

Assessment 1 Human Resource Management

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Introduction

If a business wants to be successful in the specific marketplace, then it is important for the management to completely understand what specific factors exert the impact of development for the business organization. Once the business organization has known about both the positive as well as the negative impact within and outside of the business organization then management should provide a suitable strategy for handling any type of predicted situation. So it is important for the business organization for examining both the internal as well as external factors before the organization launch any specific strategic marketing plan

Chosen Organizational Context

In this project, the chosen organization is **Umbro** that is a UK-based, sports manufacturing organization. The association was established in 1924. Throughout the long term, Umbro has made a significant measure of deals and is very famous in the game business as one of the greatest game gear providers and makers on the planet (Umbro.com, 2021). Keeping in line with the essential administration of the association, Umbro wandered into the Olympics by supporting the British Olympic group for the late spring Olympics of 1952. The units that Umbro gave before long turned out to be very famous. After its essential endeavor into football and rugby, the association made a concise endeavor into the universe of tennis also. This anyway was fleeting as the association was better adulated for its football packs.

Part 1: External Environmental Analysis

The business organization has been operated in an ever-changing world. ***The external environmental factor*** is the specific type of factor that is outside of the business and created a particular impact on the business organization process. Management of business organization has organized the ***four different types of the external environment*** which we are going to discuss throughout this assignment.

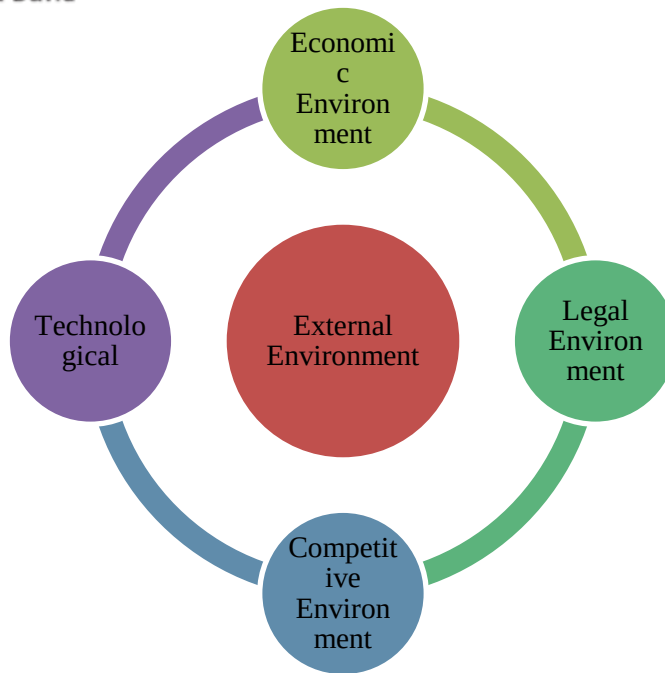


Figure 1: Types of External Environment

(Source: Self-Created)

Current Changes in External Environment during COVID

Economic Environment

August is the first full month in which there are no such kinds of restriction of COVID-19 variants in England that has contributed to the monthly **GDP growing by the rate of 0.4% between July 2021 and August 2021**, moreover, the **GDP has remained the 0.8% below its optimum level in the first quarter of February 2020** that is the specific month that has not affected by the pandemic created by the COVID-19. This sector has been provided strongest contribution to the UK economy is food services **has contributed 0.28% of the UK overall GDP**, art and entertainment **has contributed 0.13% of the UK overall GDP** where health sector **has contributed 0.42% of the UK overall GDP**

In early 2020, the construction industry has mostly affected for the negative impact of COVID-19 outbreak before the industry recovers strongly. The construction industry has been fallen for the timeframe of three months, while the service industry has continued to recover in a more gradual way while it remains below its February 2020 level

