An Evaluation of Samsung Corporation Status Quo

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Abstract

Samsung has been going through a continuous status quo. This work investigates the reasons for the current status quo and highlights the potential benefits and drawbacks of such a situation. There is a number of decisions that are proposed to improve the overall situation in addition to an explanation of how these decisions can successfully be implemented.

1. Introduction

Samsung faces a status quo in some areas, especially in recent years. This report focuses on the assessment of Samsung’s status quo through an in-depth analysis of the overall situation in relation to the objectives set out in the aim and objectives section of this report. Samsung is one of the largest Korean companies in South Korea, which is under the Samsung banner in many areas. Samsung is considered as one of the largest companies in South Korea and was founded in the late 1930s, initially as a trading company under the name Samsung by Lee Byung. With an annual contribution of 17% to the South Korean economy, Samsung has a significant impact on South Korea’s economic development and culture. Samsung’s growth story began in the 1960s-1970s with activations in a variety of industries, including shipping and electronics. Currently, Samsung is widely known for its support of the mobile industry.
Samsung is the sixth-largest brand and is becoming increasingly global, with mobile phones and semiconductors the main source of revenue. Magnusson et al. (2011) found that "the perceived brand image of the consumer, regardless of the objective accuracy of their perceptions, greatly influences the brand’s attitudes". Similarly, Lee and Slater (2007) report that risky investment behavior is Samsung Electronics’ main driver of outstanding performance.

Samsung employs approximately 300,000 people and is connected to approximately 200 operational centers around the world. Samsung is represented in approximately 80 countries and is considered one of the most successful business organizations in the world. The rest of this report has been organized as follows. In section 2, analysis the status quo. Section 3 covers the weaknesses which may emerge from this status quo and. Section 4, evaluates some of the possible solutions. Section 5 details plan, lead and control the implementation of the taken decision whilst conclusions and future work are given in section 6.

2. Analyzing the Status Quo

Effective change management practices are essential for progress. Samsung is characterized by a solid business structure that constantly improves productivity and service. Samsung's organizational structure includes three areas, namely, computing and mobile communications (IM), consumer electronics (CE), and appliance solutions (DS). The Business Management Bureau and the Samsung Higher Institute of Technology (SAIT) are two other departments that are subject to corporate governance or innovation researchers.

Lee and Slater (2007) indicated that Samsung Electronics’ success in the semiconductor industry could help
analyze factors that not only used status quo resources but also developed dynamic capabilities. Samsung has changed its management and operating structure to meet the growing demands of its customers. It is important to mention that Samsung is one of the world’s leading suppliers since the introduction of communication tools such as tablets and mobile phones. However, their presence is mainly observed in the mobile phone sector. Samsung wants to maintain its current position in the market, especially in the presence of many competitors. The main drawback is that some competitors to the company, such as Apple, Google, etc., are known in the markets with different products other than mobile phones. Thus, Samsung is in the "status quo" position, the positive aspect of the current situation has enabled Samsung to cope with competitive pressure and strengthened by having the motivation for future development.

It is estimated that Samsung could lose because of the status quo while competing companies realize economies of scale generated by globalization. Globalization is not a threat to Samsung’s continued growth. However, various factors can determine whether the business can exist in the long term with the same status quo. It has been mentioned that attractive offers from competing companies that focus not only on mobile phones, could lead to a financial loss for Samsung under the status quo.

Recently Samsung has been facing financial scandals, and many officials have been convicted of the lawsuit. The same scandal is forcing Samsung to organize its new organizational structure. This could have consequences because it does not consider the status quo out. In the evolution of organizational needs today, employees must follow no
choice but to the latest trends. It also requires the development of skills to meet the growing demand of customers around the world. Similarly, well-trained professionals can guarantee better services. Samsung can also consider the best use of its employees on existing sites to get the company out of the current situation.

3. Investigating the Possible Weaknesses and the Need to Change

Samsung is forced to maintain its current marketing position given the current status quo. Therefore, special attention has been paid to a specific sector. The workforce must evolve in different directions to support the growth of the company. Sustainability plays an important role in this context. Sustainability in places where there are few or no competitors is easy to achieve because the company can have several competitive advantages over some of its competitors. To attain sustainable, Samsung management and employees must be motivated and shared. In today’s world, where advanced technologies are used, it is more difficult to obtain a definite guarantee of a sustainable operation. For Samsung, the situation is complicated. Competitive firms have better access to technology and highly skilled workers. If they are not better than Samsung, they are certainly not inferior to Samsung in terms of exploitation and production.

Magnusson et al. (2011) reported that consumer awareness of the true COO of brands can help to change attitudes. Samsung’s current status quo has definitely influenced the transformation process. In addition, it is understandable that the company left no choice but to review its current investments to ensure the availability of high-quality products in the market. This is self-explanatory because the company, in its current status, must
ensure its presence in the market. As a result, there may be fewer alternatives that not only add value to the business but also bring competitive advantages over competing firms.

With the same status quo, Samsung must enter into agreements with competing companies to make the product more attractive to its customers. An example could be an Android operating system developed by Google and adopted by Samsung. In other words, Samsung now relies in part on competing companies in order to create a comprehensive mobile phone. It is due to the same status quo; Companies will not consider the effects of such dependence in the future. Customers who would otherwise buy Samsung mobile phones running the Android operating system may refuse to do so in the future without it. Pricing is important when it comes to dominating the market. This is a crucial factor that can ensure the success and development of a company in a selected market.

