ASSIGNMENT TASK 2: STRATEGIC REPORT

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Executive Summary

The focus of this strategic report is mainly towards offering the company a direction using which it can regain its customers and lost market share in a particular industry. The assessment which has been done is of the clothing and apparel industry which shows the deteriorating reputation of a fictitious brand which is required to be regained. The evaluation of the scenario enables understanding the specific scenario of the industry which using which the strategic implications and stakeholders requirements are assessed (Renz and Herman, 2016). The business development measures applied in the past failed to generate the desired results and hence a new strategy is being suggested for improving the business performance. This strategy aims at regaining the customer confidence towards the brand based on change and innovation. The industry assessment also suggests a change in the leadership style which shall be altered from authoritative style into strategic leadership style (Bergh, Aguinis, Heavey, Ketchen, Boyd, Su, Lau, and Joo, 2016). The propositions for improving the organization's performance have been assessed which shows the assessment of external factors of the organization. PESTEL Analysis is done for assessing the external factors which provide an evaluation of the industry practice and enable dominance related to the implementation plan of the strategy. Based on the suggestions which induce change and innovation specific recommendations have been drawn which suggest methods enabling the distinction of the brand image (Ginter, Duncan and Swayne, 2018). The functional importance of the brand is revamped through a change in strategy and assessment of evolving business trends and practices.

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Strategic Report: Introduction

Being an employee of a consulting firm it is critically important that the business structure of the client is evaluated and an assessment is provided to the board which shall assist them in crafting a sustainable strategic strategy which shall benefit the business growth and development. The consulting firm operates on a business model through which the chain of experts working for the firm devise an evaluative assessment of the clients and provide them with methods using which business sustainability can be enhanced. The role of consultation firm varies with the nature of business as the propositions suggested for amending the business model becomes subject to volatility. The consultancy firms provide the client with industry experts who are aware of the market dynamics and possess adequate skills for suggesting the adoption of best practice for the business model (Boin, Stern and Sundelius, 2016). The objective is to make the business sustain and progress dynamically when it is facing challenges. The assessment of the scenario shows that based on the personal development plan which was presented a project has been assigned with the goal to change the game for a company which is at stake and facing challenges.

There are numerous factors which impact on the organization's performance which must be evaluated and strategic propositions shall be made which shall enable the business to regain its market competence. The organization is seeking the assistance of this consulting firm for providing a strategic implication strategy using which a refined business model can be developed (McCaffery, 2018). For simplification of the proposed strategy, it will be assumed in the report that the company which is being provided consultancy is a fictitious company named Clothes and Apparel Inc. which deals in manufacturing and sales of stitched clothes and garments. The

business is operating internationally and is listed on the stock exchange making the positioning of the company and its performance-critical for the stakeholders.

Scenario Evaluation

Clothes and Apparel Inc. is an international brand which operates in the garments industry providing solutions to the customers in different clothing based segments. The evolving trends of business practices have caused the brand to face numerous problems which have impacted severely on the sustainability of the brand. The business is required to understand the changing trends and evolve the business practices systematically so that industry competition can be sustained (Morden, 2017). The business performance is highly dependent on the strategic direction of the organization which has failed to assess the changing trends of the industry and at this point, it is facing difficulty with amending the business practices in accordance to the changing business practices and trends.

Strategic Implications

The company is required to understand the flaws which are available in the strategy and develop a positioning method through which the brand reputation can be redeveloped in the industry. The focus of the brand is mainly on selling quality products which are standardized internationally. The major assessment of strategy failure has been evaluated in the tropic nature of the material which is being sold. The product which is being sold is not tropical and cannot be used in certain climatic conditions. It is essential for the brand that strategic implication is developed and the target market assessment is done so that the brand promotion can be done accordingly (Morden, 2016). The focus of the brand is towards forming a strategy implication through which the brand positioning can be done and an understanding can be developed of the

target market. The brand needs to understand the international target market and develop a specific approach through which the target market and its culture can be evaluated.

Stakeholders Expectations

The stakeholders of the business require understanding the specific scope of the business and understand the factors which are associated with the products of the brand. The company product is required to be marketed to the customers based on its specific value propositions which can be directed towards market pertinence. These factors are essential for meeting the expectations of the customers and understanding the specific requirement which is sought by the stakeholders. The business professionals aim at targeting the industry segments which are beneficial for the business development over the years (Boyd, Henning, Reyna, Wang, Welch and Hoffman, 2017). The consideration of the brand image and value association of the stakeholders is critical for the business development which shall enable the progressive assessment and reaching outcomes which enhance business sustainability.