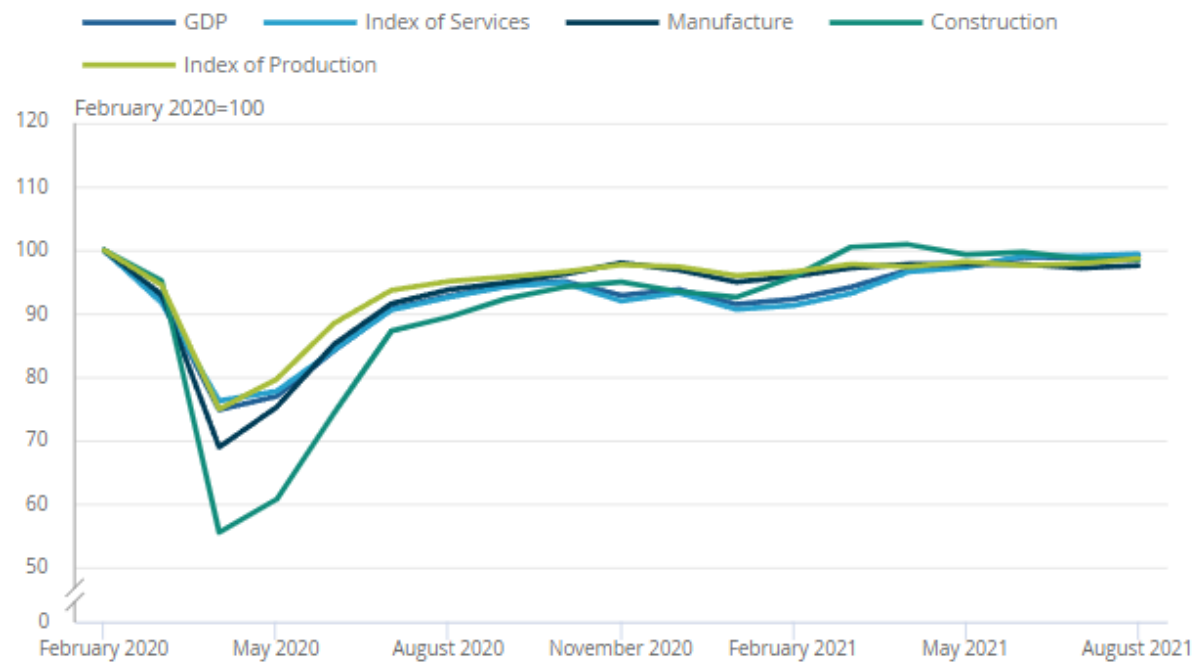


Figure 2: Monthly Gross GDP from February 2020 to August 2021

(Source: Ons.gov.uk, 2022)

The monthly service output grow by 0.3% in August 2021 with the food as well as accommodation sector has provided the positive contribution that is ***0.28% of positive GDP growth*** and at the same time different types of social work based activities have created ***negative impact that is 0.42% to the country GDP***

