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Draft Topic Paper One

Strategic Management

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University of Redlands

BUSB 485 SD12

Undergraduate Capstone Paper

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running head (every page) throughout

Need to briefly introduce the Course lens you are using and show it as a heading

Please put in the four quadrant format.

SWOT analysis

Strengths	Weakness	Opportunities	Threats
brand recognition	High employee turnover rates	Low inflation rates	competition
Availability of raw materials	Low current ratio	Subsidies on environmental friendly goods	Political divisions
Good distribution networks	Centralization of leadership	Social media networks	Substitute products
Advanced technology			Rapid technological advancements

NEED INTRO

Sustainable strategic management is used in business to evaluate, formulate, and execute plans on how a company will take the market by storm by increasing sales and solidifying the customer base (Stead & Stead, 2014). To have sustainable strategic management, the Under Armour Company should have a mission that will act as a guide to achieving the objectives. The strategic management will help the company to make decisions that will give a solution to stiff competition from companies like Nike and Adidas. Some of the strategies that should be addressed include a periodic assessment of the goals set. This can be done using data collection methods. The assessment should also evaluate the company's resources and abilities. This paper will address sustainable strategic management for under Armour Company and recommend some of the necessary changes it should embrace.

The company's council which consists of senior leaders like the chief supply chain officer, material advancement, licensing and the legal teams should lead the process. The strategies council has the role of determining the company's core competencies which is essential for competitive strategies. Determining core competencies helps the company to come up with the stages that will guide the company into attaining the desired outcome (Stead & stead, 2014). First, the company is required to come up with a **strategic plan** that will meet most of the demands made by their customers. Under Armour should also get local and international acceptance to guarantee a good market for the products. In **sustainable strategy management**, a company is supposed to follow the right steps that lead to competitive advantages.

Stages followed in sustainable strategy management

The first step is **strategic analysis**. In this step, the leaders are supposed to use all the models that will give a reflection of the strengths, weaknesses, opportunities, and threats. SWOT and PESTLE analyses can be very useful in this case. The PESTLE analysis will help the company to deal with external factors that can positively or negatively affect the company — how specifically? (Sandford, 208). Strategy analysis will help the company to know its current position and identify the areas where it needs to invest. Under Armour Company will be able to set a higher goal that is achievable within a certain period of time.

Strategy formulation is the second step in this process. The team will come up with ideas that will propel the company towards meeting the objectives that will be set. In this stage, the company focuses on the strategic plans and the tactics that will be used to maximize the opportunities and curbing threats. This stage is also concerned with the strategies that will steer the company towards achieving the mission that was set during the initial stage (Stead & Stead, 2014). The company is expected to come up with both short and long term policies. It is in this stage, the company reduces the gap that exists between the current financial position and the anticipated one. /(source?)

The **strategy implementation** stage will then follow. Here, the company is expected to execute the plans that were initially formulated are put into action. This means that the team should have a workable follow-up plan that will ensure that every policy is implemented. The policies can also reviewed and updated depending on the market changes and consumer preferences. The review by the council will accommodate changes that will give the company an advantage over the other companies dealing in athletic wear. Policies implementation is the most essential responsibilities that the management team has to do. Managerial and supervision actions are done in this stage too.

Evaluation and control is the last step in sustainable strategies management. In this stage, the management monitors the headway towards the execution of the policies. The evaluations will ensure that the company's day to day activities are in line with the objectives that were set initially. The assessments will show if there are any deviations from the goals and help the company to get back on track if such a case occurs.

Recommendations

The company should invest more in E-commerce.

As soon as the company take s full advantage of this opportunity, it will be able to raise more revenue and attract customers. E-commerce will allow the company to interact with customers who have different tastes and opinions about the commodities. The strategies' core competencies should help the company to spot the gaps, be more popular, reach a wider and enter new markets. The company has an opportunity to maximize sales of products all over the world through the internet. E-commerce has been one of the newest trends where a client can check out the products they wish to buy and can get in contact with the sales department for inquiries. Thereafter, the customer uses online payment methods to finish the transactions and then the goods will be delivered at the appropriate time. The company can use this idea to increase sales and attract more customers from different parts of the world.

Porter's Five Forces Model (Source?)

