# A case study of motorola company

Business, Company



# **Case Study Motorola Company**

### Introduction

Motorola is known worldwide as a trendsetter and leader in broadband and wirelesscommunication. Their services include designing, manufacturing, selling, installing service analog and digital two-way radio, as well as voice and communications product system. Their products and services comprise a wide array of technological innovations that connect people not only to information but to entertainment as well. At the range of their products and services, Motorola is a giant multinational company, which made them capable of monopolizing digital communication, digital information, and digital entertainment with an annual sale of more than twenty eight billion dollars. The introduction of six sigma provided growth in the company; but recent years proved the slow recovery of the company that caused remarkable decrease in its profits because the company neglected the six sigma.

# Positive and Negative Aspect of Technology in this Organization

Based on the principles and visions of Motorola, this company centers their objectives on providing qualitytechnologyproduct, which makes things easier for today's generation.

Motorola Company serves multiple clients. It creates products used by the government, business establishments and even the public. Products such as cell phones, laptops, communication devices, and computer processors are very efficient enough to maintain its clienteles such as Apple Macintosh, IBM, and many others. It has diverse lines of products, which also includes satellite systems, cables, and modems. For many years, it is dedicated to

provide high-innovated technology with all its variations in order to be on top in terms of communication technology worldwide.

On the negative side, Warrior cited the abuse of military technology particularly biological warfare, which used as an agent of mass destruction. In a survey commissioned by Motorola in 1996, findings revealed that forty-nine percent of the public in Britain does not use computer, and forty three percent do not use any form of new technology. Mark J. calls this negative attitude as Technophobia. In most of the feedbacks from Motorola technology users, negative feed backs mostly comes from cell phone users particularly V 300 units, but these feed backs were only minor problems. Cases such as people having technophobia of the Motorola technology seemed to be not a problem with the company as most of their product have been patronized worldwide by the different sectors of the society.

## **Specific Example of Technological Innovations**

One of the innovations of the Motorola Company is the project called "Race to Recycle in Chicago as part of the company's partnership with the City. Race to Recycle is a fund raising project intended to connect community involvement, classroom experience, and environmental awareness. Race to Recycle is also a company effort to help scholastic activities raisemoney, thru collecting mobile phones that are no longer use. The company will buy each intact unit of cell phone at three dollars per unit. This innovation of the company of recycling retired mobile phones in an environmentally friendly mode provides opportunity for students to earn and at the same time helps the company fulfill its objectives of supporting scholastic activities.

This innovation also marks the company's initiative to adapt an environmentally friendly technology as well as their vision of moving the needle technology in Chicago.

### What is Working and Not Working for the Company

Motorola had experienced downfall during the past years when they suffered from a shortage of critical components. According to many industry analysts, Motorola Company along with other cell phones manufacturers had confronted similar problems due primarily from "poor planning and weak supply-chain management (Vesa, p. 33). However, its decline in 1983 in its 16K DRAM (single power supply) technology was just a slight one although it fell to around seventy percent almost losing its market share. It subsequently recovered until it became one of top four firms that dominated the market of technology in stage V emerging as one of the leading suppliers with more than fifty percent of the market in 1985 (Swan, 1993, p. 117).

According to Praveen Gupta, a former Motorola employee who turned writer, Motorola's Chief Executive Officer Bob Galvin invented the Six Sigma in 1986 as a management strategy to improve performance, to renew the corporation, and to accelerate the improvement process. Over the past years, Motorola had been implementing new strategies on a trial and error manner in order to find out what strategy will work for the company. Gupta cited that "various initiatives were announced annually, but no body ever knew how well they worked" (p. 3) Gupta noted, during this time, Motorola had some improvement "but nothing appreciable" (p. 4). However, with the implementation of Six Sigma strategy, Motorola had experience an accelerated growth.

However, Motorola's success once again altered by market decline despite the existing Six Sigma strategy. Gupta pointed out that such decline was due to changing market conditions, changes inleadership, strategic mistakes, and ignorance of Six Sigma as the source of Motorola's woes. Mark A. Nash, Sheila R. Poling, and Sophronia Ward stated, the ultimate goal of Six Sigma was to " to achieve a significant reduction in the number of defects that fall outside six standard deviations of the upper or lower specification limit to 3. 4 or less per million opportunities" (p. 39). According to them, the result of the implementation of the Six Sigma was " outstanding" as Motorola management realized that reducing this defect number to 3. 4 DPMO " meant focusing the company's efforts on the process not the individual defect" (p. 39).

There are at least two things evident in the "ups" and "downs" of the Motorola Company. First, it is quite evident the Motorola policies, which emphasized on individuals rather than on the process that worked well with them. Second, frequent changes of strategies and leadership have proven to yield only bad result. Read also emerging business opportunities at IBM case analysis

On the other hand, sustained policies or strategies that focused on the process are working well with the company. The initial implementation of the Six Sigma under the guidance of Bob Galvin produced an accelerated growth for the company on the ground that it was a sustained effort for several years. It works well with the company because employees became acquainted to the policy and learned to align themselves with it. Employees learned to avoid committing mistakes as the emphasis shifted from their

individual mistakes, which could hardly be avoided, to the process, which may be a lot easier to remember to avoid mistake.

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