**HRM11119 – LEADERSHIP, STRATEGY, AND INNOVATION**

**ASSESSMENT PART A**

**Executive Summary**

The strategic position of the chosen company “Bartholomews Agri Food Ltd” has been introduced in the given context. The political and ecological aspects of the UK have proposed difficulties to the sustainability goals of the company. Moreover, the economic improvement in the UK has helped the company to increase customer retention rate and increase its production. The increasing population rate has also helped the company to acquire more customers as the dimension of the target audience has been expanding each year. The weaknesses such as the reduced profit growth have been highlighted in the internal environment analysis part. The report has highlighted the SMART recommendations based on the problems. This study sheds light on the identification and analysis of strategic position through the internal factors of the company. This analysis was explained by the model of SWOT. The research also explains how the strength of the organisation can help it to develop a sustainable structure. The research also states about the weakness of the company and how it overcomes those.

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# Introduction with background

The strategic position of a company can be aligned with the viewpoints which can measure the performance metrics in the competitive environment. Market positioning and brand positioning can be aligned with the organisational goals in terms of dealing with the competitors available in the existing market. ***“Bartholomews Agri Food Ltd”*** is a company in the agriculture and food sector of the UK which regulates its services in grain marketing and fertiliser production in order to ensure the agricultural dimensions. The company has been operating their services in the agri-food sector for 130 years and supplying seed, feed, crop protection ingredients, agronomy services and crop marketing.

The report has portrayed the impact of external factors on the marketing strategies of “***Bartholomews Agri Food Ltd***”. Moreover, the report has also focused on discussing opportunities and threats of the external factors which can be relevant for the company. On the other hand, an internal analysis of the company strategies has also been provided in the study. The internal analysis has consisted revolved around explaining the key strengths and weaknesses of the company regarding uniqueness and its competitor analysis. In addition, a recommendation part has also been addressed in this report to provide SMART goals for the company which can improve its marketing strategies.

# Q1. Strategic Position Analysis through External Analysis

## *PESTEL Analysis*

|  |  |  |
| --- | --- | --- |
| **Factors** | **Outcomes** | **Impact** |
| **Political** | * The political score of the UK is 0.54 (Bbc.com, 2023). * The conflict between Parliamentary Democracy and constitutional monarchy. * “Brexit” has elevated the progressive phasing out of CAP and downgraded 20% of the income of farmers (Agrirs.co.uk, 2023). | Negative |
| **Economic** | * The GDP of the UK has increased by £86.3 billion in 2022 (Ons.gov.uk, 2023). * The annual inflation rate of the UK has reached 11.1% in 2022 (Ons.gov.uk, 2023). * Total crop output has increased by 19.9% in the UK (Gov.uk, 2023). | Positive and Negative |
| **Social** | * The literacy rate of the UK is 99% (Una.org.uk, 2023). * The population rate of the UK has grown by 6.3% in 2021 (Ons.gov.uk, 2023). * The total contribution of the Agri-food industry is £116.2 billion in the UK’s GVA (Gov.uk, 2023). | Positive |
| **Technological** | * 92% of adults in the total population have been using the internet in the UK (Ons.gov.uk, 2023). * The total investment is £89.5 billion in the technological sector of the UK (Great.gov.uk, 2023). * Use of AI-based technologies in crop monitoring as well as mapping solutions. | Positive |
| **Ecological** | * The “domestic transport carbon dioxide” emission has risen by 10% in 2021 (Gov.uk, 2023). * Total food loss has been recorded to be 12.8 million tonnes in the UK in 2022 (Org.uk, 2023). | Negative |
| **Legal** | * “***The Agriculture Act 2020***” has been used in the UK to maintain the balance between farmers’ income and the quality of the produced goods (Commonslibrary.parliament.uk, 2023). | Positive |

**Table 1: PESTEL Analysis of the UK**

(Source: Developed by Author)

***Analysis***

## *Opportunities*

The above PESTEL analysis has provided that the economic aspects of the UK have a positive impact on the agricultural sector and the companies working in the sector. the GDP of the UK has increased by 86.3 billion pounds which has been positively affecting the marketing strategies of “***Bartholomews Agri Food Ltd***” (Ons.gov.uk, 2023). Moreover, crop output has been analysed to be a key indicator of a market’s growth in the context of the agricultural sector. The crop output of the UK has increased by 19.9% which has proposed the improvement of the supply of crops in the market (Gov.uk, 2023). This has also helped the company to increase its production and acquire a more suitable position in the UK market.

