

Register - please fill in to confirm
attendance



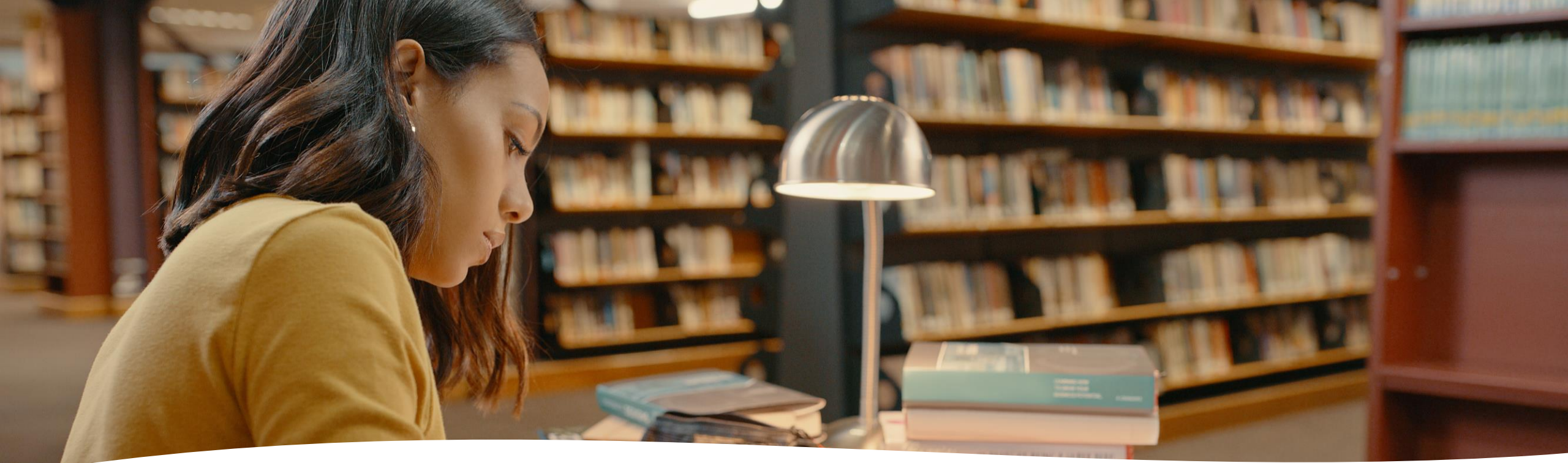
The Changing Business Environment

BMBM4010

Week 9

Recap 1





Assignment overview

- **ESSAY – Discuss the challenges faced by an expanding business in the current economic environment**
- Due **3rd April 23:59**
- Third person, paragraphs only, no pictures/bullet points
- 3,000 word limit (+/- 10%)
- Referencing – Harvard referencing style with mix of at least 20 academic sources
- Use mix of academic sources and real-world industry examples.
- Engage critically with the topic – do not just describe, analyse



Points to consider

- What Business or Business Sector will you be discussing?
- What is the current business environment in which they are operating?
- What specific challenges are they facing?
- How might these challenges force change?
- How might they be overcome?



Learning Objectives

- Define and explain the concept of business environments.
- Differentiate between local, national, and global business environments.
- Introduction to economic principles and their impact on businesses.



Introduction – suggested 500 words

- Briefly introduce your chosen organisation/industry.
- Justify why you have selected this organisation/industry.
- Outline the key themes and structure of your essay.

