

# Current strengths and weaknesses of the microsoft company

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**SWOT Analysis: Microsoft Corporation Strengths** The presence of a flexible workforce which provides support for both seasonal and cyclical projects in the organization

The workforce is very diverse and well versed in the imperative areas of the organization. 20% are made up of minority groups while 26% are women.

The employees are well motivated and are granted the opportunity to and advance financially by purchasing the stock.

The organization is a multinational corporation and operates in over 60 countries through various subsidiaries. In this regard, the challenges of cultural differences are greatly reduced while the success of the subsidiaries is thereby enhanced (Slater, 78).

The software products from Microsoft enjoy a wide recognition across the world and are well accepted by the consumers. This highly promotes competitive advantage and standardization.

The organization can attract the best brains due to the top rating status from Fortune as the best company to work for.

The operating systems from the organization such as Windows 95, 98 and the 2000 series enjoy a market share of over 88% across the world.

#### Weaknesses

Bill Gates has not yet focused on developing a new line of products for the organization. The focus on software might be very challenging for the organization.

The organization depends upon hardware manufactures to install the operating systems on the computers. This might certainly be a challenge given that Microsoft does not really manufacture hardware.

The organization's operating systems have been experiencing falling sales in the recent past and this is greatly causing worries about the future sales. Constant reorganization, bureaucracy and autocratic administration limits employee creativity within the organization while some of the employees seek other opportunities elsewhere. Communication and innovation is not prioritized within the organization.

The organization is highly perceived to practice cut throat competition by stealing the competitors' technology and destroying the products.

#### Opportunities

The fall in the global telecommunications costs has opened up new markets and people are greatly getting connected to the internet.

Applications in mobile phones and digital assistants represent a growing market. Alliances with the various manufacturers can greatly boost the market share of the organization.

The popularity of Microsoft's products for internet applications can be harnessed to provide an even larger market.

Despite the popularity of handheld devices, the demand for computers in the united states and across the world continues to grow. In this regard, it is realized that the future prospects for the organization are still good.

#### Threats

Apple and Linux certainly threaten the large market share presently held by Microsoft. Indeed, the popularity of the products from these manufacturers continues to grow and there is a strong indication that Microsoft cannot continue to hold the 88% market share (Phelps, 38).

Fluctuations in the exchange rates across the world greatly affect the

demand for the software in certain countries. The fluctuating currencies greatly affect revenues from the organization especially in the international markets.

It is presently realized that some hardware manufacturers like Oracle, Sun manufacturers, and IBM have collaborated with new platform technologies thereby greatly reducing the demand for windows (Stross, 45). In the same way, some of the hard ware manufacturers issue software application with their hardware sales. This means that Microsoft's products do not apply in such cases.

Many personal digital assistants and other hand held devices are becoming much popular yet they do not require Windows operating systems.

#### Works Cited

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Stross, Randall E.. *The Microsoft way: the real story of how the company outsmarts its competition*. Reading, Mass.: Addison-Wesley Pub. Co., 2009. Print.