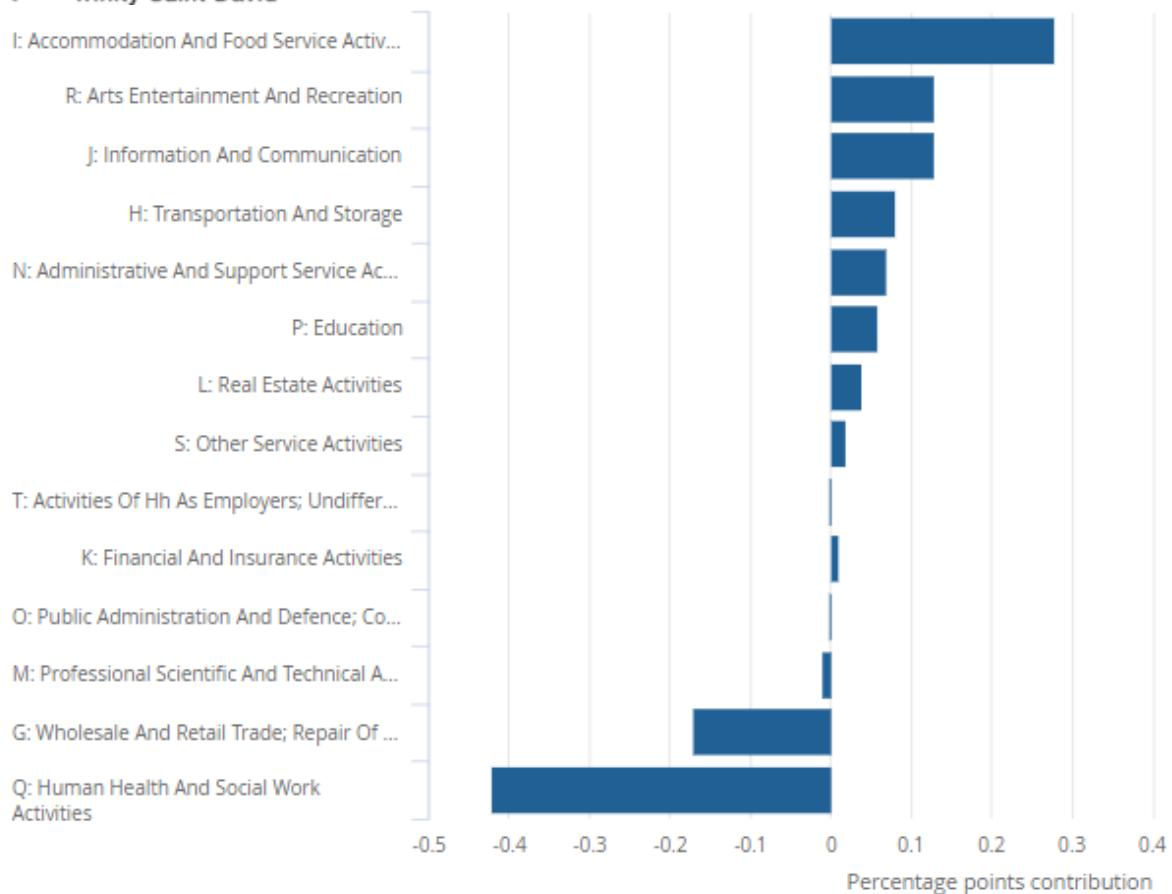


Figure 3: Service Sector Contribution between the July 2021 to August 2021

(Source: Ons.gov.uk, 2022)

The previous figure has reported the contribution of the *individual's sector for the growth of UK GDP index of the services* while the below image depicted the *percentage of change in terms of output for every of the service based industry*

