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Over the past four decades, Microsoft has enjoyed a storied history full of multiple industry-redefining successes and revolutionary inventions. However, as the technology markets are becoming more saturated, and as more and more competitors are beginning to emerge and challenge Microsoft’s reign as electronics king, we, as the Board of Directors, must make rash, assured decisions to keep the company on the right track. Though, in the past few years, we have endured through critical and economical failures such as the Windows 8 and the Windows Phone, at our core, we have solid software infrastructure and plenty of resources to be able to rise back to the top of technology food chain, so to speak. Microsoft has a fresh, new CEO in Satya Nadella, and Windows remains the dominant operating system in the world today. As a whole, Windows has more than fourteen times the market share of Apple Inc.’s macOS1, and our newest operating system, Windows 10, has already been installed on over 22% of all the world’s computers in only its’ first 16 months of deployment2. With our purchase of LinkedIn and the recent release of Office 2016 for desktop and mobile, Microsoft is continuing to cement its reputation as the forerunner in the productivity-technology market. As the Board of Directors, we need to recognize that Microsoft is still a very strong company, stronger than many people realize. With just under $200 billion in total assets3 – a figure which is still increasing -- we have the resources to be able to continue our work with Windows 10 and continue to innovate in our other markets. For Microsoft to keep its technology crown, we just need to play it safe with our future endeavours such as HoloLens, discontinue unsuccessful and unprofitable products, and keep on the right track with established, successful products like Windows 10 and Xbox.

In regards to the first issue (Strategic Placement), Microsoft must recognize which of its products have been successful in recent years. Windows 10 is the forefront operating system being sold today, only trailing Windows 7 – also of Microsoft – in market share2. The month-to-month adoption rate of Windows 10 is stagnating4, however, after its 1-year “Free Upgrade Period” ended in late July5. To combat this, we must re-open the “Free Upgrade Period”, and allow users to continue upgrading to our latest software without initial payment, as companies like Apple, Inc. do with macOS. This would still make Microsoft money, by potentially allowing Windows users to purchase additional proprietary hardware and software compatible with Windows 10 as we continue to expand the OS’ capabilities. Microsoft makes just under half of its revenue (46%) from commercial software licensing of products such as Windows 10 and Office (2016, 365), so we must continue pushing on this path. Office is the most popular office suite in the world. Users of Alphabet’s Google Apps suite continue to switch to Office with consistency6, and with Office 2016 released to positive critical reviews this past year, we are in good shape. Our cloud computing platform, Azure, has also been successful, with revenues projected to reach $20 billion by the fourth quarter of 20177. The Xbox One gaming console continues to be a pillar in the console gaming market, though not quite as successful as Sony’s PlayStation 4. While we currently control around 29% of the console market share8, ahead of Nintendo’s WiiU8, Sony possesses roughly 51% of the market share8. We can increase that market share by more aggressively advertising the Xbox One system, integrating the Xbox’s capabilities more into Windows 10, designing or licensing computers running Windows 10 geared specifically towards Xbox gaming, and putting extensive resources into the development of the Xbox One’s physical successor. While we should put resources into the development of Windows 10, Office, and Xbox – all established consumer products – we need to begin to phase out Windows 10 Mobile and the Windows Phone ecosystem, and begin working on a fresh, new mobile phone platform. However, in general, Microsoft has been largely successful in many of its current endeavours, both in the consumer and business spheres, and we should continue on this path with these established products, while continuing to integrate newer consumer products (i.e. HoloLens and the Surface Book line) for as long as they are successful.

