

Human resources
technological
resources and
reputation



**ASSIGN
BUSTER**

The resources of the firm are both tangible and intangible. Tangible resources are defined as any company property that has a physical existence (Wikipedia, 2012). Therefore, tangible resource is the one that you can reach out and touch, which includes physical assets, such as plant, equipment and physical labour. While intangible resources are defined as the assets that you cannot touch or see but that have value, which includes skills and knowledge about productive and managerial processes. These resources are employed to supply a heterogeneous range of services to the managers of a firm, to be used in the various activities that the firm undertakes. Thus, the output that any given unit of a tangible resource can produce is not dependent just on the production function but also on the intangible resources embedded in the inputs. Knowledge enables the productive capacity of a resource to increase over time. The tangible resources in a fast paced technology market could be financial resources and physical resources. The intangible resources in fast paced technology market could be human resources, technological resources and reputation. The tangible resources are the hard rock for a company's establishment, because the financial resources provide a place for the company and the equipment as well as the workforce allows the company to process and produce products. There is no doubt that all good companies in the fast paced technology market are based on sturdy tangible resources. However, intangible resources are the key elements that make those companies in the fast paced market differ themselves from each other and become prosperity. Tangible assets can be purchased in the market, and more machines or workers can be hired at a price. However, intangible knowledge and skills reside within human capital and cannot be so easily purchased because they are acquired

<https://assignbuster.com/human-resources-technological-resources-and-reputation/>

from training and within the firm and may only be valuable within its specific structures residing within individuals who can be hired. According to a study of Brookings's institute in 1982 (Webandmacro, 2012) showed the tangible assets represented the 62% of the value in the market of industrial organizations. Ten years later, in 1992 the proportion lowered until 38%, Financial indicators are still used to direct and to take decisions, but they just represent less than 10% of our value. The intangible resources are the most important sources of the organization that grant competitive advantages to other companies. The organization that has an excellent operative process, knows their segment in the market and possess the knowledge to develop a unique product, and has the ability of motivating their employers, will have a guaranteed success. Therefore, concerning about those big or historical companies in fast paced technology market, the intangible resources are more important.

In the fast paced technology market, lots of first class global corporations are getting more and more competitive, however, some of the old brands which use to have good performance and reputation are abandoned by consumers. Tangible resources are playing important parts in all of those companies; however, they are not the key points that affect the companies' future. Take Apple company as an example, it was founded at 1976 by Steve Wozniak and Steve Jobs in USA. It operates in the computers business worldwide – manufactures hardware, software and peripherals. In addition, Apple offers digital music services and products (digital music services – iPod music player and iTunes web music store). It is the most popular technology brand in these years and everyone wishes to have one of the Apple's product, no

matter how expensive it is. The tangible resources of Apple Company include financial resources, because Apple is one of the big companies of PC and multimedia. Since Apple increased at the last four years its net incomes to \$1, 335 Milliard, they have ability to gain credit; organizational resources, because Apple has many systems for control. Since Apple controlled all aspects of the computer, it could offer customers a complete desktop solution, including hardware, software and peripherals that allowed customers to “ play and plug”. Apple’s tangible resources also include physical resources, because Apple was founded in California and it is a global company with branch all around the world. They develop excellent computers with the best materials in the market. I believe that most of the first class global corporations in technology industry have the similar tangible resources as Apple company dose. Take Nokia corporation as an example, it is a well-known brand which has a strong background for tangible resources. Its financial resources play a major role in the organization as it estimates the financial requirements for the development of new product. Nokia is having strong financial background. So for the developing the new product there will be no financial problems. These financial resources of Nokia help to attract the investors and lenders for the business. Physical resources are also the tangible resources of Nokia, physical resources are nothing but the manufacturing plant equipment, land and the mineral resources. Nokia is having largest manufacturing plant which includes the research and development sector, good equipment. So the process for developing the new product Nokia n-pad is easy. According to the background and facts, it is obvious that Nokia may have more and wider tangible resources than Apple have. It is because of these rich tangible

<https://assignbuster.com/human-resources-technological-resources-and-reputation/>

resources that helped Nokia produce reliable and durable mobile phones and reached its business peak. In the other words, in the past decades, Nokia could dominate the technology market because Nokia had enough money and capitals to produce durable mobile phones that people trusted. At that time, Apple was not popular and the tangible resources were less than it of Nokia. However, in these days, it is Apple dominates the fast paced technology market instead of Nokia. Almost all the loyal customers who use trust Nokia abandoned it and become fans of Apple. It is obvious that although tangible resources are important for a companies' development, it is not the key resources that drives a company to be popular these days especially in fast paced technology market.