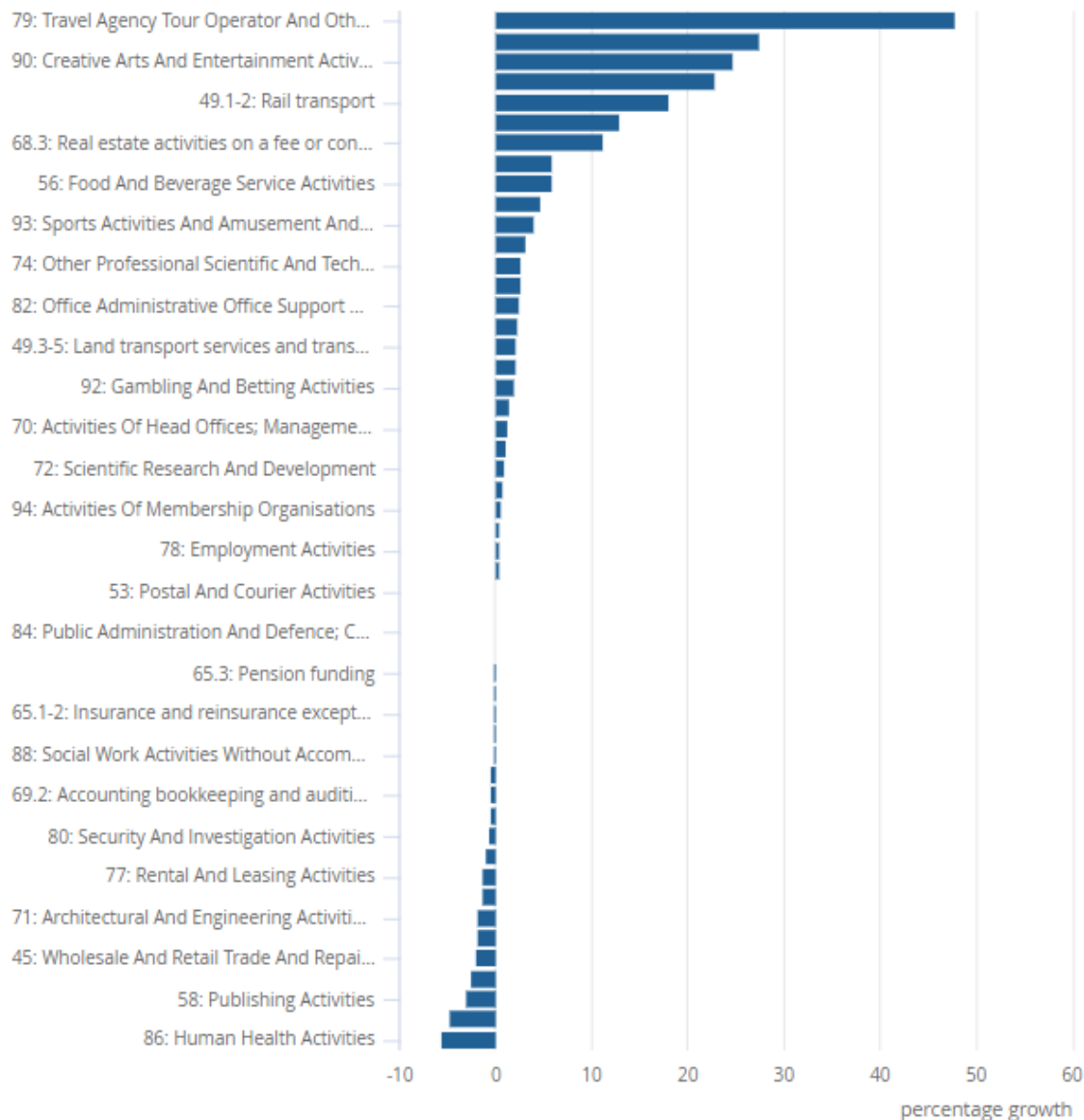


Figure 4: Service Industry GDP in August 2021

(Source: Ons.gov.uk, 2022)

Legal Environment

Recent data from different sources have stated that the legal sector in the UK has remained stable throughout the COVID-19 pandemic. Specific *data that are gathered from SRA* has stated that the total number of regulatory organization *has felt down by the 1.9% between the timeframe of December 2019 December 2020 in which 426 new law firm has opened and 539 is closing*

(Sra, 2022). As per the **ONS monthly Business Survey**, the total annual turnover of the legal service in the UK in the year 2020 has remained the same as 2019 in which ***the total turnover of the UK has fallen by the 14%*** (Armstrongwatson, 2022)

Competitive Environment

As the economic and legal impact of the COVID-19 has continued, so government, as well as businesses, have continued with the host of unprecedented challenges.

- CMA (UK Competition and Market Authority) guidance for the application of competition law at the time of the COVID-19 outbreak (Ashurst, 2020)
- Industry wide-based competition for each of the major competitors
- Whether the specific statutory exclusion may be available including the summary of the CMA exemption guidelines that are issued on the 25th March 2020

Technological Environment

The outbreak of COVID-19 has created a negative impact on all service sectors of the business, especially in the technology global sector. The below mention statistics have stated that the IT buyers and market spending for ***sentiment-based index score*** from the January 2020 to the September 2020. Based on the graph, it has been stated that the index score of the UK has ***dropped from 1059 points to 943 points*** for the period of six months only (Statista, 2022)