Understanding the Business Environment (suggested 700 words)

01

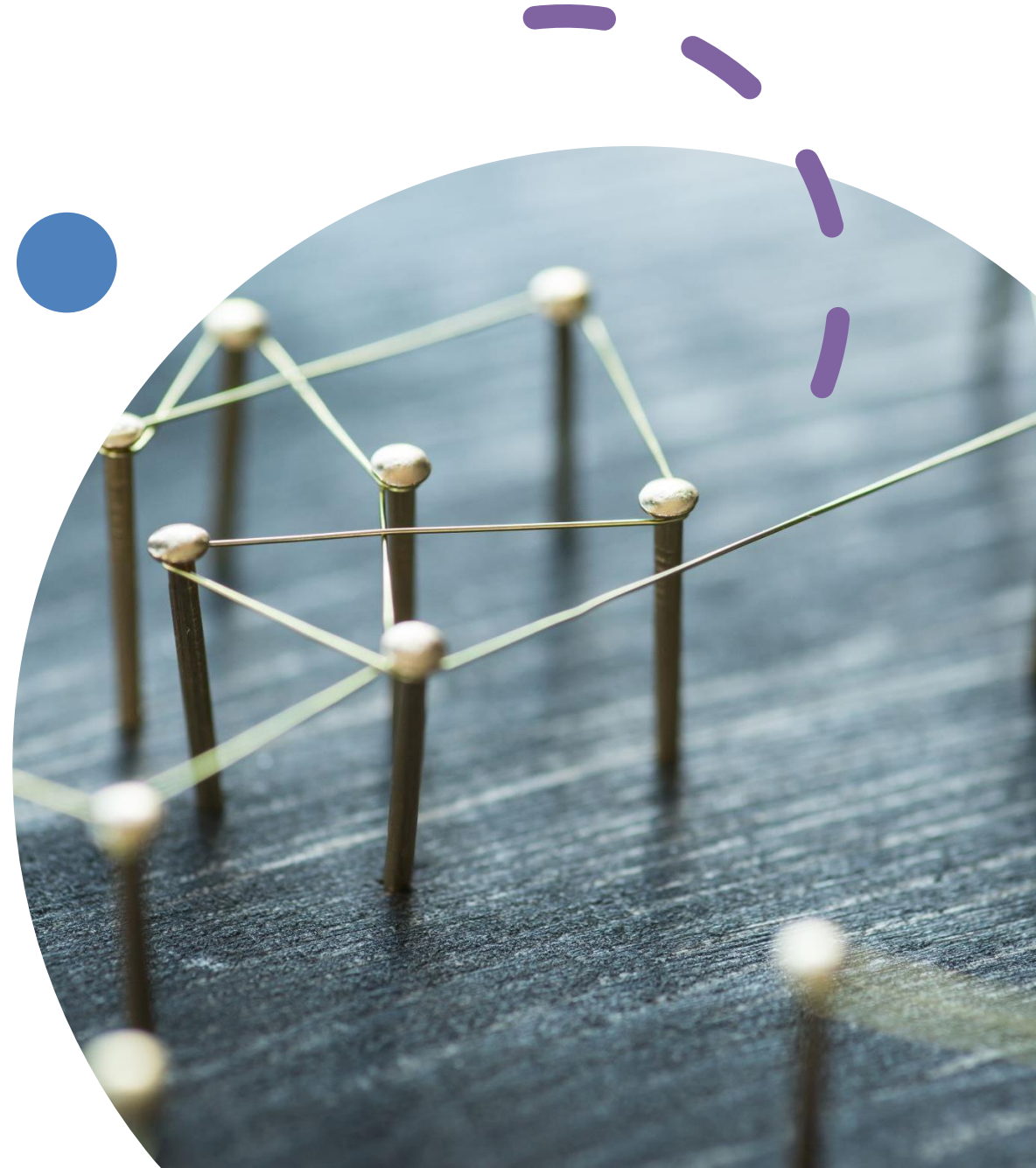
Define and explain the concept of business environments.

