

The operational corporate global structure of the microsoft corporation

[Business](#)



A) Company Introduction Microsoft Corporation is a leading software designer and manufacturer in the consistently growing software industry which entails operating systems, word processors, and other support systems. Microsoft is a company that values honesty, integrity, personal excellence, constructive criticism, and commitment to its customers in delivering required technology to its esteemed customers and partners (Microsoft Corporation, 2010). The company has been synonymous with the development and evolution of the computer age giving it a multinational status among other software manufacturers. The company also has an enhanced program aimed at promoting a consistent corporate citizenship structure and an enhanced community affairs program. Among critical software developments that have been developed by Microsoft Corporation include operating systems like Windows 95, Windows NT, Windows 98, Windows 2000, Windows XP, Windows Vista, and Windows 7. Other supporting software developments under Microsoft Corporation include Microsoft Office and internet browsing elements.

B) The Problem Statement The successful running of a business entity of a multinational nature like Microsoft Corporation is subject to varying degrees of complexities which are availed as a result of the nature associated with a constantly growing innovations industry. Therefore, over time Microsoft Corporation has been subjected to multiple emerging industry concerns regarding its enhanced business strategy. Some of the developing issues regarding the international business operations of Microsoft Corporation include the termination of Vista Windows, the overarching effect of Windows Vista termination on the profits margins of the corporation, the overarching

effect of Windows Vista termination on the corporation's corporate division, and the developmental effect and impact of the international business strategy for the launching of Microsoft Corporation's Windows 7. C) The Corporate Solution In a bid to catalyze the emerging issues regarding corporate global structure arrangements of Microsoft the company sought to implement new strategies with an aim of reinventing the business environment and competitiveness. The company launched a broad restructuring focusing on its business platform objectives and fundamentals in the software environment which they have greatly diversified.

Some of the goals suggested included launching of a platform and services division in order to align existing assets of the company with regard to the developing feasible strategies for the entire Microsoft market (). The major aim of doing this was to revamp the corporate level structure with an aim of increasing and elevating customer experience in view of the developing concerns regarding management and emerging efficiency related problems with its software releases. According to Kevin Johnson, the platforms and services division co president, " Today we are enhancing the leadership team and structure across the division to ensure we have the right organization to support our technology vision" (Microsoft Corporation, 2010).

D) The Action Taken Among the actions taken in view of addressing emerging concerns in Microsoft's Corporate Division that were accruing from the developing concerns witnessed by the company's developmental strategies included realigning key operational parameters in its financial standings, creating new investment portfolios focusing on the software capabilities, and creating different platforms to address different roles to

which majority of Microsoft Corporation operations fall. Among key corporate strategies included Windows and Windows Live Group, Core Operating System Division, Windows Live Platform Group, Online Business Group, Market Expansion Group, Windows Client Marketing Group, Server and Tool Business Group, and Developer and Platform Evangelism Group. The Windows and Windows Live Group was essentially composed of the engineering teams suited to offer technical expertise and enhance the then existing technical capacity for the corporation.

The members of these teams were essentially expected to have management and technical skills which were required to be evidenced in the form of products and specific work environment (Microsoft Corporation, 2010). The Core Operating System Division was essentially targeted at leading key operating system foundations in order implement a new element of power in Microsoft Corporation's product line (Microsoft Corporation, 2010). The Windows Live Platform had a role of uniting critical Microsoft Corporation team in the view of building platform services and online capabilities of its operations (Microsoft Corporation, 2010). The Online Business Group has a role advertising sales, marketing live platforms, and business development strategies focusing upon key operational networks to which the corporation is endowed with in its key functions. The market expansion group was mainly targeted at clinching some of the important emerging networks and other form factors (Microsoft Corporation, 2010). This was targeted at minimizing some of the developing competition variables to which the corporation is exposed.

Windows client marketing group was essentially targeted at making the corporation a desired place and choice by most of its clientele group and new clients interested in taking part in the new experience offered by current innovations which Microsoft corporation was releasing. The developer and platforms evangelism group was essentially formed to enable the progression in software development with regard to key software services and built in applications. E) The International Business Strategy, marketing, international accounting, and the corporate restructuring from the Human Resources stand point. The international business strategy of Microsoft Corporation is essentially based upon the enterprise business development with an aim of decentralizing certain key operations and subsequently improves operations and delivery of services in a prompt manner. " Enterprise development can benefit from centrally managed infrastructure support teams by using System Center technologies to drive down costs and improve services" (Microsoft Corporation, 2006). This resulting from the constantly increasing infrastructure of the software manufacturer which consequently leads to a changing form of corporate infrastructure and strategic location fundamentals of the corporation.

According to Gartner, " The first step toward infrastructure utility is in centralization and standardization. The diversity and fragmentation of information technology components must be brought under control with serious centralization and standardization effort" (Microsoft Corporation, 2006). This would sufficiently enable the formulation of some of the key strategies towards the enhancement of its operations with a goal-oriented approach in implementing its business strategies. The factors leading to such

moves are partly an attribute of the major changes that have happened in the current software industry in which clients are moving towards the preference of personalized services, which can only be provided by private entities. Marketing objectives of Microsoft Corporation are regarded as the most influential in the contemporary software industry occasioned by the massively growing software industry. The marketing goals pursue basic, standardized, rationalized, and dynamic approaches with an aim of capturing growing and emerging markets.