In the fast paced technology market, intangible resources are getting more and more important because it can effect a company's position in the technology market. The intangible resources in Apple Company include human resources, innovation resources and reputation resources. Apple Company has a wide range of human resources because Apple's corporate located in the heart of Silicon Valley in Cupertino, California. It brings together the best and the brightest people in an attractive location. Some of the best schools in the country are within a short drive of Apple's main campus, including Stanford University, university of California at Barkley, and Santa Clara University. With so many schools nearby, they enjoy plenty of cultural and educational opportunities. Besides, the best graduates from those famous universities can easily apply a job in Apple Company. Apple Company has a wide range of innovation resources. Apple invented the PC, the graphical user interface etc. But then, the company had a decade in

which it took a nap. Apple had a monopoly on the graphical users interface for almost ten years. Then, the monopoly expired. When Jobs came back he manages an innovation by hiring people who want to make the best products in the world. The key is to have people with passion for excellence. Apple now has scientific skills that allow them to innovate better and advance patents. In the previous decade Apple lost its reputation. Lots of suppliers thought that Apple is going to die. The feeling was that they couldn't rely on anything Apple said. Only Jobs hard work rescue Apple from crash. Apple's reputation grew significantly in 2005, according to the annual reputation Quotient ranking. Apple climbed seven points in this year's survey, landing as the company with the 27th best reputation in the US. Among all of the intangible resource, the innovation resources are the most important resources for a company to be prosper, especially in fast paced technology industry. Latest technology creations always absorb countless consumers no matter how expensive the product is. That's why that almost everyone has purchased an iphone although it is much more expensive than the other brand mobile phones with the same configurations. Human resources contribute a lot in the innovation culture and spirit of Apple Company. Because of its location and Steve Jobs hired lots of talented employees, Apple Company has the ability to find out the most creative ideas to produce the latest high technology products. Besides, Apple Company has successfully built the image of its brand. In Apple's history, groundbreaking design has played a key role. The original Macintosh bore little resemblance to the heavy and unsightly IBM PC-compatibles of the day, while other attempts to stand out – such as the Macintosh TV and the Twentieth

Anniversary Mac – were unfortunately never meant to be mass market
<https://assignbuster.com/human-resources-technological-resources-and-reputation/>

products. It was only with the advent of the iMac and iBook after Steve Jobs's return to Apple that style and design came to the importance in Apple's hardware products. In short, Apple's product design elegance in both hardware and software plays an essential role in the company's brand message. It all makes a difference. Minimizing windows with smooth animation in Mac OS X, the pure white plastic used in the iPod and iBook, the clever packaging that comes with all of Apple's products – everything combines to support a message about the brand. Simplicity, attention to detail, ease of use, creative thinking, and an absence of jargon are all messages conveyed through these products. Steve Jobs has said that Apple's position in the computer industry makes it possible to design a product from scratch. By controlling both software and hardware, Apple can integrate their products more tightly, providing an advantage over PC companies like Dell and Gateway. Even when Apple does offer a cross-platform product, the PC version isn't as good. Look no further than the iPod: the Mac version outshines its Windows-compatible counterpart thanks to its tight integration between the iPod hardware, the Mac OS, and iTunes. Brand messages are supported by other aspects of the company's activities as well. The first-time visitor to the Apple Web site is left with an impression distinct to the Apple brand. The site is clear and easily navigable, and it manages to avoid clutter and technical terminology. Contrast this with the complex and confusing Dell Web site. With Apple, the impression you're left with matches the experience of the product. Anyone who has received a new iPod will tell you of the beauty of the packaging, its simplicity and attention to detail tying in with the product itself. Buying from the Apple online store, the purchasing experience, the packaging, and finally the product itself and its functions, all

<https://assignbuster.com/human-resources-technological-resources-and-reputation/>

fit into Apple's carefully constructed brand promise. That's one of Apple's major strengths – the company maintains its brand promise from the customer's research phase on the Web site, through the online store purchasing experience, and all the way to the point where he or she unpacks and starts using the product. Arguably, the Dell Web site risks making the consumer feel confusing by the site's complexity. The relationship between the consumer and the brand is of necessity rather than attraction.

Consumers may use and find value at the site, but it is difficult to see how it could appeal to them or inspire brand loyalty. As a brand, Apple is strong, and the company's brand promise is currently matched by the user's experience online, with Apple's products, and in marketing campaigns.

However, Nokia failed in rebuilding its brand. The design of the mobile phone is hulking, and its operating system Symbian that use to demonstrate the mobile industry is out of date and replaced by Android and Mac OS. That's why when people mentioned about Nokia, the word "classic" will bubble out because customers cannot feel creativity in Nokia's products. In the opposite, the image of Apple brand is high-technical, simple, fashion and friendly-use.

As a conclusion, according to the discussion above, it is obvious that in fast paced technology market, the intangible resources over weigh the tangible resources. The reputation, image of the brand, patents, innovation spirit and culture as well as human resource are the key resources that can help companies demonstrate the market.