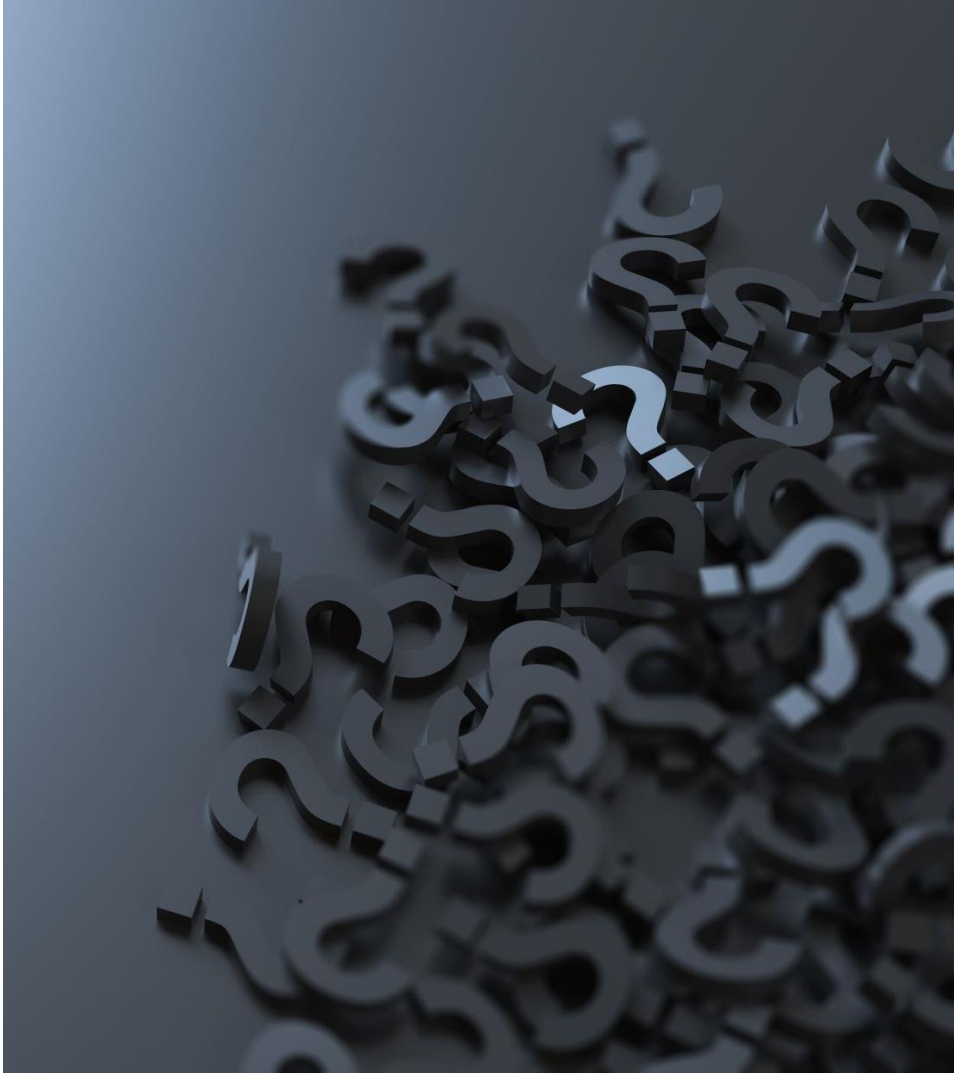
02

Discuss the importance of analysing external influences on businesses.

03

Introduce relevant theoretical models (e.g., PESTLE Analysis, Porter's Five Forces – or another!).





What is a Business Environment?

- Definition: Complex interplay of external factors influencing a business.
- Scope: Includes economic, political, technological, and social elements.
- Business Strategy Impact: How environments shape business decisions.
- Impact of Brexit on UK businesses, COVID-19's global impact, wars, AI.
- Importance: Necessity for businesses to adapt and respond to environmental changes.

