

Introduction- The Birth of a Brain Child

Apple, Inc. started out as an idea of one man. This man was Steve Jobs. Jobs and his friend, Steve Wozniak, were two high school drop outs living in the Silicon Valley with extremely innovative and intelligent minds (Santa Clara Historical Society, 2012). The pair teamed up, whileworking for Hewlett Packard, to start Apple, Inc. from the basement of Jobs' home (Santa Clara Historical Society, 2012). The pair created the first Apple computer on April 1, 1976 (Santa Clara Historical Society, 2012). The rest, as they say, is history. The creation of that first computer—and subsequently the birth of Steve Jobs' brain child-- is what started Jobs and Wozniak on the path that has now revolutionized the way that many people all over the world use a computer, search the internet, listen to music, and even talk on the phone. Apple, Inc. is the perfect example of how a dream became a reality—one step at a time.

From Brain Child to Innovative Success (A Brief History of Apple, Inc.)

Ron Wayne, Steve Wozniak, and Steve Jobs founded what would become Apple, Inc. in 1976; however, soon after, Wayne left the company (Santa Clara Historical Society, 2012). Steve Wozniak introduced and designed Apple's first computer, the Apple I, to Hewlett Packard (HP); HP was not impressed and chose not to pursue the venture (Dougherty, 2011). Jobs and Wozniak did not let this deter them from continuing to develop and sell their computers. In 1978, the Apple II was introduced and sales went from 35,000 computers in 1979 to 78,000 computers in 1980(Dougherty, 2011). Then, in 1980, the company (which consisted of about 1,000 employees at the time) went public and the stock offering did well (Santa Clara Historical Society, 2012). In the 1980's and early 1990's, Apple did well in sales due to new versions of Macintosh and their new market, the office computers (Dougherty, 2011). In 1984, Apple made the Macintosh computer; the Macintosh made sales of 70,000 units soon after it was made (The (Dougherty, 2011). Shortly thereafter, there was a major power struggle among executives. This power struggle would lead to the departure of Jobs and some other executives (Santa Clara Historical Society, 2012). The combination of sales success and departure of the company's leaders found Apple at a monetary loss in the mid 1990's which can be directly linked to unfilled orders for the Power Macintosh line of computers(Dougherty, 2011). In 1997, Steve Jobs returned to Apple as an advisor when Apple, Inc. purchased his new company NeXT, Inc(Dougherty, 2011). Jobs then became CEO of Apple, Inc. and introduced the iMac, which sold 800,000 units by 1998(Dougherty, 2011). From that point on, the company did very well. Jobs and Apple began introducing new, innovative products one at a time; the iPod was unveiled in 2001 and the iPhone in 2007(Dougherty, 2011). In 2008, the iTunes store sold more music than Wal-Mart (who was the leading music provider up to that point) and then the innovation continued with the introduction of the iPad in 2010 (Dougherty, 2011). The growth of Apple, Inc's music sales was in direct correlation to the fact that iPods sold 275 million worldwide between 2001 and 2010(Dougherty, 2011). Jobs was consistently rated the no. 1 CEO due to the value he added to Apple by coming up with these new products and, at this time, Apple, Inc. is considered the world's best company by many magazines (Dougherty, 2011).

Apple Inc.'s Executive Management Team

Apple, Inc. has experienced several changes in the executives that run the company in the last couple of years. Unfortunately, the company experienced the death of Founder and CEO, Steve Jobs. This left the company looking for new leadership and direction. Recently, the company named Tim Cook as the new CEO of Apple, Inc. According to www.apple.com, Cook was named acting CEO and member of the Board of Directors in August of 2011 (2012). Appointing Cook as CEO seems to be a strategic and logical decision as Cook was previously the COO for Apple and was responsible for sales and operations worldwide, which includes being responsible for the management of “Apple’s supply chain, sales activities, and service and support in all markets” (Apple, Inc., 2012). All of this experience should prove to serve him well in his new position. In addition to this experience with Apple, Inc., he also used to head Apple’s Macintosh division and was a key player in the continued development of “strategic seller and supplier relationships” (Apple, Inc., 2012). Before coming to Apple, Inc., Cook gained experience working for other computer companies (Compaq and IBM) (Apple, Inc., 2012). This experience in such previous roles has proven Cook to be a flexible, capable leader for this company. Cook’s education has served him well. He has been able to use his M.B.A. from Duke University and his Bachelor of Science in Industrial Engineering from Auburn University to good use (Apple, Inc., 2012).

