

# Report type assignment based of swatch case study

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## REPORT TYPE ASSIGNMENT BASED OF SWATCH CASE STUDY

### Introduction

Swatch has a unique way of running its business that is very different from that used by others. Its innovation, creativity, imagination vision, and control are very distinct from that of its competitors'. Despite the fact that Hayek's, who are the major shareholders, hold the most powerful offices in the company, the incorporation of young innovative individuals has seen the company grow from strength to strength (Sutherland & Canwell, 2008, p. 51). This is the reason why many people seeking employment want to work with Swatch

### The Organizational Culture of Swatch

The culture of Swatch is exudes continuous improvement and taking pride in their work. Based on the case study, working at the company must entail engaging in a lot of conversation, jocular gestures and more informal talk. This is because the management vouches for a less formal and relaxed mood in order to create an avenue for creativity, as well as motivate their employees. Its vertical frequency of communication places it at a highly vertically integrated state such that the open door policy enables individuals at different hierarchical levels, in the company, to interact freely. This makes all members of staff to feel important, valued, and respected. Their opinions must be considered in the decision-making processes, and they are free to share their ideas without fear of being judged or victimized. Such a work

environment makes the Swatch organizational setting a fun yet focused place to be as an employee

#### The Core Business of Swatch

The core business of the company is manufacturing watches that would lead to customers imperceptibly becoming attached to them. Unlike other organizations, they believe that individuals can be manipulated emotionally such that they end up acquiring more than a couple of watches in their lifetime. This is the core of their business, and it is anchored on innovations, which appeal to potential buyers. As a result, consumers will keep coming for more and more watches; hence, keeping Swatch in business by boosting its sales. Finally, a customer would have a pleasant experience at a Swatch store since the staff is jovial and ready to assist them to explore the innovations offered by the company.

#### Swatch's Growth Rate

Swatch has the ability to grow since it has four major development phases. The first phase, which was meant for the survival of Swatch, is its effective international distribution system. This helps the company to acquire a large market base all over the world. Secondly, the management of Swatch has employed good strategies, which have aided the company to succeed in reviving its luxury sector with brands such as Omega, Rado and Longaine (Mullin, 2010 p. 40). In addition, Swatch has acquired a new brand. This has seen the company expand its operations especially in the production and mechanical sector through ETA and other companies (Kumar, 2004, p. 36). Thirdly, through the incorporation of young managers into the management team, the company was able to diversify its production in many countries

with the focus being on the middle price segment of brand such as Tissot. As a result, this led to the establishment of another brand known as CK Watch Co. Ltd (Clark & Brody, 2009, p. 25). Fourthly, the company is concentrating on making its brands known to the public through the Internet. There is a tremendous increase in the number of people visiting its site each year. As a result, Swatch has received numerous international multimedia awards. It is pertinent to note that no research is conducted on new products. This is because the management relies on intuition from both employees and management to know whether or not the brand will perform in the market. This is especially so because Swatch is able to export about 80% of its products to the rest of the world despite the fact that the company is located in a country where labor is most expensive, globally (Hoyer & Macinnis, 2008, p. 15). In addition, the fact that the company is able to encourage innovations has seen it increase its brands, each year. Furthermore, the company is able to ensure that it has a large global market through conducting numerous campaigns in terms of road shows and unconventional presentation.

#### Swatch's Organizational Structure

The management is able to encourage employees to work hard by giving them proper incentives. Hayek's work hand in hand with their employees; hence, they do not feel intimidated in case a project fails to kick off. This means that the company does not rely on its organizational structure for the running of its activities. Due to this, the company is able to grow in production since employees give their best at work. Because of this good working relationship, the company has recorded a massive increase in its

sale each year. Furthermore, since its employees are encouraged to work in their field of expertise, the company is able to produce brands that easily compete with others in the market.

### Conclusion

The good strategies employed by the company's management have seen it become a major force to reckon with in the market. Conclusively, the incentives given to employees make Swatch the dream company for many job seekers.

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