Types of Business Environments

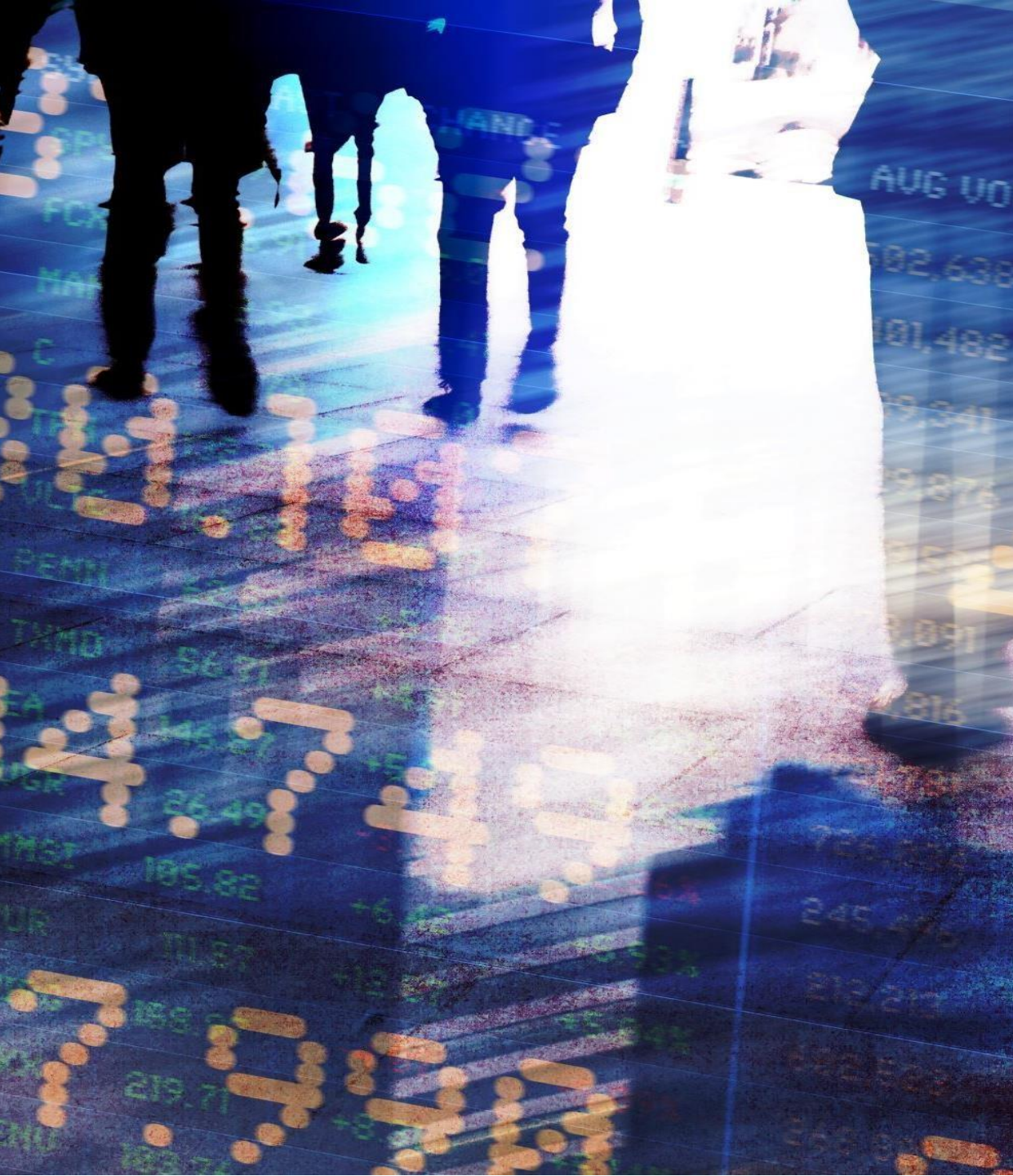
- Local: Impact of local market trends and Regional Policies
- National: Influence of National economic conditions and legislation
- Global: Challenges and opportunities in the global marketplace
- Interaction: How these levels interplay (e.g. local regulations in a global company)
- Decision Impact: Tailoring business strategies to different economic levels