As the Microsoft Board of Directors, we must recognize how much of a failure the Windows Phone has been over its overlong deployment, and how desperately a replacement is needed. In the wake of stiff competition from Android (69% market share)9 and, to a much lesser extent, iOS (26% market share)9, Windows Phone (2% market share)9 has quickly become irrelevant in the modern world of mobile technology. While sales of Surfaces, our tablet-laptop hybrids running Windows 10, have been rising steadily ever since their introduction in 201210, the Windows Phone has been another story. With origins dating back to 199611, the Windows Mobile line originates from an antiquated time for mobile phones (the early-to-mid 2000s), when Research In Motion Limited’s Blackberry line was still the dominant force in mobile technology12. However, today’s two giants in cell phone technology, Alphabet and Apple, Inc., have only been significantly in the mobile phone landscape since 200813 and 200714, respectively. While Alphabet’s Android and Apple, Inc.’s iOS operating systems have changed significantly in the years since their release, The Windows Mobile operating system has largely remained the same since 2010, with essentially the same tile-based start screen design. Few applications exist for Windows 10 Mobile, with popular iOS and Android applications such as Whatsapp, Reddit, and Imgur nowhere to be found for the operating system. Microsoft has historically been a company geared more towards in-house software development15, 16 rather than hardware development, so creating hardware to be based around an external operating system developed by another company, like Alphabet’s Android system, cannot be a viable direction to take. Instead, the Board must re-consider whether Windows is a viable operating system for a mobile device. We should instead put resources into creating an all-new operating system for mobile phones created out-of-house, instead of under our Lumia brand. The Lumia ecosystem is confusing for consumers – version numbers like 550 and 840 make it difficult for the general populace to determine which device is newer or which has the better specs. We must make deals with other companies for them to develop hardware for a new operating system, compatible with .apk application files (the default file for Android), so we can allow already-existing Android apps to be compatible with the new software. Xbox capabilities can be integrated, by allowing games purchased in the Xbox app in the Windows store in Windows 10 to be played, with cloud backups, on both devices. However, this operating system should *not* be related to Windows 10; instead, it should be built entirely different, with a different name and more a mobile-oriented launcher and home screen instead of the Windows 8 Start Screen-like home screen17.

In regards to the final topic (LinkedIn Acquisition), we can integrate LinkedIn effectively with this new mobile operating system. Microsoft has long been considered a leader in the technology industry in regards to productivity, and if we are to overhaul our mobile operating system, we can effectively integrate LinkedIn, along with our Microsoft Office suite, to create the ultimate productivity smartphone. LinkedIn is a fantastic social network which helps people connect with potential employers and co-workers, and these connections have helped to foster millions of productive workplace relationships since its introduction in 200318. With 467 million users18, integrating LinkedIn into a mobile phone operating system with its large user-base can create a very effective synergy with a high between the two companies. Back in the early-to-mid 2000s, Research In Motion Limited’s BlackBerry smartphones were at the forefront of mobile phone technology12. They were the smartphones of choice for high-ranking government officials19 and celebrities20, and for good reason – their networking capabilities, secure software, and advanced technology were unparalleled in the mobile market. We at Microsoft have an opportunity to do the same, today, with LinkedIn’s help. One of the BlackBerry’s best selling points was its BBM (BlackBerry Messenger) feature21. LinkedIn can serve in similar ways to connect people. Microsoft and LinkedIn can synergize to create similar software, automatically allowing colleagues who have made connections in LinkedIn to have each other as contacts in this messenger, allowing easy conversation. Microsoft/LinkedIn phones can be the new BlackBerry: secure phones with fantastic specifications with easy communication technology – the ideal phone for the worker. Seeing as how most offices in North America use Windows for their workers22, we can also find a way to integrate the messenger on these new phones with LinkedIn and Windows for desktop. The LinkedIn acquisition presents all sorts of doors for Microsoft. We must open the right ones.

Microsoft is not a weak or dying company. Windows is by far the operating system of choice for consumers2, the Xbox brand is a very successful one in the console market, potential to dominate in the mobile phone market is there, and the LinkedIn acquisition shows that Microsoft is not afraid to throw money around23. All the right pieces are in place for a resurgence, a leap back into the king’s throne in the technology market. If we, as the Board of Directors, can figure out how to utilize these pieces correctly, Microsoft can usurp Apple, Inc., Alphabet, and everyone else in the industry to become the leader in all facets of technological advancement.

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