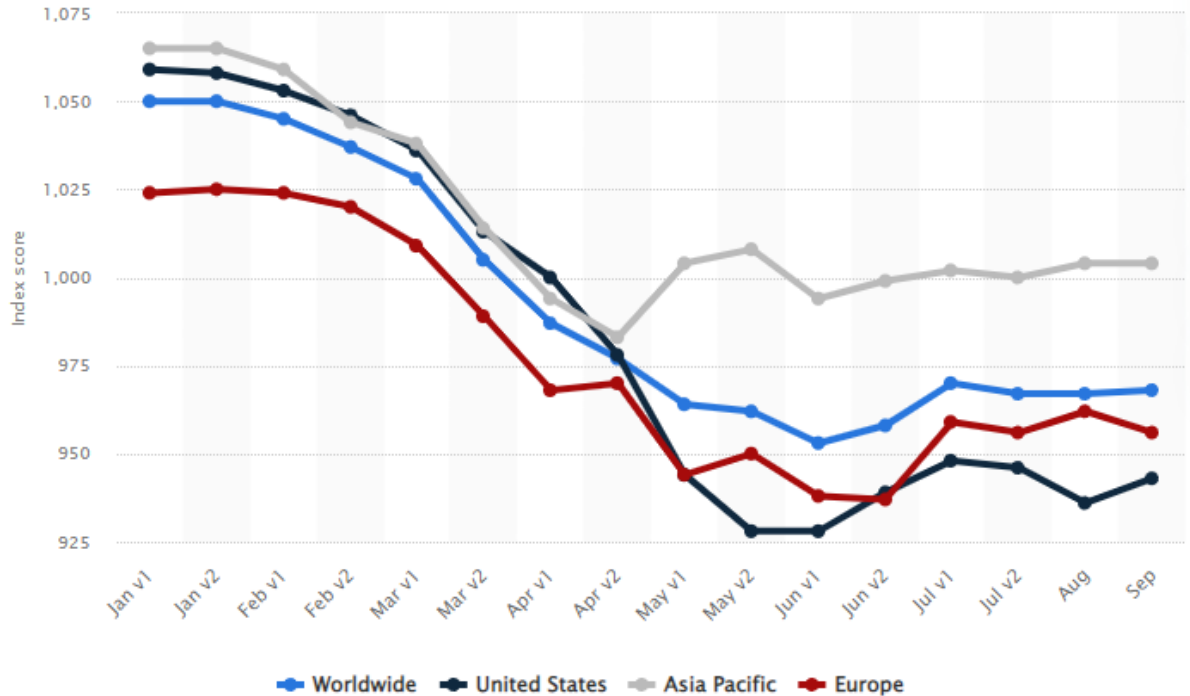


Figure 5: Market Spending Sentiment Index Score from January –September 2020

(Source: Statista, 2022)

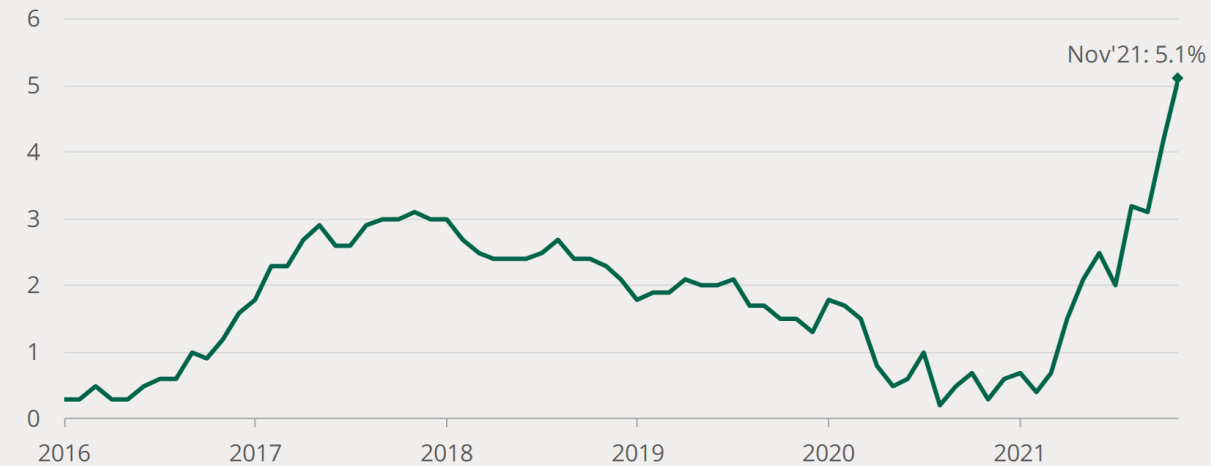
Predicted Changes in External Environment during COVID

Economic Environment

If we analyze the economic outlook of the UK's GDP for 2022 and beyond that then with the spread of the ***Omicron Variant***, the first predicted change will be the upsurge of inflation. There has been a partly result for the disruption for the global SCM and also in a surge for the energy process. High inflation levels have the capability of squeezing the entire household budget and daily expenditure. ***As of December 2021, the average forecast for GDP growth in 2021 is near about 7%. GDP forecasted growth in 2022 will be 5% as per the OBR the forecasted GDP growth is 6.5% in 2021 and will be 6% in 2022*** (Commonslibrary,2022)

Inflation surges to 10-year high

%, annual change in consumer prices (CPI)



Source: ONS, CPI inflation, annual rate

Figure 6: Inflation Surge for Last 10 Year

(Source: Commons library, 2022)

Legal Environment

Legislation that has protected and at the same time maximized the environment for the future generation has now passed as part of UK Law. With the help of this act, an environmental associate will clean the UK's Air, restore the UK's total natural habitat, maximize biodiversity, and at the same time make better use of those resources. The **Environmental Act** has included the new legally based binding that is targeted on the specific species abundance for 2030 that will help for reversing the declination of the ionic British species such as hedgehog and red squirrel (Gov.UK, 2022)

Competitive Environment

The crisis of the COVID-19 has created an imperative for the most business organization for reconfiguring their entire business operation and at the same time provides an opportunity for transforming them. This evolution process has not been an elegant process in which business organization has to scramble **for implementing the new technology** under tremendous pressure because of the high competition. The near-term-based challenge has moved from reacting from

the crisis to developing what the business organization has done so far. For the consumer industry mainly the retail industry, the business organization needs to implement the ***Omni-channel business model*** and need to improve their ***digital innovation*** (Mckinsey, 2022). ***In the context of the healthcare industry***, it needs to virtual option as per the norm. ***In the context of the insurance sector***, it is all about personalized the customer satisfaction