Changing and Adapting

- **Rolls-Royce and Digital Transformation:**
 - **Change Driver:** Technological advancement.
 - **Adaptability:** Rolls-Royce has transitioned from being just an engine manufacturer to becoming a data-led service provider for its aerospace and defence customers.
 - **Preparation Strategy:** They have invested heavily in digital capabilities, including predictive maintenance technologies that use data analytics to foresee when an aircraft engine requires maintenance before it fails.
- **Tesco and the COVID-19 Pandemic:**
 - **Unexpected Event:** The COVID-19 pandemic.
 - **Adaptability:** Tesco quickly adapted by enhancing its online delivery services and implementing safety measures in stores.
 - **Preparation Strategy:** Prior to the pandemic, Tesco had already developed a robust online grocery platform, which enabled them to scale up operations efficiently when demand surged due to lockdowns.



Changing and Adapting

Barclays and Brexit:

1. **Change Driver:** Political change, specifically Brexit.
2. **Adaptability:** Barclays moved assets and established hubs in Dublin and Frankfurt to continue serving their EU customers without disruptions.
3. **Preparation Strategy:** Early planning for potential outcomes of Brexit allowed Barclays to remain stable and reassure both customers and investors during political turbulence.

AstraZeneca and Research & Development:

1. **Change Driver:** The need for rapid development of COVID-19 vaccines.
2. **Adaptability:** AstraZeneca partnered with the University of Oxford to develop and distribute a COVID-19 vaccine at scale.
3. **Preparation Strategy:** Their experience in vaccine development and strategic partnerships allowed them to mobilise resources quickly and respond to the global health crisis.

Analysis of External Factors (Suggested 1,000 words)

- Apply PESTLE Analysis to evaluate the impact of the relevant factors on your chosen organisation/industry.
- Identify key challenges and opportunities arising from these external factors.
- Support your discussion with real-world examples, statistics, and industry reports.





Macroeconomics and Business Strategy

- Overview: National economic trends and their broader impact.
- Economic Health Indicators: Understanding GDP, unemployment rates.
- Policy Influence: Fiscal and monetary policies shaping business environments.
- Strategic Implications: Aligning business strategies with macroeconomic conditions.

Fiscal and Monetary Policies

Fiscal Policy: Government spending and taxation policies aimed at influencing economic conditions, including levels of employment, inflation, and economic growth. Controlled by Government & Treasury

Types:

- **Expansionary** – used during recessions to boost demand – higher government spending, lower taxes
- **Contractionary** – used to control inflation – lower government spending & higher taxes

Monetary Policy: Central bank actions, such as setting interest rates and controlling the money supply, aimed at controlling inflation and stabilising the currency. Controlled by Bank of England

Types:

- **Expansionary** – encourages borrowing and spending – lower interest rates & increased money supply
- **Contractionary** – reduces inflation and spending – higher interest rates & reduced money supply



4 Economic Cycles

Expansion: Characterized by rising economic activity, employment, and output – Recovery/growth

Peak: The highest point of economic activity before a downturn. Economy is at maximum output

Contraction: A period of declining economic activity, leading to increased unemployment and lower production.

Trough: The lowest point of economic activity, setting the stage for recovery and the next phase of expansion.