Cook has a supporting cast of Vice Presidents that should be able to help him continue with success at Apple, Inc. Eddy Cue, the Senior Vice President of Internet Software and Services, is a twenty-three year veteran of Apple and was a major part in creating Apple’s online store and the iTunes store (Apple, Inc., 2012). Craig Federighi, the Senior Vice President of Software Engineering, brings years of experience from working under Jobs at Apple and NeXT (Apple, Inc., 2012). Jonathon Ive, the Senior Vice President of Industrial Design, is known as “the driving force behind the look and feel of Apple’s innovative products” as he is the man that has lead the design team for the company since 1996 (Apple, Inc., 2012). Bob Mansfield, the Senior Vice President of Technologies, has been responsible for overseeing several breakthroughs in regards to Mac products since 1999 (Apple, Inc., 2012). Peter Oppenheimer, the Senior Vice President and Chief Financial Officer, has been using his financial background and education to Apple as a controller then the CFO since 1996 (Apple, Inc., 2012). Dan Riccio, the Senior Vice President of Hardware Engineering has been with Apple since 1998 and is responsible for leading the engineering teams that develop the Mac, iPhone, iPad, and iPod products (Apple, Inc., 2012). Phillip W. Schiller, the Vice President of Worldwide Marketing, has twenty-fives of marketing management, the majority of which has spent with Apple over thecourse of his two different stints with the company (Apple., Inc., 2012). Bruce Sewell, the Senior Vice President and General Counsel, brings his over twentyfive years of legal experience in the technology realm to his position in which he handles all legal matters for Apple, Inc. (Apple, Inc., 2012). Jeff Williams, the Senior Vice President of Operations brings over twenty-five years of operational and engineering experience to his position where he is responsible for the quality control and supply chain management (Apple, Inc., 2012). With more than two centuries worth of experience in the industry combined when it comes to their top executives, it is now wonder that Apple, Inc. continues to be an extremely successful company. While Apple, Inc. has lost a visionary and innovative genius with the loss of Steve Jobs, Tim

Cook is a worthy individual to be named CEO of this company. In his first quarter alone, Cook saw Apple post revenue of \$36 billion and a quarterly net profit of \$8.2 billion as compared to the previous year at the same time when the company posted revenue of \$28.3 billion and a net profit of \$6.6 billion (refer to exhibit 1) (Apple, Inc., 2012). His education, work experience, and supporting cast empower him with the tools to keep moving Apple, Inc. forward.

Apple, Inc.'s Organizational Structure

Apple organizational structure is one of the key factors which make it very successful. Under Apple, Inc.'s CEO, there are eleven executives of departments which will work directly under the company's top leader (Apple, Inc., 2012). Apple's CEO has power to control all of departments that are headed by the Senior Vice Presidents of CFO, COO, Legal, Design, iOS software, Operations, Retail, Software Engineering, Product Marketing, and Global Communication (Apple, Inc., 2012). Simplicity is a key of the company's structure approach. Top executives' responsibility is straight forward to departments without any matrix relationship. Apple, Inc.'s approach of structure clearly engages in centralized decision-making (Bajarin, 2011). The CEO and board of directors of Apple, Inc. "glue" all the decisions together and their decisions will go straight down the line to every employee of the company (Lashinsky, 2011). Says one former insider from the days of Steve Jobs' leadership: "You can ask anyone in the company what Steve wants and you'll get an answer, even if 90% of them have never met Steve." (Lashinsky, 2011). Also, any corporation itself will find difficulty when it needs an immediate change decision related to products and services. Apple, Inc. is different. Through the straight approach, any decision from the top executives of Apple, Inc. is instantaneous. It helps Apple quickly grab any opportunities if the board of director identifies any missing obvious ideas of the company products.