Technological Environment

For many business organization, customer has already mitigated to the digital form. The employee has already worked with the help of remote access capability and them agile to some degree. The business organization has already developed the ***analytic and effective AI initiative*** as part of its business process. Thus the predicted changes in the technological environment at the time of the COVID-19 pandemic has mainly focused on the four core aspects (Mckinsey, 2022)

- Refocusing the digital investment by taken consider the need of the customer
- Implement AI for improving the business operation
- Selectively modernizing the entire technological capability for boosting the development velocity
- Maximizing organizational agility for delivering the service and product more quickly

Based on that, the management of the business organization will outline the plan of the ***digital agenda*** during the COVID-19 crisis

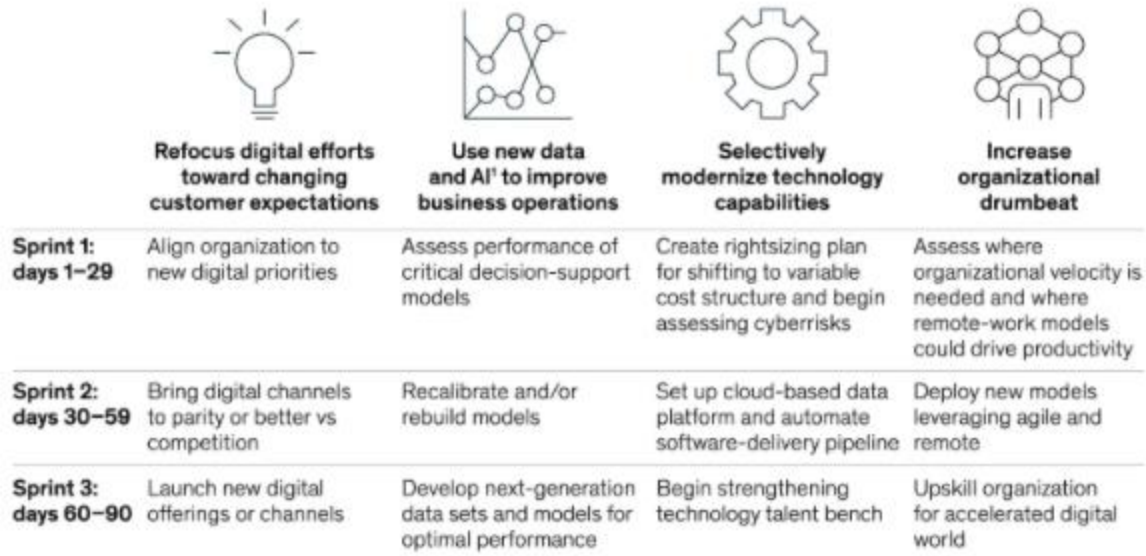


Figure 7: 90 Days Digital Agenda

(Source: McKinsey, 2022)

Current Changes in External Environment during Brexit

Leaving the European Union is a double edge sword for all businesses in the UK, it has now even harder for exchanging goods with the EU but at the same time, it is much easier for trading with other marketers. **Before the Brexit**, both of are part of the single trading-based area in which goods has imported as well as exported between the country EU and the UK without any types of tariffs and border checks (Bloom *et al.*, 2019). **But after the Brexit**, there are specific customs borders between Great Britain and the EU in which the UK needs to provide full documentation, checking passes for importing and exporting of goods and products.

Lesser EU Restriction

After the Brexit, the United Kingdom has less restricted by some of the regulations that are imposed by the European Nation (Cumming and Zahra, 2016). So it has been argued that Brexit has created a positive impact on the business process of the UK by allowing them for trading more freely with the Non-EU based market such as America and Australia

Disruption in Supply Chain

Many business organizations stockpiled before the formation of Brexit to skip tariffs to import different EU goods for maintaining the good relationship between the business of EU and UK, it is very much important for offering transparency to the tariffs they must face (Hendry *et al.*, 2018). There are also different types of logistic problem with the global SCM delay that has not been solved because of the outbreak of the COVID-19 pandemic

Predicted Changes in External Environment during Brexit

Opportunity for Growth

Different emerging market such as China and South Africa has accounted for more consumer spending every year (Bouoiyour and Selmi, 2018). Thus the fall of the pound has made the British product much cheaper for the specific international markets that can make them more appealing for the international customer

Confidence among the UK

Since the formation of Brexit, FTSE 100 share index is volatile and the respective Sterling rate has not returned to the pre- Brexit levels. So confidence among the UK business will continue to be unstable and at the same time unpredictable for foreseeable future. There are different types of legal services that both the country needs to look upon for minimizing the negative impact of Brexit.

