

Apple – An Approach to the Organization

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ABSTRACT: For this project, our group chose Apple, which we believe is one of the greatest and most successful companies ever. Besides being a world-renowned company that works every year to improve and bring the edge of technology to the public, Apple is known for its leadership and company culture. Nowadays, Apple has been trying to balance all the different cultures that it has been through, and working towards bringing the best of each together, thus generating a balanced and positive culture in the company. That's why this company is the target of this study.

I. LEADERSHIP

Steve Jobs : The first CEO of the company, Steve Jobs, was considered “one of the most well-known examples of transformative leadership.” (Meridian University, 2023, p.1). He was mostly recognized for motivating and inspiring his employees by creating a clear vision that made them excited to work towards (Meridian University, 2023, p.1). One of the reasons that made him bring this approach to Apple was his travels around the world. He criticized the isolated lives that most people in the tech industry led and encouraged people to experience as many different things as possible (Meridian University, 2023, p.2). In an interview with the magazine *Wired*, in 1996, he said “So they do not have enough dots to connect, and they end up with very linear solutions without a broad perspective on the problem. The broader one’s understanding of the human experience, the better design we will have.” (Jobs, 1996).

Tim Cook : On the other hand, Tim Cook, Apple’s current CEO, is considered as someone who embraces change and innovation, being mostly focused on being flexible, which makes him a different leader from Steve Jobs, but one that is just as successful (Strategist, 2024, p.1). Another positive aspect of Cook’s leadership is his reliability, and his reinforcement of reliability as one of the most important characteristics of an employee (Dhiraj, 2021, p.7). Instead of maintaining the autocratic leadership style that Jobs had, Cook focused on his strengths and brought a more cooperative approach to every level of the company, that employees see as one of the main reasons for him to be so successful as a leader (Dhiraj, 2021, pp.5-6).

Company Culture :When Apple first became a company, it had an adhocratic culture, with an entrepreneurial and charismatic leader, Steve Jobs, that made employees strive to achieve goals (Arocha, 2017, p.19). With its rapid success, the company started to slowly move to a clan culture, meaning that employees felt more at home and just overall like a big family (Arocha, 2017, p.19). However, with the growth of Apple’s relevance in the market, the culture shifted to Hierarchical, something that displeased employees (Arocha, 2017, p.19). After a while, employees started to disconnect from the company and, therefore, a market culture was instituted, focused on getting the best results in the market (Arocha, 2017, pp.19-20).

II. THE COMPANY

History of the Company : Apple was founded in 1976 by Steve Jobs and Steve Wozniak, to create computers that were small enough for people to have in their homes (Richardson et.al, 2023, p.1). The company rose to stardom fast as in 1978 its sales equaled 7.8 million dollars and, as the company went public in 1980, sales rose to 177 million dollars (Richardson et.al, 2023, p.1). In 1983, Wozniak left the company, leading Steve Jobs to hire John Sculley from PepsiCo for president of the company, unfortunately, there were a lot of controversies and problems between both, which made Jobs step away from his company in 1985 (Richardson et.al, 2023, p.1). Jobs then started another company, NeXT Software, and bought Pixar, in the meantime, Apple was still doing well, mostly due to the projects that Steve Jobs had already prepared for the company (Richardson et.al, 2023, p.1). After 1990, Apple started to suffer and by 1997 the only option that they had was to buy NeXT Software to create their own operating system (Richardson et.al, 2023, p.1).

With Jobs back in the company, Apple was able to become successful again with innovative products such as the Mac (that required an alliance with Microsoft since it's a version of the Office Software), the iBook (that later became the MacBook), and the iPod, an mp3 player that ruled the market (Richardson et.al, 2023, p.1). Since, Apple released the iPhone, probably their most successful product to date, and one of the most successful ever to exist, besides that, Apple has also created the iPad, and the Apple Watch, and has services like Apple TV, Apple News, Apple Arcade, and even a credit card, the Apple Card (Richardson et.al, 2023, pp.1-2). Steve Jobs passed away in 2011 and Tim Cook took over Apple, continuing its reign in the tech world. Apple was the first company to be valued at one trillion dollars in 2018, having since continued to grow (nowadays it's valued at about 3.69 trillion dollars) (Companies Market Cap, 2025).