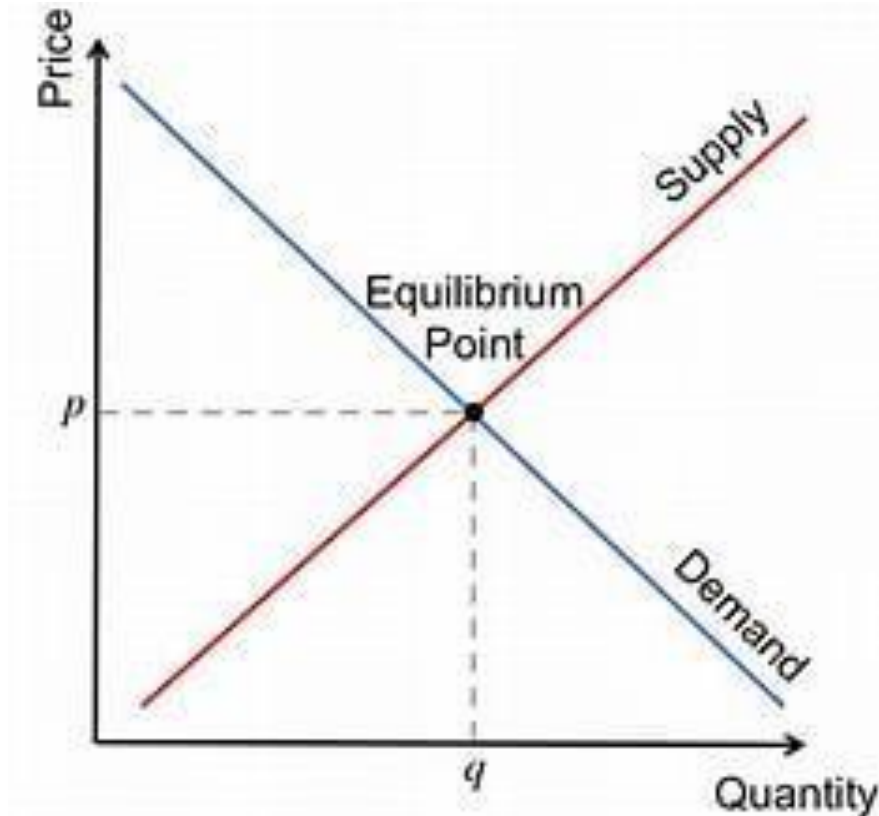


Microeconomics in Business

- Basics: Supply, demand, and market pricing mechanisms.
- Business Decisions: Microeconomics in pricing and product development.
- Competition Analysis: Understanding market dynamics and competitor strategies.
- Practical Application: Pricing strategies in different market conditions.



Supply and Demand



- The **blue line** represents the **demand curve**, which slopes downward, indicating that demand decreases as price increases.

- The **red line** represents the **supply curve**, which slopes upward, showing that supply increases as price increases.

- The **centre point** marks the **equilibrium price and quantity**, where the supply and demand curves intersect.

At this equilibrium point, the quantity that consumers are willing to buy equals the quantity that producers are willing to sell, and there is no surplus or shortage in the market.



Organisational Adaptability & Strategic Responses (suggested 600 words)

- Evaluate how the organisation/industry has responded to these environmental changes
- Discuss the effectiveness of their strategies (e.g., leadership styles, innovation, sustainability initiatives).
- Consider alternative strategic responses that could have been taken.

Managing Business Change

- Definition of Business Change Management
- Importance of change in the business environment
- Overview of success and failure in change management



