Organizing at dell computers

Business, Management

Organising at Dell Computers Task: Organising at Dell Computers Introduction Dell Company has experienced decelerating phasethat departs from its once vibrant and market leading history in early 2000s. Its major strength was its mastery of logistics within their supply chain. This enabled them to avail their products to their customers at very competitive prices. Dell removed middlemen that were part of the traditional product distribution model. This approach was instrumental in saving resources; thus, transferring lower costs to customers. Furthermore, this method facilitated the understanding of the customer needs; thus, becoming accustomed to market changes faster as compared to their competitors (Fields, 2006). In 2005, Dell Company was valued at over $ 100 billion, which was double the market value of HP and Apple (Edwards, 2009). Today, its market worth is less than 1/3 of the proportion that market rivals control with an estimated value of $ 30 billion. Dell has struggled to find its place back as a centre of technology.

Michael Dell, the founder and owner of the company has undertaken radical measures to change its now sinking company. By identifying the challenges that led to the failures and counteracting them with positive reinforcements, Dell can transform his company back to its former glory.

Reasons for Past Failure

The company has faced stiff competition in the recent past. Their market presence has reduced drastically over the years since modern technology products engineered by their competitors have overtaken most of their merchandise. As such, it needs to improve by increasing their market presence within the global setting. This means adapting to new

manufacturing processes that are client specific and addressing growth at the management level (Burrows, 2005). The company also experiences challenges pertaining to the slow purchase of its key products such as the personal computers in an already saturated market. A majority of the Personal Computers (PCs) in the United States are replaced by technological upgrade and development of new items.

The company should focus on strengthening relationships with suppliers and product customization (Ricadela, 2009). Another challenge is strengthening the declining customer service. Indeed, Dell prides itself in superior customer service but it should strengthen and maintain their customer service and relation (Ricadela, 2009).

Mergers and Franchising

The company should consider forming mergers with other strong companies. This will increase their capital base as well as expand their products variety. Merger of companies will offer a mutual benefit to both companies as each will benefit from the others strong areas. Dell can also consider franchising their products. This will guarantee that they preserve the identity of their products while increasing the customer contact and product availability across wide geographical areas.

Management level

The company needs to employ completely different skills such as, innovation, flexibility and customer focus. The company has equally reorganized processes with the intention of focusing on new and old clients. This involves hiring of competitive result driven employees at diverse levels in the organisational chain. Dell has made changes in the entire

management team, the personnel and business partners. Furthermore, it has revamped the acquisition and distribution channels to help in the turnaround (Fields, 2006). It is worth acknowledging that Dell's strengths include the faith that previous clients have on their processes and merchandise. Dell was equally known for shipping directly to the buyers. Thus, propagating competitive prices, which are crucial when penetrating an already existing market. Open communication and adoption of new ideas is vital in steering Dell to the top. The leadership of Dell rewards achievement hence creating an open and more competitive employee accomplishment potential.

Research and development

Dell should spend more time on research and development inorder to create stand out products. The firm has adopted upgrading services that include new software and hardware categories including tablet like devices that were not in production traditionally. The new face also includes smart phones, which will add to the social networking features on their site.

Product upgrading

Another strategy that Dell adopted was shifting from the traditional template designs and adopting designed and personified computers that attract specific group of clientele (Fields, 2006). The novel management was essential in identifying loopholes involved the design processes and culture friendly products. Changes in strategy have diversified attention to customers such as the government, small and medium sized businesses that were traditionally ignored.

Conclusion

Companies collapse because of poor management, competition or lack of

innovative ideas that consider the changes in the society. Key competencies of Dell vary from the fabrication process, client focus, human capital and supply chain administration (Edward 2009). The company is facing stiff competition from new companies and must act fast before they deteriorate further. The transformation process must identify the loopholes that led to the failure while considering the products relevancy in a drastically changing market (Edward 2009).

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