Company's Current Position : In the present day, Apple is considered one of the most successful companies in the market. Even with the growing competition coming from brands like Oppo and Xiaomi, Apple's position in the market continues as stable as ever, this is easily proven by the fact that in early 2024, even with the 4% decline in revenue, Apple's shares rose 6% (The Global Treasurer, 2024, p.1). Apple's focus on its main products and its creative ads and marketing strategies, along with its overall consistency makes it a threat to other competitors, and that's the reason the company continues to be a success (Zhang, 2024, p.622). Even though it is one of the most innovative companies to ever exist, Apple has been releasing less and less creative products over the years and, due to that, they should listen and value customers' opinions and needs so that they don't lose control of the market (Zhang, 2024, p.622).

III. SWOT ANALYSIS

Apple is one of the most successful, recognizable, and valuable brands in the world. Despite this, there isn't any company that is immune to external or internal factors that can negatively or positively impact its performance and then its operations and profits. Understanding these elements is essential for the company, in order to avoid or solve these problems. In this context, it's important to use some analysis, such as a SWOT analysis, to understand its current competitive situation and discover new competitive advantages to assert itself over its competitors.

a. Strengths

Globally Recognized Brand : Apple's presence is felt as one of the globally recognized and valuable brands being expected with innovation, quality, and great design. This allows the company to keep an extremely loyal customer base and reach new consumers at a very high level of trust.

Integrated Ecosystem: Apple has developed a unique synergy between its hardware devices (iPhone, iPad, Mac) and software (macOS, iOS) and hardware ecosystem (Apple Music, iCloud) and thus is able to keep its user base and entice the use of its ecosystem of products.

Innovation Capability: A very noteworthy approach within Apple is their innovative process, considering truly gamechanging devices such as the iPhone, AirPods, and the Apple Watch. Consistent investing in R&D keeps it on top of industry competition.

Strong Financial Performance : Apple has one of the highest revenues and profit margins of any company in the world. Its strong balance sheet enables large investments in new technologies and acquisitions. Experience and Differentiation in Design Apple products are built with high-quality materials and have a unique design that provides a premium user experience, solidifying the brand in consumers' minds as a premium product.

b. Weaknesses

Dependence on the iPhone : A large piece of Apple's revenue comes from iPhone sales. This dependence renders the company susceptible to product cycles and the congestion of the smartphone market. High Prices Compared to its competition, Apple products are not known for being cheap. However, this premium positioning reduces the target market and makes it more difficult to cater to consumers with smaller budgets.

Limitation for Market Expansion : **Apple faces challenges from fierce competition in emerging markets like India and Southeast Asia, where consumers prefer cheaper devices.**

Sustainability Issues : Overall, Apple has been subject to criticism for its production and sourcing of raw materials, and practices, especially regarding suppliers in developing countries, despite its attempts otherwise.

c. Opportunities

Expansion of Services : Apple has had a huge expansion in this service category, together with Apple Music, Apple TV+, and the App Store. This helps potential revenue diversification and less dependence on hardware.

Entering Emerging Markets: Markets such as India and Africa are a huge opportunity for Apple, with large populations and growing purchasing power. Tailoring products and pricing to these markets could significantly increase its customer base.

Raising the Bar with Wearables and AR: New growth areas for Apple's strategy include consumer and professional AR applications and products such as the Apple Watch.

Renewable Energy Development: Apple could burnish its image further by investing in environmental sustainability and lowcarbon production.

Partnerships and Acquisitions: Acquisitions and collaborations with cutting-edge companies can help Apple build a strong technological portfolio in its in-house society, such as in artificial intelligence, healthcare, and automotive.

d. Threats

Intense Competition :Fiercely competitive products, in terms of both pricing and features, continue to be released by companies like Samsung, Google, and Huawei, putting more pressure on Apple's market share.

Regulatory and Legal Risks: Antitrust investigations and legal disputes regarding App Store management and data policies are common for Apple. Such risks could affect the company's reputation and finances.

Global Economic Fluctuations: Economic crises, inflation, and recessions could hit consumer spending, squeezing demand for premium products like those from Apple.

Supply Chain Issues: Dependence on Chinese suppliers exposes Apple's supply chain to disruptions from events like the COVID-19 pandemic and geopolitical tensions.

Risks of technology and security-related: Apple's devices are also increasingly threatened by an increase in cyberattacks and vulnerabilities related to privacy.