The social aspects of the UK have also positively impacted the marketing strategies of “***Bartholomews Agri Food Ltd***”. Moreover, the above table has promoted that the UK has a high literacy rate which has been promoting the effectiveness of social media marketing with suitable content among consumers of the UK for the company. On the other hand, it has been observed from the table that the population growth has implicated that the company has more options in the future as the target audience has been increasing. Furthermore, the population rate has increased by 6.3% in 2021 from the last census of 2011 in the UK (Ons.gov.uk, 2023). In addition, the table has also proposed that the agri-food industry has a high contribution to the UK’s GVA. the above table has shown that the total contribution of the industry has been £116.2 billion in the UK’s GVA (Gov.uk, 2023). This has helped the company to analyse its market position in the vast market area of the agricultural sector of the UK.

The technological aspects have also promoted a positive impact on the company’s marketing strategies. The above table has provided that the use of AI-based technologies has been improving the process of crop monitoring and mapping for the company. On the other hand, it has been found from the table that the high investment in the technological sector has proposed the use of innovative tools in the agricultural sectors of the UK. this has helped the company to implement effective use of “Google Global Site Tag”, “Online, Office 365”,  “Google Workspace” as well as “Microsoft Exchange” in the working environment of “***Bartholomews Agri Food Ltd***”.

## *Threats*

The above table has shown that political aspects have a negative impact on the agricultural sector of the UK. It has been found from the table that the ***progressive phasing out of CAP*** due to “***Brexit***” has downgraded the income of the farmers by 20%. This has reduced the production of seeds and crops which has damaged the revenue collection of “***Bartholomews Agri Food Ltd***” (Agrirs.co.uk, 2023). Moreover, the ***high inflation rate*** has negatively impacted the production cost of the industries in the UK. This has ***increased the prices of the products*** in the markets and the profitability of the company has been damaged by this rate. On the other hand, the ***ecological aspects*** have promoted that the high pollution rate has negatively impacted the Sustainability goals of the company.

# Question 2. Strategic position analysis through the internal part

## *“SWOT analysis”*

***(Referred to Appendix 1)***

| **Strength** | **Weakness** |
| --- | --- |
| * ***“Bartholomews Agri Food Ltd (BAFL)”*** has built a robust brand image centred on delivering high-quality services and products (Bartholomews.co.uk, 2023). * The company provides an extensive selection of agricultural products, such as animal feeds, fertilisers, and others, which makes it a convenient all-in-one solution for farmers. * It has made significant technological investments that have enhanced the quality of its products and boosted its productivity (Bartholomews.co.uk, 2023). * The agricultural industry is well-known to the experienced and skilled workforce of the company, possessing comprehensive knowledge in the field. * Having a robust distribution network, the company is capable of serving customers throughout the nation. * The company got a turnover of £112M according to the financial statements in the year of 2021 (Bartholomews.co.uk, 2023). * It has built its strength with advancement of technology such as artificial intelligence. | * A considerable part of the company's revenue comes from a small number of key customers, resulting in high dependence on them. * Growth prospects for the company are restricted as its product range is confined to agricultural products, resulting in limited product diversification (Bartholomews.co.uk, 2023). * A restricted online presence of the company restricts its exposure to potential customers and outreach. * The company's revenue has a negative impact as its sales are closely tied to seasonal demand, creating a high level of dependence. * Having a small number of employees such as 25 staff in the company cannot make a wide engagement of the company in the market of agri-business (Bartholomews.co.uk, 2023). |
| **Opportunities** | **Threats** |
| * The company may consider expanding into new markets, whether within the country and abroad (Bartholomews.co.uk, 2023). * One way for the company to expand its reach to potential customers is by improving its online presence, which can be achieved by utilising social media platforms and e-commerce (Bartholomews.co.uk, 2023). | * The company's revenue and operations have been affected by the lack of capitalization (Bartholomews.co.uk, 2023). * The demand for animal feed products has been affected by changes in consumer preferences, such as a trend towards plant-based diets (Bartholomews.co.uk, 2023). |

**Table 1: SWOT analysis**

(Created by Author)

## *Analysis*

**Strength**

The company has established a robust supply chain management system that enables it to effectively handle its resources and deliver goods to customers promptly through years of experience in the food and agricultural industry. The ability to offer exceptional customer service has helped the organisation to build a devoted customer following (Ojha et al., 2020). It prioritises employee training to equip them with the necessary skills to address customer requirements and provide excellent service. The company's wide range of products is a fundamental strength that has contributed to its position as a prominent supplier of agricultural and food items (Esposito et al., 2020). This capability enables the organisation to minimise risks associated with changes in demand for specific products.

