

Team 1 Executive Summary

The goal of this report is to closely analyze Indigo's current internal organizational structure and external environments. In the recent years, due to the massive popularity of e-commerce and social network, many book distributors went bankruptcy, such as H.B. Fenn and Company. Indigo has made amazing work to survive through the challenges and thrive on the market.

Indigo becomes a retail behemoth in the market through its top management's effectiveness in product offering and efficiency in operations. Since its launch, Indigo sets its mission to provide life-enriching products and experiences to its customers. The company emphasizes its customer experiences so much that it has a Chief Creative Officer in charge of a Creative Department and strives to continuously improve its experience. Its internal culture also shows strong dedication towards reading, learning, and support for employees. All of these efforts ensure Indigo can provide an excellent and friendly experiences for customers. In addition, to further commit to its mission, Indigo also put great effort in building up a global suppliers network and improving its supply chain productivity. This contributes to Indigo's efficiency in operations.

Indigo is currently in the Formalization stage of the organization life cycle. It starts to establish formal procedures with a division of labours on specialization. However, it brings problems of goal incompatibility and conflicts between departments. A political model is reflected through conflicting goals and the existence of high uncertainty within Indigo. To resolve this problem, Indigo is actively developing its information technology systems to support decision making and facilitate more internal communications.

The team then evaluates two operational strategies in Indigo. The team first takes a look at its recent Globalization strategy. After a close examination, the team believed the Globalization would not be a cost-effective plan for the company. On the other hand, the team also analyzes its "Cultural Department Store" strategy, which has shown very positive results to the company.

Indigo has built its great success on top of its mission to provide life-enriching experiences to its customers. The entire company strives to fulfill this mission and has effectively implemented many strategies on its internal operations. However, as the company grows up, there are some problems to be solved around politics and information ambiguity. With detailed analysis on the company and knowledges from the course, the project team provides three actionable recommendations that can help Indigo reduce its cost and expand its customer base.