Part 2: Organization Resourcing Strategy

The Resource-Based View Framework

As indicated by Collins, (2021), the resource that an association has, assumes a significant part in aiding the association to produce its expectations as well as helps the association gain an upper hand. For example, assuming the association *has premium quality resources*, the association can deliver great items that permit them to represent more deals in the association. Further, by utilizing an asset-based structure to lead processes the association can utilize its resources appropriately to achieve premium expectations.

Suggested Resource post-COVID 19

With the introduction of the Covid 19 pandemic, various associations all over the world are scrambling to achieve resources. As per Ichsan et al., (2020), numerous associations have needed to suspend their activities and cycles because of an absence of resources. It is best suggested that the association allot their resources after assessment and in view of the interest. This will guarantee that the resources are utilized appropriately and that there is saving or resources also.

External Factor Analysis

Political

The political factor that created an impact on Umbro is the adjustment of legislative heads, the adjustment of tax assessment laws, and the different laws of different nations. Notwithstanding, the acquaintance of Brexit proceeds with being a major political effect for Umbro.

Financial

Shtal et al., (2018), states that the economy of various nations can affect the deals of associations. Changes in return rates and the ascent in the expansion are two significant monetary elements to affect Umbro as it serves in various associations.

Social

The social factors that sway Umbro are the adjustment of requests of clients, the effect of the culture of various districts, and the adjustment of social norms.

Technological

Technology assumes a significant part for Umbro as it utilizes innovation to complete its cycles just as deals through web-based shopping sites.

Legal

The laws that are focused on Umbro are subject to the various districts that they work in. However, the most well-known laws comprise wellbeing, security, and disinfection laws and least wages laws.

Environmental

The climate must be ensured by the people and the associations that capacity inside it. for this reason, Umbro deals with lessening its carbon impression by empowering web-based shopping and reusing also.

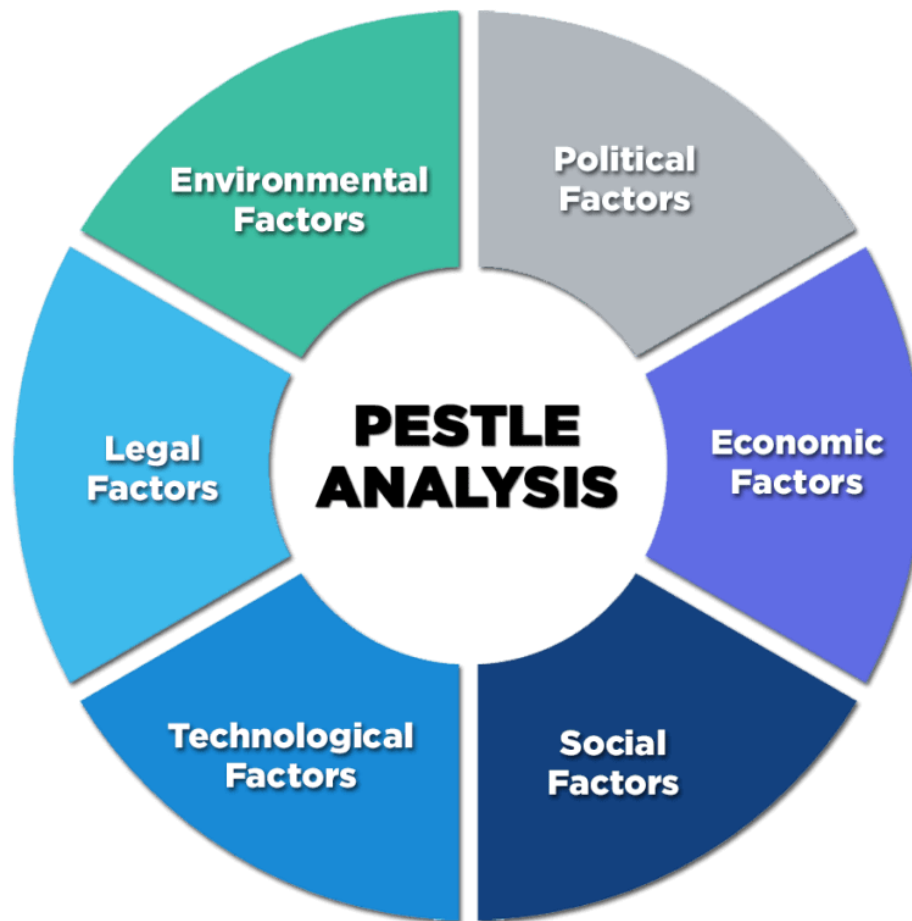


Figure 8: PESTLE Analysis

(Source: Shtal et al, 2018)