This is one of the models used to analyze the competitive strengths of the organization. The analysis helps the company to deal with threats that are posed by companies that are entering the market. The strategies will cover threats like the introduction of new products and the prices of commodities. Substitute products can be a challenge to under Armour. The porter's five models will help the company to deal with substitute products and services while maintaining its customer base (Omsa et al., 2017). The model will also predict the bargaining power of the buyers. Under Armour will be able to prioritize the bargaining power depending on the number of purchases they make. Larger companies might have more bargaining power compared to retailers. The model also aids the company to know the bargaining power of suppliers depending on the uniqueness, quality and price. Porter's five forces model will guarantee that the company offers undifferentiated products that cannot be imitated by rivals. This will help the company to maintain its brand and serve loyal customers.

Lewin's democratic leadership style (Source? what is it?)

This **leadership theory** will help the company to get fresh ideas as all **stakeholders** are involved in the decision-making process. This style of leadership will also increase the satisfaction rates of the customers as the commodities will be crafted creatively. Democratic style of leadership also allows the employees to raise their concerns making them more comfortable with their workplace (Fiaz et al., 2017).

Cost leadership

Cost leadership strategies will ensure that the company minimizes the cost of production and prices are kept lower compared to other companies dealing in the same line of commodities (Brett, 2018). Cost leadership has been attained by under Armour and this can help the company to control costs and compete effectively. Under Armour Company has a steady flow of raw materials it needs cost leadership to reduce wastages and maximize on its opportunities. This helps the company to ensure that customers are satisfied and prices are within the ceiling and the floor. It becomes easier for the company to change the designs because there are a lot of materials and technological advancements that can accommodate the changes and the costs are low.

Access new markets

The company should enter new markets too. The Chief Executive Officer should have a clear strategic vision so as guide the team on how to access the international market. The company has been very dominant in the United States but has been able to sell more commodities all over the world. This has been attained through technological advancements, brand recognition, and a good distribution network. In the past, Under Armour increased the sales margin by 57% by 2017 (Salgado, 2018). However, the company should increase the scope of its operations worldwide.

Technological advances

Over the years, Under Armour has come up with better designs of shoes, and other merchandise. This has been done through improved technology that the company has adopted. This maintains flexibility as the demands increases and the tastes and preferences of the customers' change (Admin, 2019). Under Armour can use this opportunity to come up with creative inventions that will be more appealing to the customers and ensure a wider market is reached. The old designs can be improved to cope with the competition.

To achieve sustainable strategic management, the council should have meetings from time to time to ensure that desired results are achieved. The team guarantees that the company improves over time and meet the goals that were set. The team should also advise the management of how Under Armour should deal with competition in the coming years. The council should evaluate and suggest strategies like early entry into the market or fundamentally becoming a late mover so that the company reduces mistakes and unnecessary costs (Sandford, 2018).

Capitalize on low inflation rates and subsidies

Under Armour Company should also make best use of low inflation rates subsidies by the government. Since the company enjoys low inflation rates that will be experienced for the next two years, it is expected to produce more and market its commodities. This will help the company to earn more revenue as the costs of production will be low and customers' needs can be met (Salgado, 2018). Under Armour is also one of the companies that delight in subsidies since it deals with commodities that are environmentally friendly. The company focuses on the triple bottom line by observing environmental and social distresses. Triple bottom line ensures that Under Armour complies with the government policies and the items produced are acceptable by the public. All products from under Armour are environmentally friendly implying that it has the potential to grow even bigger.

This concept should be bolded & cited

— how specifically

In conclusion, sustainable strategy management will play a fundamental role in establishing ways that will help the company to compete effectively. Therefore, Under Armour Company is required to observe the core competencies to increase the sales margin and win over the customers. The company has more strengths and opportunities that it can capitalize on. The opportunities that are at the Under Armour's disposal should be used to beat the weaknesses and threats posed to the business. The company should also have a long-term strategic plan that will guarantee more success in the coming years. A proper leadership style should also be adopted to warrant the smooth running of operations and quality products.

Please see my notes for next time.
While you discuss several concepts
from the strategic mgmt course, you
need to show where each comes from
and be more specific about how
each applies to the company.

65/70

Needs a transition to the next topic
paper

References

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