Organizational Performance

The performance scope of the organization shows that it is currently facing challenges in the industry which are resulting in the business to lose money. The market share of the business is also deteriorating with the introduction of new competitor business which is performing similar operations in the industry. The business functions are losing its identity and brand image is becoming intensely vague amongst the customers. The focus of the brand in the industry is inclined mainly towards reshaping the industry image and structuring the business in a manner which shall enable resuming the brand identity. The performance of the organization is deteriorating due to the weaknesses in the strategic management strategy which is enabling the business to lose its structure and lose its target customers (Grint, Jones, Holt and Storey, 2016).

The biggest problem associated with the brand is its standardized offerings which are selling products of non-tropical material in the international market. The biggest damage to the brand has been done through this strategy which needs to be evaluated and revamped in accordance with the international market requirements and prevailing cultural trends.

Strategic Management Practice

The assessment of the strategic management practice requires that specific goals are designed and developed which are created in accordance with the competitive advantage which prevails in the industry. The focus of the strategic management must be to restructure the perspectives of corporate governance which can be altered based on the industry trends and practices. The firm performance is essential for the business as it establishes trust and faith with the stakeholders enabling the development of a resource-based philosophy integral for brand prevalence and enhanced sustainability (Hambrick, 2015). The application of specific management theories which include essentials of corporate governance and strategic management is crucial for business development and acquiring the desired competitive edge in the industry.

Impact of External Factors on Strategic Management

The most essential significance of developing a strategic plan is that the business requirements change significantly dominating the market practices and industry standards. The role of strategic management is crucial for the organizational performance as it assesses the changing trends of the industry and creates an evolving business strategy which copes with the upcoming challenges. The functionality of the businesses is associated with conducting an environmental scanning which enables assessing the external factors of the business. These external factors are essential for the business as it enables assessing new opportunities and

challenges which prevail in the industry. The environmental scanning is critical for deriving the controllable and uncontrollable events which affect the business and enable setting goals essential for the business operations (Waddock and Bodwell, 2017). It is important for the business that an evaluation is done of the external factors using which the economy, politics, competitors, and customers can be controlled and influenced. The organization's competence is derived when the internal factors are aligned with the external factors of the business environment which are highly interdependent.

PESTEL Analysis

The external factors of the business are conducted through using an environmental scan which requires assessing the governmental policy changes and proposing business methods which shall be assessed in the methodic and periodic manner. The environmental scan is mainly conducted using the PESTEL Analysis which is a matrix assessing the political, economic, social, technological, environmental and legal aspects of the business prevalence in the industry. The PESTEL Analysis is highly recommended to be used in the global business assessment which requires understanding the environment and the challenges which shall be faced by the business (Bird and Mendenhall, 2016). The following are the classification of the factors which enables assessing the external factors of the environment:

Political

The political factors are dependent on the role of the government over the business measures which impact on the business performance. It is crucial for the business that certain factors are evaluated beforehand so that any form of unexpected change in the governmental policy may not impact on the business sustainability (Shin, Sung, Choi and Kim, 2015). The

example of the government-related policies is the tax rate applied and the political stability of the region in which the brand seeks to establish a business opportunity.

Economic

The economic factors which impact on the supply and demand factors of the organization show that there are certain measures which affect the company. The economic growth and decline in the value is a major factor which impacts on the buying power of the people. The changes in the value of money shall hinder the environment to perform and this is a factor which shall limit the growth scope of the economy (Nguyen, Mia, Winata and Chong, 2017).

Social

The social factors of an economy impact on the cultural environment of the region. The cultural attributes derive the preferences of the people and make them take decisions about selecting or rejecting a brand. The businesses are required to evaluate the emerging market trends which shall impact on the population analytics and demographics of the region through which strategy can be established regarding business promotion and penetration (Noe, Hollenbeck, Gerhart and Wright, 2017).

Technological

Innovation and development are the key factors of business success which are associated with changing trends and practices. It is the goal of the businesses that they remain updated with automation, technology and adoption rates which shall connect with the new range of products and services. The businesses must be constantly updated with state of the art technology through which business can be assessed and goals can be set for future business penetration (Muller and Turner, 2017).

Environmental

The environment is also a critical external factor as it contributes to the choices and preferences of the public and allows them in establishing a business perspective which is aligned with the weather conditions, climatic conditions and adheres to the corporate social responsibility aspects of the business. The businesses are required to focus on a specific strategy and introduce the brand in a market where it is required and can be used by the customers (Thorpe, 2016).

Legal

The legal perspectives of countries change dynamically impacting on the factors which dominate the countries and territories. The organizations operate on certain parameters of health and safety requirement which must be backed by the labor laws and consumer protection laws of the region. The business strategies which are established must be developed based on a specific understanding of legal implications of the region which shall assist in developing strong grounds for business prevalence and sustainability (Uhl, and Gollenia, 2016).

