

Andrew grove

Science, Computer Science



Intel Corporation is one of the world leaders in terms of microchip and microprocessor production. They embark on a mission of staying in the top and even formulated a strategy on exploring other forms of markets like that of digital health and wireless applications. They have also been known to forge tie-ups with leaders of the prospective markets they are exploring. They have tied up with search engine Google for the wireless application as an example.

Basically, Intel operations are divided into two sections: the communications group, known as ICG or Intel Communications Group; and the other section consists of the Intel Architectural business. The architectural section is responsible for the production of “ platform” boards that consists of chipsets and microchips, which are used in desktop processors; including the Intel Pentium 4 processor and the Celeron. On the other hand, the communications section deal mostly with the production and development of wireless technology. They are mostly concerned with flash memory and cellular base-band technology.

Intel is also known for large-scale tie-ups with other firms. Example of such is their tie-up with search engine Google for development of wireless technologies. They are also know to be connected with other firms like Microsoft and Dell. However, competition has been seen to catch up on the leadership of Intel.

Recently, a lot of clamors have been heard in the recent decision of present CEO Paul Otellini unveiled his plan to ship the micro-chip corporation to

another industry. While the rest had their problems with it, former CEO Andrew Grove is all praises for it.

The present CEO's vision is to generally change the image of Intel starting from what Andrew Grove practically built. Starting from the scrapping of the famous " e" trademark of the logo, the company motto and even the brand, the company has been envisioned to undergo a transformation. A lot of managers seem to be against the changing of such things that made Intel a household name. Even the logo has been widely known in all parts of the globe.

Meanwhile, Andrew Grove has been vocal about his approval of the said changes. In his opinion, they are of the same line of thinking that the present CEO has, that the company really has to undergo these changes in order for the to tell the world that even Intel is adjusting to the fast-paced growth of the industry and that they, as a company, should be at equal footing with the rest of the companies in the same industry. He further stresses that it is a imperative for the company to show that the company exhibits a show of risk-taking and result orientation, accompanied also by the value of discipline.

Before, under Grove's supervision and Craig Barrett (Grove's successor), the company focused on the production of microprocessors and took the lead in that industry for years. They helped give birth to the Information Age by producing more microchips and therefore, producing faster computers and ending in the development of micro processing. However, what Otellini had in mind is far from the former image of Intel, considering that he even

wanted to change the logo and company symbol. He wanted to venture into uncharted regions of digital health industry and that of “ platform” inventions.

Despite the negative views about Otellini’s decision, Analysts from outside the company have cited other views about the subject, stating the fact that sometimes, change is needed for a big company to maintain solid advantage. They also added that other companies that survived the changes maintained industry leadership, just like what happened to Texas Instruments. However, the other side notes that it is not really that advisable to change their target industry and find a niche in other markets, although they have leadership in the industry they would leave.

Adding firepower to the firepower of the critics, Intel’s competitor, AMD (Advanced Micro Devices) Inc., have scored a major point against Intel as it topped the company in terms of consumption as AMD Inc rose to a higher percentage in 2003 and analysts view that it would continue to rise against Intel unless Intel releases a new competitive line of processors in the future.. In the wireless communications field, Texas Instruments and Qualcomm Inc are still standing their own ground against Intel’s advances. Also, the two companies are planning to release their own versions of the platform that they assured, would gain more shares of the market than the new Intel is trying to build a niche on.

On the other hand, many people are applauding Otellini’s vision of the new Intel, stating that they have never seen so much innovation in technology with respect to their fields, especially that of medicine. Also, people have

actually seen the growth of the company, showing promise for a whole variety of new plans that are underway. Not only did the plans boost company ties with other companies, but also made their partner companies believe in the new flexibility of Intel. They promoted closer ties with cellular phone conglomerates Nokia and Samsung; had present tie-ups with Google; ties with Sony and Philips; and with those ties, Intel was able to produce and release different types of innovative products.

There different developments have different market reactions. Some producing great results, others not. However, analysts are right in pointing out that other companies that are industry leaders also experienced changes that looked like they are headed nowhere, although in the end, they have proven that their change would actually pay off. And now, Intel took their lead and eventually took some changes in themselves as well. The problem would be, if they can maintain the positive effects and eliminate the negative effects of the changes.

As for their decision of making the company over, It is. The industry's reaction to it seemed to treat the decision as a smart move as well. Rival AMD Inc made some deals with ATI, and this showed that Intel produced a bigger threat than before. Also, the result of other marketing strategies in the release of the new products proved that Intel can really hold its own against the rivals in the industries that they have entered. They also showed that they can maintain the leadership in their industry, and even remodeled themselves into a more serious threat than that of before.

However, not all decisions solely produce good effects. The negative effects therefore should be dealt with accordingly. Otellini did not make a bad move and he assured that he would produce good results which he did, although in the process nearly humiliating the company as he suffered near losses and continue to be behind Texas Instrument in the other fields. Intel not only made a good decision externally but also made breakthrough decisions internally, taking care of their employees better and giving chances to other fields like medicine to be at the same level as that of the engineers, the firepower of Intel before. May be this was a factor in Otellini's equation that he devised for company growth.

All in all, Intel has made a remarkable shift from the way it was thirty seven years ago. It also departed from the household figure that we recognized. Although this a bold move in there part and a rather risky one considering the old model is one of the main reasons why Intel made it to the top. In Otellini's, and now Intel's belief, It is one risky move that was designed to maintain leadership and gain advantages in other fields that they would pursue in the future. The market and business world would have to look out as Intel's new look is bound to stay, and so is their new outlook in the business battles.

BIBLIOGRAPHIES

Intel Corp. Company Profile. Yahoo! Finance. Retrieved October 26, 2006.
(<http://biz.yahoo.com/ic/13/13787.html>)

Intel Corporation. Computer Business Review Online. Retrieved October 26,

<https://assignbuster.com/andrew-grove/>

2006. ([http://www.cbronline.com/companyprofile.asp?guid= E82C088A-0488-4DB5-8953-9E316C2B44D1&CType= Background](http://www.cbronline.com/companyprofile.asp?guid=E82C088A-0488-4DB5-8953-9E316C2B44D1&CType=Background))