Title: Strategic and Effective Suppliers Sourcing: Investigation of Suppliers Sourcing

Challenges within Apple, Inc

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Strategic Management Project Plan

Title: Strategic and Effective Suppliers Sourcing: Investigation of Suppliers Sourcing Challenges within Apple, Inc.

Background

Apple Inc, selected for this case, engages in the business of designing, developing, and selling online services, computer software, and consumer electronics. It is a technology-based multinational company with American roots. Its headquarters are located in Cupertino, California. Apple is one of the world's large four technology-based companies, together with Facebook, Google, and Amazon. According to Apple Inc (2019), the company mainly relies on the production outsourcing strategy for its success. Apple only engages in the business of developing and designing various products, while the actual production of the designed products is outsourced to third parties. For instance, the company's iPhone is manufactured in China, while the new OLED phone components are made in Taiwan. The success of Apple over the years has been due to the use of an effective supply chain strategy, particularly selecting the right suppliers and ensuring that products arrive in the market on time.

Project Topic

In recent years, Apple has faced numerous challenges in its supply chain management processes. One of the significant difficulties had been delays in the manufacturing of its products. According to Apple (2019), the company experienced challenges in the development of OLED phones. The outsourced suppliers suffered

significant setbacks, leading to the development of phones with manufacturing defects and at times, delays in launching the products in the market. The outcome was a negative impact on the overall image of the company in the market, losing its competitive edge in the market.

Additionally, Apple has been experienced extreme environment and labor regulations adherence challenges in its supply chain processes. According to Nellis (2018), an internal audit on the supply chain processes of the company found a huge number of suppliers in 2018 violating labor standards as well as environmental regulations, which the company has set for all its suppliers. For example, the suppliers have been falsifying data on working hours of employees, who are used in manufacturing its various products, particularly iPhone. The violation of environmental and labor standards, as resulted in the company damaging its reputation in the market, as an organization committed to corporate social responsibility.

Purpose of the Research

The purpose of this research is to critically evaluate the supply chain strategy employed by the company in outsourcing suppliers of various components used in its products. The analysis will help in the identification of strategic challenges faced in the supply chain system. Based on the finding of the research, recommendations will be made on how Apple Inc can make its outsourcing activities for suppliers effective to avoid the identified challenges and make the supply chain process contribute towards the attainment of its overall strategic goals and objectives.

Literature Review

The theories that will be used in reviewing the case of Apple Inc supply chain challenges will be as follows;

➢ Strategic choice theory

➢ Total quality management

4.1

Research Methods

The research will employ the case study approach. Apple Inc, supply chain process will be critically analyzed to determine the challenges associated with it. Hence, only a single case study will be used, as the goal of the research is to determine the challenges faced by Apple and not an entire industry. The data collection strategy will involve reviewing secondary data related to the subject of the research (Quinlan et al., 2019). Industry reports on Apple and newspaper reports on its supply chain processes will be used. The data will be analyzed qualitatively. Theme coding will be used as the basis of analyzing the qualitative data that will be collected concerning Apple supply chain challenges.

5.1

References

Apple Inc. (2019). 2019 annual report. Retrieved from

https://s2.q4cdn.com/470004039/files/doc_financials/2019/ar/_10-K-2019-(As-

Filed).pdf

Nellis, S. (2018). Apple finds more serious supplier problems as its audits expand. Retrieved

4 November 2019, from https://www.reuters.com/article/us-apple-suppliers/apple-

finds-more-serious-supplier-problems-as-its-audits-expand-idUSKCN1GK04G

Quinlan, C., Babin, B., Carr, J., & Griffin, M. (2019). *Business research methods*. South-

Western Cengage.

Index of comments

2.1   Brief background info is provided which is appropriate for the purpose of project statement. I recommend that, in the introduction section of your final report, you also add the following:
1) A brief timeline of key events in the life of the case organization.
2) A brief discussion on the competitive landscape
3) A chart showing the recent stock price trend with some explanation offered for the observed trend

2.2   Your project topic is well-written and sets up the research problem quite nicely.

3.1   The purpose of clear and follows logically from prior discussion

4.1   Unit of analysis and data sources are mentioned. However, the proposed approach is not properly justified.

5.1   Please refer to AIB style guide and closely follow it for referencing in your final report.