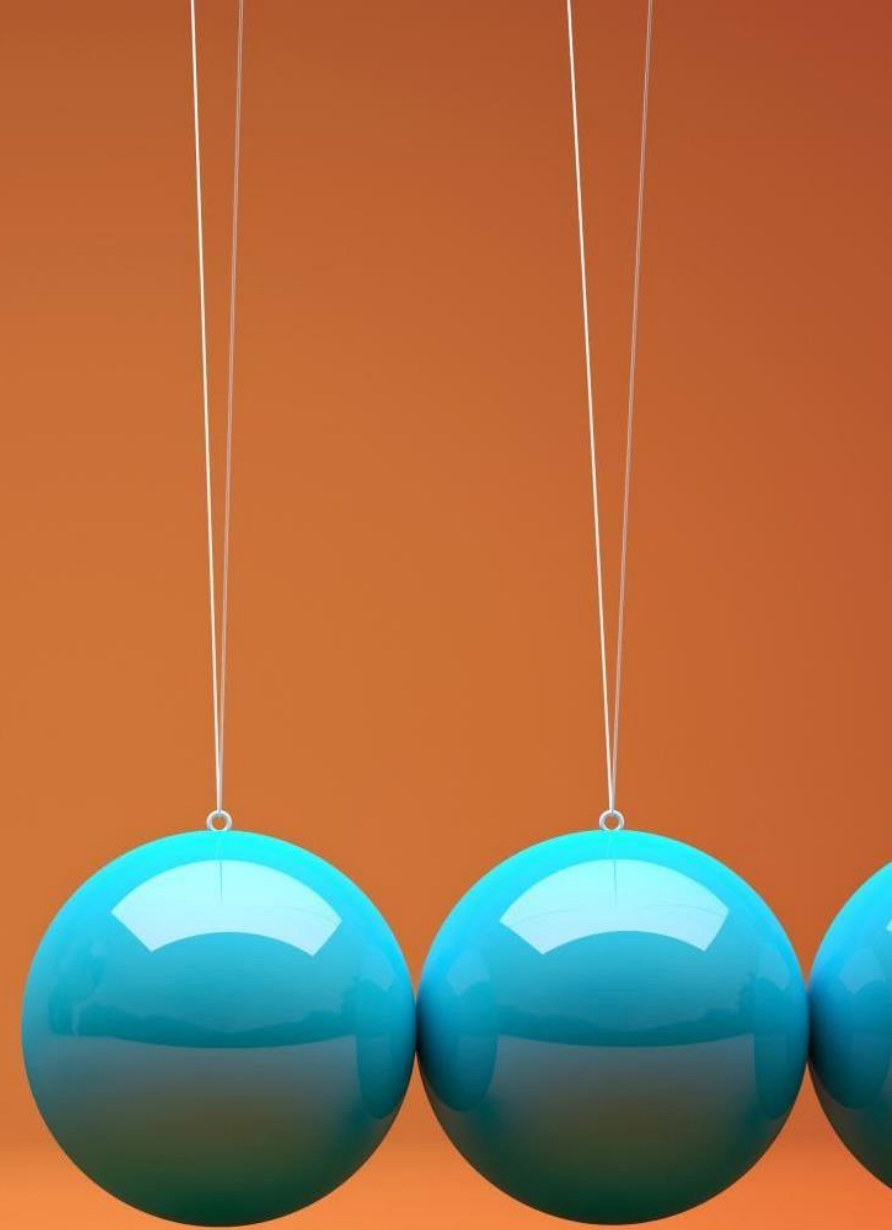


Types of Business Change

- Strategic changes
- Technological changes
- Cultural changes
- Structural changes

Success Factors in Change Management

- Clear vision and objectives
- Strong leadership and commitment
- Effective communication strategies
- Stakeholder engagement and support



Reasons for Change Management Failure

- Resistance to change
- Lack of effective communication
- Poor planning and execution
- Inadequate resources and support





The Spectrum of Management Styles

- Management Styles Spectrum
- Autocratic, Democratic, and Laissez-faire Styles
- Transformational and Transactional Styles
- Importance of Context in Style Effectiveness- no single management or leadership style is always the most effective, the success of a style depends on the situation (context) in which it is used.



Conflict Resolution Strategies

- Identifying Sources of Conflict
- Techniques for Effective Conflict Resolution
- Importance of Maintaining Professional Relationships
- Role of Leadership in Fostering a Collaborative Culture



The End.

Conclusion & Recommendations (Suggested 200 words)

- Summarise key findings from your analysis.
- Provide recommendations for future improvements based on your findings.

Remember...



