage their business significantly. However, theorganization has less resource to protect themselves from new entries of themarket. Therefore, large businesses can protect themselves from new competitorsbetter through creating a high cost to enter the market. According to Willard (2012), medium sized businesses have got better position than small size organization. they have served a larger market and can change their strategy once or twice ayear.

Even they can expand their business in new market with existing products. They have more resources to protect themselves from new entries to themarket. However, the medium size organizations have faced risk due to thecompetition with very large organisation. The large organization has more resources the risks may be too high tosustain protection. It has been noticed thatorganizations are classified based on the production such as primary, secondaryand tertiary.

Primary organization generally produced the raw materials fromnatural raw materials and sends it to the secondary organization. The secondaryorganizations convert the raw materials into products and transfer the productsto the tertiary organization. Tertiary organizations are generally retailerswho sales the product or providing the service to the customersThe scope of the organizations isdepending on their product types.

The scope for coca cola organization is toproduce and supply soft drinks such as carbonated drinks, concentrates, fruitjuice, ready to drink coffee, tea, sports energy drinks and bottled water. Ithas been observed that OXFAM is a charity organization has a broad target thatsupports more resources to protect themselves from new entries to the market; however against a very large organisation with more resources the risks may betoo high to sustain protection. It has been observed that theorganization has selected vision, mission, goals and objective to improve theirbusiness performance. Vision refers to that position where the organizationwants to go. Mission refers to the purpose and role of the company. As statedby Chen et al.

(2012, p. 1665), the reason for selecting mission is to providethe scope of the organisation so that the organization can fulfil itsObjectives. Objective refers to the specific and shorter target of theorganization. The business operation of theorganization is depending up on the shareholders and stake holders.

Stakeholders are considered as individuals or group of people who are interested inthe business. However, these people are generally affected by the businessactivities. It has been found that there are different features in businessenvironment of global firm like Toyota such as dynamic, differs anduncontrollable.

Therefore, the business environment of Toyota is changinggradually based on the trend of customers and society but it is unpredictablealso. The business is expanded internationally by the supportive industries. The business is uncontrollable because the entire business operation is basedon macro environment, forces and factors.  Micro-enterpriseA micro-enterprise (ormicroenterprise) is generally defined as a small business employing nine peopleor fewer, and having a balance sheet or turnover less than a certain amount(e. g.

2, 000, 000 euros or PhP 3, 000, 000). The terms microenterprise andmicrobusiness have the same meaning, though traditionally when referring to asmall business financed by microcredit the term microenterprise is often used. Similarly, when referring to a small, usually legal business that is notfinanced by microcredit, the term microbusiness (or micro-business) is oftenused. Internationally, most microenterprises are family businesses employingone or two persons. Paper to Pearls is amicro-enterprise initiative of Voices for Global Change, a 501(c) non-profitbased in Alexandria, Virginia. Paper to Pearls works with women in theInternally Displaced Persons (IDP) camps in northern Uganda. The women create jewelryby hand-rolling beads from recycled paper, and Paper to Pearls markets andsells the jewelry principally in the United States, but also, via retailers andits website, in countries throughout the world. Because of Voices’ non-profitstatus, between 75%-85% of the sale proceeds directly benefit the women, bothas income as well as ongoing training programsSmall-enterpriseSometimes called a small business, a small-scale enterprise is a business that employs a small number of workersand does not have a high volume of sales.

Such enterprises are generallyprivately owned and operated sole proprietorships, corporations or partnerships. The legal definition of a small-scale enterprise varies by industry andcountry. Ammar Precast  is a smallbusiness in Pakistan with employees of 16-25 persons. They manufacture of allPrecast Concrete Product. With there setup and manufacturing units, they ensurequality controlled readily available and in-time supply of Costumers. Theirdesign section provides solutions for any technical requirements. Medium-enterprises The European definition of SMEfollows: “ The category of micro, small and medium-sized enterprises (SMEs)is made up of enterprises which employ fewer than 250 persons and which have anannual turnover not exceeding 50 million euro, and/or an annual balance sheettotal not exceeding 43 million euro.

“. Zeeto is the example of medium size enterprises with employment of 51-200employeesdifference between sole trader partnership and limitedcompanyA limited company is its own legalidentity, so as a shareholder your liability is limited (hence the name’limited by shares’). As a sole trader, there is little distinction between youand the business.

Any business debts become your debts and your personal assets- including your house – are not protected. Task2Explain the key difference between large, medium sized andsmall organizations. in the light of following factors: 1.   Objectiveand goals2.   Marketshare3.   Profit4.   GrowthSmall – Less than 50 employees, regardless of revenue, or, if the number of employees is unknown, then revenueof less than £5.

6m/$5. 6m will be taken as an indicator that it is a smallbusiness. Medium – Between 50 and 249employees, regardless of revenue, or, if the number of employees is unknown, then revenue of greater than or equal to £5. 6m/$5. 6m and less than£22. 8m/$22.

8m will be taken as an indicator that it is a medium business. Large – Greater than or equal to250 employees, regardless of revenue, or, if the number of employees isunknown, then revenue of greater than or equal to £22. 8m/$22. 8m will be takenas an indicator that it is a large business.

Objective and goalsSuccessful businesses are based onboth goals and objectives, as they clarify the purpose of the business and helpidentify necessary actions Goals are general statements of desired achievement, while objectives are the specific steps or actions you take to reach your goal. Both goals and objectives should be specific and measurable. Goals can involveareas such as profitability, growth and customer service, with a range ofobjectives that can be used to meet those goals. Organizational objectives areshort-term and medium-term goals that an organization seeks to accomplish.

…Achievement of objectives helps an organization reach its overall strategicgoals.

Company objectives are measurable. They effectively describe the actions required to accomplish a task. Objectivesdefine the techniques an organization will use to achieve sales success, customer service goals, financial goals and any other measurable aspirations ofthe company. One of the Samsung’s leading objectives is the attainment of leadershipposition in the electronics industry.

Currently, the firm holds the secongposition, facing major competition from Apple Inc.  Market shareAlthough small business have closerelationships with their existing customers, finding new customers and reachingnew markets is a major challenge for small business owners. Small businessestypically find themselves strapped for time to do marketing, while largeorganization holds 15% to 20 % of the market. Samsung is the leading smartphonevendor worldwide. In 2016, Samsung’s market share of the global smartphonemarket was at around 20 percent with Apple as its closest competitor in themarket. In 2016 alone, the South Korean company sold more than 300 millionsmartphones worldwide. ProfitThe Small Business Administration, or SBA, sets limitations on the amount of gross revenue an organization maycollect before the agency considers it a big business.

Though the SBA has establishedrevenue limits, these numbers vary by industry and can cover a large rangewithin industries. According to the SBA, service businesses that earn anaverage of between $2. 5 and $21. 5 million per year over three years, dependingon the particular type of service offered, may be considered big businesses. Three-year average revenues of between $5 and $21 million for retailbusinesses, between $13. 5 and $17 million for construction firms and $0.

5 and$9 million for agricultural agencies also cross the line between small and bigbusinessesGrowthA small business is an independent businesswhich is managed by its owner or part-owners in a personalised way and whichhas a relatively small market share. A large business is an independentbusiness which is managed by its owner, part-owners, or share holders in apersonalised way and which has a large market share and provides jobs for 250or more employees.