

M1L6. Steve Jobs

Slide #1



Let's discuss the decision-making process of Steve Jobs.

Slide #2

Steve Jobs – Apple Corporation

His decision-making principle:

- meeting customers' needs,
- delivering a product that customers want to buy.

A photograph of Steve Jobs, co-founder of Apple, wearing his signature black turtleneck and glasses. He is holding a white iPhone in his left hand, displaying the home screen with various app icons. The background is dark with some blue stage lights.

Steve Jobs is on top of my list of great decision makers and great leaders in the technology field.

His decision-making principle is about meeting customers' needs. What he did was understand what customers want and deliver a product that customers want to buy.

Slide #3



In retrospect, Apple's decision to enter the full market looks obvious and brilliant. Since the first iPhone was introduced in September 2007, it has changed the mobile device industry, and it has changed our lives.

With iPhones and other smartphones, we now communicate differently, we buy things differently, and we control our home devices differently.

So, we enter the smartphone mobile era.

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Back to early 2006

Quite a leap for a computer company to enter the phone market.

Build incredible hardware and software from scratch.

Did not have any presence in mobile device industry or phone industry.

Negotiate deals with carriers.

Sell phone to different customers.

Right series of business decisions about the iPhone.

Introduce a revolutionary device that customers want to buy.

The purpose of the decision is aligned with the company's business strategy.

However, if we turn the time back to early 2006, it was quite a leap for a company to make a decision to jump into the phone market from the computer field.

Apple had to build incredible hardware and software from scratch. It didn't have any presence in the mobile device industry or the phone industry.

It had to negotiate deals with a number of carriers who control the market very tightly.

At that time, the mobile carriers decided the functions of phones, not the phone manufacturers.

Apple also had to sell the phones to customers, to different customers.

Apple made a series of business decisions right about the iPhone.

The most important decision was to introduce a revolutionary device, to introduce the best product that customers want to buy.

This is exactly what Steve Jobs explained in his interview.

The purpose of the decision is aligned with the company's business strategy, with what the company is about.

Slide #5

Implement the Vision

Technical decisions consistent with strategic direction.

Different from the industry norm at that time.

Blackberry phones with keyboard for emails.

Apple looked at it from a totally different angle.

Deliver a different user experience to its customers.

Install full iOS operating system.

Deliver a touch screen mobile computer that can make phone calls.

To implement that vision, Apple made a number of technical decisions that were also very consistent with the strategic direction.

The company decided to make a large sized touchscreen device, which was different from the industry norm at that time.

Research in Motion, the company that made BlackBerry phones, proved that customers want a device with a keyboard so that they can easily send emails.

However, Apple looked at it from a totally different angle.

Apple saw a smartphone way beyond an email device.

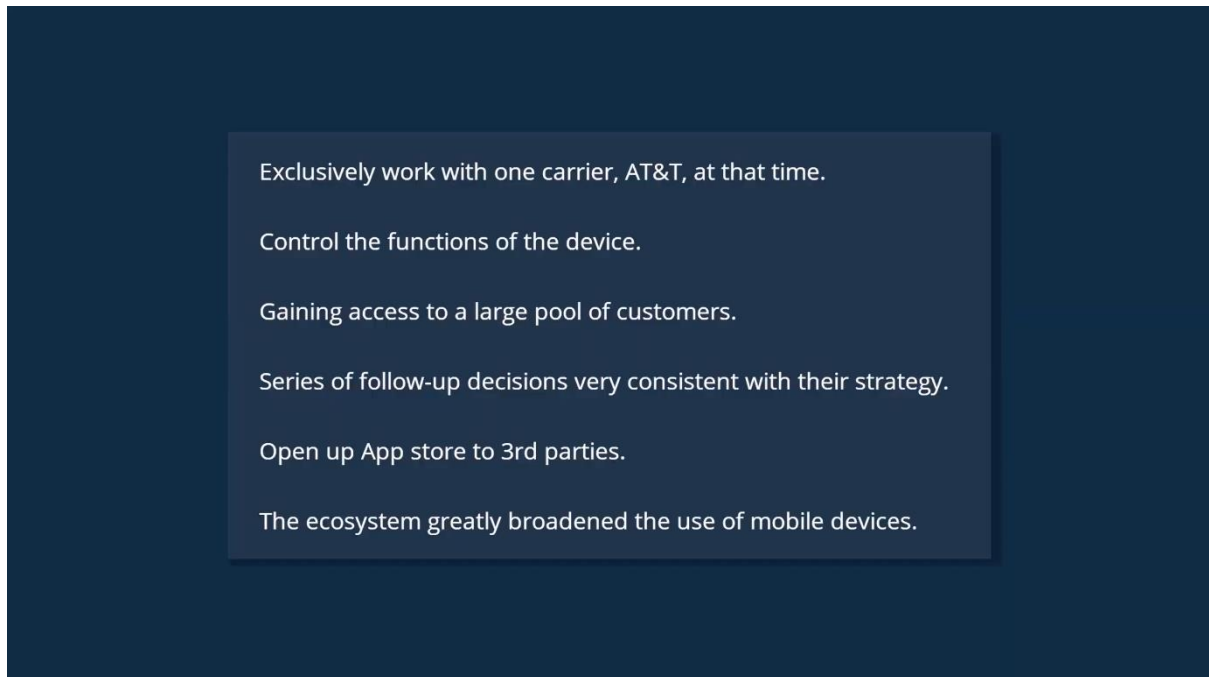
With useful software, the mobile device can deliver a different user experience to its customers.

So, the company decided, therefore, to install the full iOS operating system in the iPhone.

By doing that, the company basically delivered a touchscreen mobile computer that can make phone calls.

That was a prudent decision, and it totally changed the mobile phone market and also the consumer experience.

Slide #6



Another decision that the company made was to exclusively work with the carrier AT& T at that time.

That means that you can control the functions of the device and what kind of functions they want to put in the device while gaining access to a large pool of customers.

Apple made a series of follow up decisions that are very consistent with their strategy.

For example, the company decided to open up app stores to third parties to develop apps for iPhones.

The ecosystem that Apple developed together with third parties greatly broadened the use of mobile devices, the use of iPhone.

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What we learned from this example

(1) A great product is what customers want to buy.

We make decisions to satisfy our customers' need.

(2) Decisions must be consistent with our strategic decision.

Technical, business, and commercial decisions must collectively serve the purpose of our business.

All decisions at different levels of the organization must be well aligned with the strategic direction that a company decided.

We learned a couple of things from this iPhone example, and I want to share with you, my learnings.

First, a great product is what customers want to buy.

We make decisions to satisfy our customers' needs. That is the bottom line.

The second is all the other decisions must be consistent with our strategic decision.

The technical decisions, business decisions, commercial decisions, and all kinds of decisions must collectively serve the purpose of our business.

All the decisions at the different levels of the organization must be well-aligned with the strategic direction that a company decided.