Internal Factor Analysis

Strength

According to Moore et al (2021), the qualities of the association assist open with increasing freedoms for the association. The greatest strength that Umbro has is its solid worldwide

presence. Umbro is known in various nations and is additionally known for its excellent administration processes. Alongside this, the association is known to be solid in view of its tremendous

Weaknesses

The shortcoming of the association is the adjustment of high brands. In 2007, when the association was raised by Nike it had a wide range of chances for Umbro. In any case, when it changed to Iconix in 2012, Umbro lost an enormous number of its clients.

Opportunity

The opportunity that the association has is to enter various business sectors across the world with sprouting economies.

Threats

The Threats that the association is confronting come from the opposition it faces both on a public and worldwide scale.



Figure 9: SWOT Analysis

(Source: Shtal et al, 2018)

The current market served by the association

The current market that the association serves is devoted to the game area. Since the association makes and creates distinctive sporting gear, the association commits its items and administrations to the athletic segment of the market. As indicated by Henry, (2021), it is significant for associations like Umbro to serve the market appropriately with the goal that they can accomplish more deals.

Use of the Blue Ocean Strategy

The blue sea technique is one of the most useful and most essential apparatuses that assist the association with their creation framework as well as with their evaluating and cost systems. The blue sea system examines four variables take out, lessen, and make increment. These four elements assist the association with assessing its cycles and concluding which cycles need to be kept and which need to be eliminated.

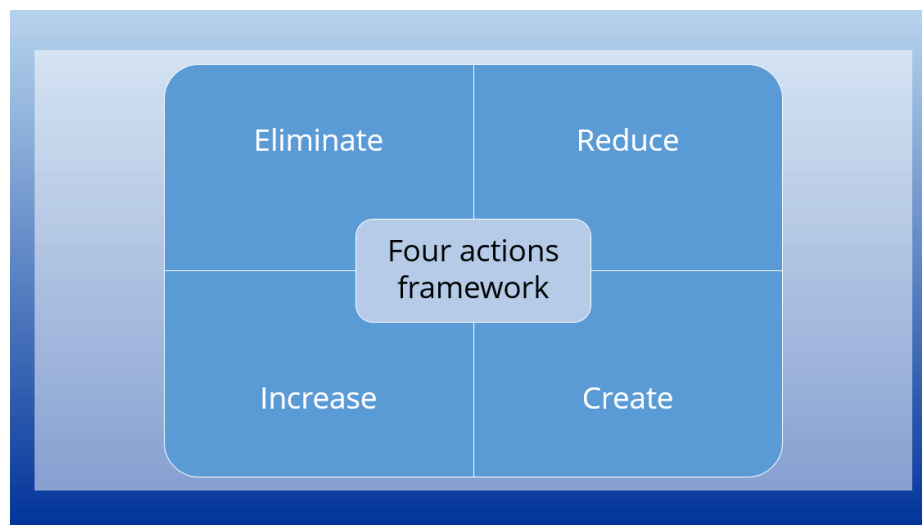


Figure 10: The Blue Ocean Strategy

(Source: Ionos.com, 2021)

Increase

The association should build the creation of clothing and athleisure.

Reduce

The association needs to diminish its change from brands and stick to free cycles.

Create

The association can and needs to make a line of ladies' athleisure and swimwear.

Eliminate

The association needs to take out all more established examples that poor people made deals for the association.

Conclusion

Based on the above analysis, it can be stated that the different types of activity that Umbro has associated with are related to the manufacturing as well as production of sporting equipment. This incorporates the development of sports pullovers, socks, footballs, etc. The worth of the association has expanded, with the development of its football packs and rugby units that have been utilized by numerous expert competitors and athletic groups. As of now, what gives Umbro an upper hand in global business sectors is its football boots. The creation of its football boots is very well known in places like Brazil due to its quality as well as in light of the fact that it is very modest when contrasted with rival brands like Adidas and Nike.

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