The organizations evaluate the external environment using the PESTLE Analysis whereas they evaluate the internal factors using the SWOT Analysis. Both the forms of business are critical for assessment as they require the critical establishment of strong market grounds through which business can be developed. The significance of the brand is established through this strategy which is associated with evaluating the strategic planning activities of the business. Assessing the environment in which the business operations are sought to be performed are critical for the business development and requires strategic decision making using which the brand prevails in the market and industry (Dayan, Heisig and Matos, 2017). All these factors are

critical for business sustainability and require forming measures through which businesses can acquire strategic development and brand recognition.

Evaluation of Proposed Business Strategy

The most commonly adopted business strategies which are implemented for inducing efficiency in the business operations and becoming a high-end clothing business recognized internationally requires stipulation of a compelling value proposition for the sponsors and the customers. A strong brand reputation is required to be built which enables developing recognition and leverage over the brand equities forming a global recognition for the brand name (Bryson, 2015). The brand is required to affiliate with the celebrities and renowned personalities for promoting the products in the specific industry or region. The targeted business approach shall enable the business to develop recognition and promote business development in the long run. The businesses are required to structure a process using which the needs of the customers can be assessed and syndication can be developed with cooperative brands working in the industry. The offerings of the brand must be such that it get repeat sales from the customers and develops a long-lasting relationship with the potential customers (Thompson, Strickland and Gamble, 2015). The focus of the brand shall be towards enhancing the market penetration which shall enable it in establishing a dominating web presence which is an essential requirement of this era. In the modern-day business operations are highly governed on the basis of the web presence of the brand which is signified based on sponsorships and marking aspects of personalization.

The proposed strategy which shall be practiced by the strategic management is associated with providing a high level of personalized services to the customers. This is a crucial segment of the strategy as the consistent sales generate repeat customers for the business enabling the

enhanced promotion of the business in the retail industry. The steps which are required to adhere when crafting the business strategy are affiliated with being aware of the facts and aligning the gathered information towards reviewing the past performance (Lasserre, 2017). The entire industry scenario must be evaluated and business practices must be developed which shall create new opportunities for the business. The accurate use of SWOT Analysis for internal assessment and PESTEL Analysis for environmental factors is critical for enhancing the business scope. The organizational perspective is also critical for the development of a vision and mission statement based on which the business performance is segmented. The direction of the business must be developed in accordance with the organization's purpose and values which allow enhanced practice at the same time. The organization's purpose is outlined through understanding the primary nature of the business and associating it with the changing trends of the industry (Simsek, Jansen, Minichilli and Escriba-Esteve, 2015). The businesses which fail to evolve efficiently fail to create an image amongst the customers. The customer must be aware of the products and offerings of the business so that enhanced recognition can be accomplished.

The biggest factor which supports business sustainability is innovation and change which can only be developed on strategic objectives of the business are set. The focus of the teams is towards evaluating the lacking areas of business and understand the factors which can align with the growth scope. The objectives which are set by the business must be SMART (Specific, Measurable, Achievable, Realistic and Time-related) which associates with the factors of KPI’s developed based on resource allocation and budget requirement. The execution plan of the business is dependent on the limitations of the innovation which is being introduced and the resistance to change which dominates the functional significance of the organization. The results which are sought to be accomplished must be goal centric in a measurable manner (Renko,

Tarabishy, Carsrud and Brännback, 2015). The allocation of strategic placement enables setting business goals which derive the performance of the organization. The design of the business model and understanding the aspects of change are crucial for enhanced business performance which leads to managing and reviewing strategic objectives of the business.

Change of Leadership Style

There is a different kind of leadership styles which are depicted in the actions of the management. The strategic decisions of the organization are mainly governed on the basis of leadership style which prevails in the organization. The proposed leadership skills define the growth perspective of the organization and the aspects based on which the business prevails. The leadership creates a direction for the teams and aligns them with methods using which decisions are required to be taken (Koryak, Mole, Lockett, Hayton, Ucbasaran and Hodgkinson, 2015). The different kinds of leadership which dominate the organizational performance are the following:

- Democratic Leadership
- Autocratic Leadership
- Laissez-Faire Leadership
- Strategic Leadership
- Transformational Leadership
- Transactional Leadership
- Coach-Style Leadership
- Bureaucratic Leadership

The classification of all the above forms of leadership shows specific significance in different situations. In some cases, certain kind of leadership prevails whereas in other cases

different methods prevail. The observation of the current organization shows that it is currently operating using the Autocratic style of leadership which is a highly conservative method. The evaluation of the company assessment shows that the methods of leadership must evolve significantly (Storey, 2016). The proposed methods which can be applied within the existing business model are democratic leadership, strategic leadership, and transformational leadership.

