# Leadership Challenges at Apple

Apple is not only a company but a brand that has grown through challenges to rise into the business leader that it currently is. The company’s success over the years has been attributed to the leadership skills at the company as well as the organizational culture that it has been founded. Apple’s organizational culture is one characterized by innovativeness, creativity, secrecy, excellence, and moderate combativeness (Fogliasso and Williams, 2014). Such has been maintained through a work environment characterized by the selection of the best/highly qualified employees, the support of creativity and innovation, the nurturing of excellence and maintenance of secrecy and combativeness. The unique organizational culture and work environment have helped Apple maintain excellence in the industry as well as being ahead of competitors. One of the challenges of this organizational culture is that secrecy and combativeness have a limitation on morale and collaborative working in the company.

As regards leadership, the company has gone through different phases of leadership that have included Steve Jobs’ transformational leadership style and the transactional leadership style of Tim Cook. Jobs was seen as a transformational leader who inspired others through his vision as well as personality and this saw the company’s growth into a business leader (Lashinksy, 2015). Under Cook, the company took a leadership turn from transformational to transactional leadership where Cook has been seen as more of a manager and one who focuses on keeping things moving as defined by the structure. Although the transactional leadership style by Cook has been successful to an extent, he faces the ultimate challenge of ensuring that the world’s most valuable company continues to be more valuable.

The company’s organization design and structure are largely the traditional hierarchy and has three important features. One of these is the spoke and wheel hierarchy where there is increased collaboration within the organization. Through this hierarchy, the company’s senior vice presidents have more autonomy than they had under Jobs. Another feature of this design is the function based grouping where there are senior vice presidents handling certain functions and report to the CEO (Backer, 2013). As another feature, product based grouping is in the lower tier of management where the vice presidents under the senior vice presidents are charged with output areas. Such an organizational structure enables the firm to maintain strong control in the organization but the CEO has control over all aspects of the organization. With the control being largely in the high tiers, there is limited flexibility.

In line with maintaining its reputation, the company has been built upon strong ethical values but this does not imply that the company does not face ethical issues. Some of the ethical issues have been around non-maintenance of labor standards in countries where it outsources, privacy concerns for iPhone users among others. Such issues, as well as conflicts and managerial challenges, are addressed by looking at the core of the issues and dealing with each issue individually. As an example, conflict and ethical issues in the company are addressed from the degree by which the employee deviates from the established principles of honesty, compliance, confidentiality, and respect. Most importantly, the company seeks to settle issues as early as possible as a way of avoiding legal repercussions.

As previously noted, the company is based on the transactional form of leadership that Tim Cook has been using ever since he became the CEO of the company. The transactional style is a deviation from Job’s transformational leadership and it has raised issues on the ability of the company to progress under this style (Yarrow, 2015). Despite the issues and challenges that the leadership at the company has faced, Apple has made strides under this leadership style that has been regarded as sticking to the structure. The challenge of this leadership style is that Jobs had established market dominance using the transformational style and hence the questions on the sustainability of the new leadership style.

On the recommendations, the company needs to foster an increased alignment between the leadership style and the organizational, culture, structure, and design. The organization’s culture, structure, and design should be the support systems for the leadership style being used in the company. With Tim Cooks preferring the transactional mode of leadership, he should focus on promoting the spoke and wheel hierarchy structure and focus on the larger involvement of not only those in the managerial positions but also other employees. Through such an approach, the transactional leadership style will be effective in the delivery of results since it is dependent on the wider collaboration within the organization to create a leadership environment that supports innovation and creativity.

## References

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