Yang et al. (2007) found that Samsung has demonstrated the benefits of using a unique Six Sigma methodology to improve the functioning of supply chain management. In addition, the company’s greater ability to respond to the offering provides a competitive advantage over its competitors. Samsung faces the same challenge according to its pricing strategy. Samsung has to fight for a much lower price because of the quality products of its competitors. Samsung should consider the associated competitive strategies to deliver quality products at a price without compromising manufacturing costs. It is important to mention that it may not be easy to enter into selected competitive marketing for a new brand of the same product. This underscores Samsung’s importance in planning to go beyond the status...
quo. It could be easy for them to enter a market with products other than cell phones. Given Samsung’s success in the mobile industry, it is expected that the company will have a competitive advantage over potentially unknown competitors if Samsung chooses a new product to launch. Jang et al. (2002) indicated that the socio-cultural characteristics of knowledge management should be explained in the context of the path of knowledge transformation in the information space.

In the current status quo, there may be insufficient leeway for Samsung to explore ways to increase its sources of revenue. As a result, what is earned through sales is generally committed to the running of routine operations. This can influence the development of the company and employees. In the presence of the status quo, Samsung may not consider talent management as important. Talent management has been considered in the past as an integral part of human resources. However, with the development of the modern technological era, it has reached a certain goal. In the current status quo, talent management may not be as effective for Samsung unless Samsung wants to go beyond its existing situation.

4. Evaluating Alternative Solutions and Making a Final Decision

Samsung’s research and development department play an extremely important role in exploring ways to ensure a sustainable presence in the marketplace. Given the detailed analysis that is presented in the first two sections of this report, there are several solutions that can lead Samsung to think beyond the current status quo. Information from new markets where existing products can be marketed is one of the first solutions. This can relieve Samsung from a variety of factors,
including competitive pressures from competitors. If the company succeeds in other markets, it could help Samsung avoid a crash that could occur in cases where the competitor could perform well. From a security point of view, the company may reconsider arrangements with its competitors to be able to offer a complete product. This reduces dependency on external partners who might otherwise be their potential competitors at the same time.

The development of new markets for new products which is other not known as the product of Samsung could assist the company. This also has a positive effect on the customer experience and can enhance its reputation as a reliable manufacturer of various products. Jang et al (2002) reported that Samsung SDI shows that knowledge management is actually closely related to process innovation. It is known that Samsung manufactures many products other than mobile phones. Despite this, Samsung is mainly known for mobile phones than any other product. Samsung is convinced that the current status quo is not too high; Options could still be considered to promote other unknown or less marketed products. It is well known that companies with targeted activities do better than companies that do not care. Similarly, Samsung should consider redesigning its advertising campaign to maintain its current position unless some of the other improvements in the company have been fully implemented. This helps to create a new Samsung profile, although it may not be as effective in getting Samsung out of the current status quo. In this context, advertising is of utmost importance. A thorough investigation could prove the needs of Samsung customers around the world. Such an exercise will make existing activities and employee training more mature.
A strong corporate social responsibility (CSR) program can be seen as another solution that can assist Samsung in moving forward in order to ease the status quo situation. This could also assist Samsung to discover what other aspects of customer needs could be integrated or taken on board to offer an excellent customer experience. Moreover, CSR can improve ethical treatment with both the employees and the customers. The reason the existing status quo has not been considered as a disadvantage lies in the partial knowledge of such a phenomenon in Samsung’s existing culture. Jang et al (2002) reported that knowledge management focuses primarily on the generation, dissemination and use of knowledge. Given Samsung’s current status quo, the prospect of strengthening the learning organization concept could also encourage further expansion of Samsung.

In view of the above discussion, it is necessary to take a measure that can assist in Samsung realizing the disadvantage of keeping the status quo for longer than necessary. The following are the decisions that are taken to assist in moving out of the existing status quo.

- Finding new markets for existing products.
- Introduction of a new product outside the main mobile communication domain.
- Promotional activities for both existing and newly developed products.
- Enhancing existing implementation of CSR concepts.
- Strengthen the concept of a learning organization.

5. Plan, Lead and Control the Implementation of the Decision Taken

To plan, manage and implement the decision, it is necessary to get an
overview of Samsung's operating structure. Samsung's business model includes a number of key positions, including general manager, department head and similar department director. Each of these personalities works separately for Samsung to achieve the vision defined. In addition to administering specific tasks, managers perform a variety of routine tasks on a daily basis. This is the way the job is shared with the employee's employees, how to communicate with people below him and with senior management. To plan and implement the decision, several activities are described below.

- **Identifying the need for change.** It is important to develop and use existing knowledge in order to recognize the need for change, which can be achieved by setting priorities and motivating team members.

- **Addressing resistance to change.** It requires effective communication in all applications and with all stakeholders.

- **Plan for change.** Once the need for change has identified and communicated with all the stakeholders, it is important to setup a plan for the proposed changes.

- **Implementing Proposed Changes.** In order to implement the proposed changes, it is important to understand how these changes fit into the bigger picture to enhance company performance. Understanding how allocated funds to support implementing changes can be invested.

6. Conclusions and Future work
This work has investigated the existing status quo of Samsung, in particular, the strength and weaknesses of the current situation.
The findings of this report show that it is not beneficial for Samsung to retain the status quo longer than necessary in view of some of the disadvantages as highlighted in this report. There are decisions taken to assist Samsung in moving forward out of the current status quo. Similarly, how these decisions can be planned, controlled, led and implement are also explained in this paper. Future research can further expand the findings as presented in this paper.

References