Proposed Leadership Style

The three proposed leadership styles which can be adopted within the business model are based on an assessment of these particular methods. The democratic leadership is associated with its democratic nature which associates the input of the team members over the project direction. This style of leadership is highly effective as it empowers the workforce and aligns them specifically towards the goals of the organization (Herman, 2016). The strategic leadership is designed understanding the organizational perspective which allocates the main operations of the business with the growth perspectives of the business. The global businesses are effectively managed using the strategic methods as the decision which is taken is mainly dependent on the requirement of the situation. The transformational leadership style is based on an assessment of the organization's performance and alters based on the situation. The focus of the company is mainly towards understanding the current needs and trends of the business evolving accordingly (Sotarauta, 2016). All these methods which have been proposed have their own pros and cons. The situation analysis shows that adaptation of these strategies shall prove highly effective for the business development based on the current challenges which are being faced by the organization.

Comparison and Contrast of Leadership Styles

There are eight different kinds of leadership styles which are practiced by the strategic management in crafting the foundations of the organizations. The situation in which the leadership style are levied dominate the practices as per the requirement of the situation. All the three methods of leadership which have been proposed above are highly effective methods of leadership. The most effective method which can be used effectively for redefining the business practices in this particular situation is the strategic leadership method. This method shall prove to be highly effective for the business as it evolves with the changing situation (Renz and Herman, 2016). The organizations perspective is critically important for the business as it requires evolving the decision-making abilities based on the situation. This style of leadership is highly effective for international businesses and enhances strong control of the teams in a specific situation.

Implementation Plan

The change implementation process and transformation of leadership style requires understanding the requirement for change. The dominance of the industry is highly significant as it requires establishing the managements support for change which enables the organization to structure a path towards development. The change process must be developed in a specific manner through collecting data using which customer satisfaction, employee satisfaction, and business goals are evaluated (Ginter, Duncan and Swayne, 2018). The strategic goals are developed through enhancing the employee involvement in the organization through which the work process can be improved and customer satisfaction can be enhanced. The teams are required to communicate the process of change throughout the organization so that the workforce can be prepared and resistance can be minimized. The biggest aspect of the implementation of

the change process is linked with planning the process and establishing a communication process with the teams (Boin, Stern and Sundelius, 2016). A logical development of the delivery process is required to be created which is maintained through a regular follow-up process. These factors rectify the barriers and enable the process of implementation of change within the organization. The focus of the employees must be developed towards implementing the change which can associate the training process and align the team towards the newly set goals and perspective. The strategy applied for assessing the monitoring of the change process is done by setting KPI's and Balanced Scorecard techniques (McCaffery, 2018). These techniques evaluate the performance of the team members and assess the framework which is desired to be chosen.

Recommendations and Conclusion

The recommendations which can be proposed based on evaluation of the scenario are associated with understanding the factors which have led towards change. The organizational performance is subjectively deteriorating over the period of time due to certain critical factors which include lack of industry awareness (Morden, 2017). The strategic direction of the organization is not aligned with the goals of the organization which results in a fatal miss assessment of the changing industry norms and practices. The functions which prevail in the organization are directed using certain strategic practices which includes establishing refined methods and assessing the business environment. The significance of the practices is consolidated on the basis of the business situation which was facing numerous challenges in coping with the changing industry trends and practices (Hambrick, 2015). The functional development of the business is associated based on the following recommendations:

- The environment in which the business is operating must be assessed for developing strong external factor assessment.

- The leadership style of the organization must be changed so that a new and dynamic approach towards business can be adopted.
- The focus of the management should be towards resetting the direction of the company so that target customers can be retained.
- The brand image must be sharpened so that the people start remembering the brand and its significance.
- The strategy shall be made based on the changing trends which shall associate with the fundamental perspective of the business.
- A customer-centric approach must be established so that the customers' needs and requirements are categorized priority for the business perspective.

The conclusive understanding of this strategic report presents the essentials which are necessary for controlling the outcomes of the organization. The company shall regain its value and recognition in the industry by establishing a varying business perspective. The approach of leadership shall be made highly strategic so that the situation in which the business is operating shall be assessed and goals shall be directed in accordance with the situation (Morden, 2016). The focus of the teams shall be towards regaining the brand positioning and establishing a market-based approach which dominates the changing trends and practices. The modern businesses require implementing new strategies which are directed through change and innovation. Establishing market recognition in a competitive industry must be associated on the basis of strong industry assessment which shall enable the company to develop customer interest based on unique offering (Waddock and Bodwell, 2017). The customers can be kept engaged through enhanced value propositions which shall allow the brand to excel and dominate in the industry acquiring a competitive edge.

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