Despite having a technologically advanced production process, a strong brand reputation, and a wide range of products, the company is constrained by its limited market reach and reliance on a small number of key customers. The company can consider improving its online presence and expanding into new markets, diversifying into different industries (Pawlak & Kołodziejczak, 2020). It is also exposed to various risks including intense competition, price fluctuations, shifts in consumer preferences, intense competition, and changes in regulations (Lajoie-O'Malley et al., 2020). The company faces challenges in investing in expanding and new technology its operations due to its restricted financial resources (Esposito et al., 2020). It still has been able to maintain a stable financial standing by efficiently managing its resources (Ojha et al., 2020). The volatility of prices for agricultural products has an impact on the company's profitability (Mio et al., 2020). Changes in regulations pertaining to animal welfare and agricultural subsidies have an impact on the company's operations.

**Weaknesses**

The reduction of crop input sales has decreased in the company over the last quarter of the year 2019. The reduction of crop input has reduced the net profit of the company by £331,000 in 2019 (Amazonaws.com, 2023). This reduced profit growth has become a weakness for the company in terms of maintaining its strategic position in the competitive market. There are less than 25 employees in the company which can be a weakness of the company in the competitive market in terms of engaging employees (Zoominfo.com, 2023). This weakness can be detrimental to the business consequences of the company in the competitive market.

**Internal capabilities and opportunities**

The increasing demand for natural and organic products presents an opportunity for the company to broaden its product range. The company may consider diversifying into other sectors, including renewable energy and sustainable packaging (Gregorioa and Ancog, 2020). The company may consider investing in research and development to create new and innovative products. The company has experienced and proficient staffs that is devoted to achieving the company's goals. The organisation makes significant efforts to advance and train its employees to ensure they are informed about current methods and industry trends.

# Conclusion with recommendation (SMART objectives)

## Conclusion

Effective positioning of a company can ensure financial competency in the market which can bring competitive advantage to the organisational procedures. It can be concluded that "Bartholomews Agri Food Ltd" has regulated its services in a logical structure to ensure its strategic position in the competitive market. The Target of the company to achieve net zero carbon emissions can be beneficial in maintaining the financial dimensions and sustainability. Decarbonising the organisational activities can ensure the effectiveness of consultancy firms which can be benevolent in terms of maintaining sustainability.

## Recommendations

|  |  |
| --- | --- |
| **Recommendation 1: Ensuring competency in lowering carbon emissions and utilisation of the plastic-based products** | |
| S (Specific) | Plastic utilisation from the supply chain can be eliminated for targeting lower carbon emissions by reducing the use of carbon-based products for fuel. |
| M (Measurable) | The amount of carbon emissions of the company can be measured on a daily basis. |
| A (Achievable) | This target can be achieved by introducing effective measuring services in organic farming |
| R (Relevant) | Relevance of measuring the issues related to financial position can be ensured |
| T (Time-bound) | 6 months |

**Table 3: SMART recommendation 1**

(Source: created by author)

|  |  |
| --- | --- |
| **Recommendation 2: Enhancing organic farming to reduce the utilisation of chemical-based products** | |
| S (Specific) | The organic fertilisers can be used to farm the products. |
| M (Measurable) | Use of organic substances can be measured and compared with the utilisation of carbon-based products. |
| A (Achievable) | Net-zero carbon emission targets can be achieved by introducing organic products rather than chemical ones. |
| R (Relevant) | Relevance of the issue of maintaining organic farming with the capital expenditure can be enhanced. |
| T (Time-bound) | 2 months |

**Table 4: SMART recommendation 2**

(Source: created by author)

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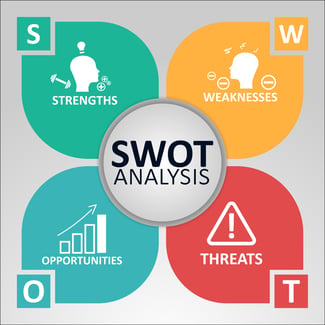
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# Appendices

**Appendix 1: SWOT analysis**

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(Source: https://www.rhythmsystems.com/blog/4-steps-to-swot-a-pandemic)