The goals of marketing are to activate event driven operations monitoring, promote scalable management solutions for its operations, improve system availability on a variety of domains, enable a high level of automation in order to lower monitoring costs for windows solutions, and the creation of an operational database to enhance management reports (Microsoft Corporation, 2006). For instance, in the introduction of Windows 7 the corporation launched a campaign that aimed at creating a more professional image after the misfortunes brought forth by the introduction of the Windows vista software. This was especially following the kernel debugging reports which led to the credit card scam occasioned windows vista. The marketing initiatives were essentially aimed at sensitizing and empowering the customer who is stands to be affected by the new features contained therein. The most feasible marketing approach that was used by the software developer was the formulation of a windows 7 upgrade advisor, which clients using previous windows versions but suspect the potential capabilities of the machines to support the new requirements (Albert and McHugh, 2009).

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On installation of the upgrade advisor clients were expected to make their personal conclusions based on a professional backing provided by the report of the windows 7 upgrade advisor. The aim of the current marketing strategies is to ensure that clients get a real experience through participatory approaches. “ It includes a competition for school children to create art work on Microsoft Paint, to commemorate the launch of Windows 7, which will be displayed at the NTUC building at one Marina Building” (Davidson, 2009). This is an example of a marketing approach used in Singapore, which is an emerging market in essence. In addition, the portfolio formed christened, ‘ windows client marketing’ as a corporate branch is charged with ensuring development of positive marketing approaches which are relevant to different contexts forming key market segments of the company.

Here the aim is to ensure a smooth transition in terms of customer reviews, emerging concerns, management options preferred, and response of feedback. The international accounting trends of Microsoft Corporation are conspicuously displaying a positive trend with regard to its constantly growing financial performance (Albert and McHugh, 2009). This is elementally confirmed by several sector-based financial analysis reports released on the contemporary software industry. According to financial reports released by Google financial analysis domain Microsoft Corporation portrays good performance indices for the current period of the financial year. For instance, the current market rates going by share indices stand at \$30.

34, which reflects a significant valuation increment by 0.42% and similarly a market capital range at 266.10 billion dollars (Google Finance, 2010). These results of its stock market reviews indicate a significant performance of the company with regard to the current developmental approaches as evidenced in other critical financial releases showing detailed accounting reports of Microsoft Corporation. Other financial reports serve to validate the projected growth seen in the company considering all the target markets inclusive of the emerging markets. The restricting of human resources in view of Microsoft's new trends aim at making service provision more efficient through software support and retail fundamentals.

The existing approaches aim at decentralizing operations by targeting particular markets which have significant projected growth fundamentals (Albert and McHugh, 2009). The overall change in its human resource has subsequently led to the creation of key outpost with a major function of diversifying the operations of the company and increasing customer experience in neglected areas and localities. Microsoft therefore aims at performing key rearrangements in its human resource personnel by increasing involvement from professionals located in key emerging markets in order to provide the required local solutions (Albert and McHugh, 2009). F) The global impact of Windows 7 and profit margins for the Microsoft Corporation. The introduction of the phenomenal windows 7 received much accolade from software experts both on a global and local perspective focusing on the United States software industry. Initially, the global view of Microsoft's software has doubts regarding transparency, especially with the introduction of windows vista operating system.

Nevertheless profit margins for most of its software sales appeared to fall within relatively competitive variants. “ Will Microsoft’s pledge to be more transparent pay off? Under heavy criticism in the computer industry and facing fines from world regulators, in February 2008, Microsoft vowed to release more information to make its products better with competitors and to support new standards” (Grant and Meadows, 2008). In answer to the above query Microsoft sought to develop an application that would revolutionize the software industry through introduction of the phenomenal windows 7. The software officially became commercially available in October 2009 marking the start of its distribution in to current users through an upgrade system. The impact of the software was initially projected to reach beyond Microsoft itself, by driving up growth and revenue for majority of affiliated information technology companies selling hardware , software, providing information technology services , and critical distribution points (Gantz, White, & Gillen, 2009).

The reception of the windows 7 versions released initially had profound success. For instance, it is projected that by the end of 2010, over 7 million individuals worldwide in the growing information technology industry will be utilizing window 7, or a projected figure of 19% of the global information technology workforce (Gantz, White, & Gillen, 2009). Further projections into the economy performance simulate far much better variables in regard to the existing econometric measures. The strategy for deriving the projected revenues will primarily pursue reselling mechanisms of windows 7, after sales service provision on windows 7, resale of software developed by affiliate companies providing supportive elements for windows 7, and sale of <https://assignbuster.com/the-operational-corporate-global-structure-of-the-microsoft-corporation/>

hardware with specifications supporting the new software requirements of windows 7. These critical permutations and revenue projections based on the economy generating activities suggested will subsequently lead to Microsoft's significant growth including other major companies worldwide all which are to bring \$320 billion in terms of product portfolio and revenue provision related to the launch of windows 7 resulting from the period of October 2009 to the end of 2010 (Gantz, White, & Gillen, 2009). Considering this profit margins, the effect expected from Microsoft's new software innovation are expected to have far reaching effects producing the expected ripples in the industry going by its performance indices.