IV. CURRENT STRATEGY

Apple has 3 pillars they are working towards: product innovation, ecosystem integration, and service expansion. This synergy contributes to solidifying Apple's tech-market leadership position and driving sustainable growth. The company called out for first-class product design and delivery. To introduce distinctive features in its products, ranging from the cutting-edge camera systems in iPhones to the M-series chips in Macs to health monitoring features in Apple Watches, it invests significantly in research and development (R&D). With innovation at the core of its business model, Apple propels itself towards a premium pricing strategy and ensures customer retention.

One of the hallmarks of Apple's strategy is its seamless ecosystem combining hardware, software, and services. Products from iPhones to iPads, Macs to Apple Watch, and AirPods are designed to work together seamlessly via platforms including iCloud and macOS/iOS sync. This approach creates user lock-in to the ecosystem, creating a cycle where owning one Apple device encourages adopting others. Apple has moved its focus to expanding its service segment in recent years. Services that include Apple Music, Apple TV+, Apple Arcade, iCloud, and the App Store provide recurring revenues through subscription models but also diversify the company's income streams. This shift lowers Apple's dependence on hardware and boosts its overall profitability. Green washing, Sustainability, and Responsibility are three important goals for the company. It strives for carbon neutrality in its supply chain and products by 2030. Efforts to conserve resources, reduce waste, and increase environmental sustainability improve Apple's image as a socially responsible organization. In terms of geographic expansion and market penetration, though Apple still dominates in developed markets, it is continuing to push for growth in emerging markets like India where a burgeoning middle class represents a vast opportunity. Smart pricing and region-specific initiatives have been instrumental in entering these markets.

In a nutshell, what Apple is doing is offering the best innovative experience across its ecosystem, and as the services segment continues to grow, its profitability is ensured in the long run. At the same time, the company focuses on sustainability and seeks unexplored market expansion for global success.

V. LEADERSHIP

- ✦ **The Before and After of Holding the Helm:** Prior to becoming CEO in August 2011, Tim Cook served as Apple's chief operating officer. In this role, he oversaw the company's global sales and operations, including the comprehensive management of Apple's supply chain, sales strategies, customer service, and support across all markets and countries. When Tim Cook took over from Steve Jobs, there were concerns about whether he could match Jobs' bold, visionary leadership style (The Investopedia Team, 2024). However, Cook has since proven his strengths, and Apple employees often describe him as charismatic and thoughtful (The Investopedia Team, 2024). His leadership has been marked by a stronger emphasis on refining existing products and nurturing business partnerships and employee relationships (The Investopedia Team, 2024).
- ✦ **Why Did Steve Jobs Pick Tim Cook as His Replacement? :** Both had a long-standing relationship, having worked together and been friends for more than a decade before Jobs' passing (The Investopedia Team, 2024). Jobs trusted Cook's character and leadership style, believing he was the right person to be the CEO of Apple after his death (The Investopedia Team, 2024). At that time, they didn't know that choosing Tim Cook as their next CEO was one of their best decisions ever made.
- ✦ **The Key Decisions of Tim Cook :** Tim had a big mission in front of him, and it was to leave a unique imprint on Apple and "taking on the US government in a high-profile fight for digital privacy." (John Falcone, 2016) Delivering some of the most important gadgets and products in the world of tech like the Apple Watch, All iPhones since the iPhone 4s, MacBooks, iPads, and services like Apple Music and Apple TV+, and many others that were capable of revolutionizing the technology world (John Falcone, 2016). With his focus on knowledge, reliability, and long-term stability, he was able to create an ecosystem and interface within the IOS that is easy to use and very efficient for work, listening to music, and pretty much everything else (Megan Bandy 2025).

VI. CONCLUSION

Apple has solidified its place as a leading and highly influential player in the tech industry, fueled by its dedication to innovation, premium design, and a well-integrated ecosystem. From its humble beginnings as a small computer maker to becoming a trillion-dollar giant, its ability to adapt and evolve has been key to its ongoing success. Under Tim Cook's leadership, the company has sustained its dominance with core products like the iPhone, iPad, and Mac, while expanding its reach into services such as Apple Music and Apple TV+ to create new revenue sources. While facing challenges like stiff competition and supply chain risks, Apple has successfully maintained its market leadership through a strategic focus on product innovation, ecosystem synergy, and service growth. The company's efforts in sustainability and its drive to grow in emerging markets strengthen its future growth potential. By continuing to innovate, improve customer experiences, and lead in environmental responsibility, Apple is poised to remain a key force in the global technology sector for a long time.

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