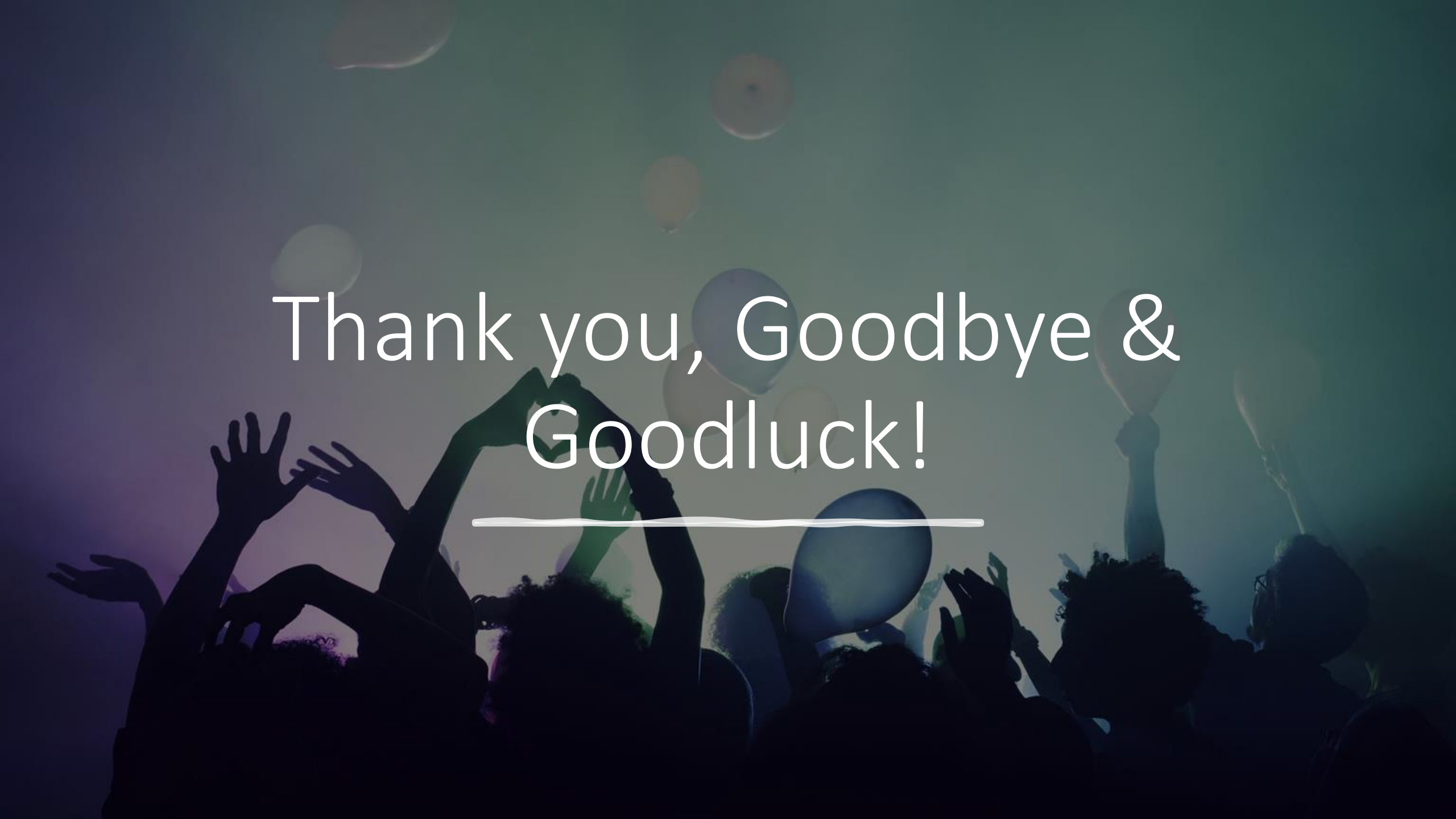


Any Questions?

Remember you can still contact me
if you have any questions:

Via Teams

Email – z.williams@uwtsd.ac.uk

A crowd of people is silhouetted against a dark background with a purple-to-blue gradient. Several balloons in shades of blue, purple, and white are floating in the air. Many people have their hands raised, reaching towards the balloons. The overall atmosphere is celebratory and festive.

Thank you, Goodbye &
Goodluck!
