

# Andrew's group performance summary essay

[Business](#), [Company](#)



\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [Introduction](#) \n \t
2. [Report](#) \n \t
3. [Production strategy](#) \n \t
4. [Production capacity change](#) \n \t
5. [Segment overview](#) \n \t
6. [SWOT Analysis](#) \n \t
7. [Future plan for the company and the emerging strategy](#) \n \t
8. [References](#) \n

\n[/toc]\n \n

## **Introduction**

Company operations and performance review are crucial for strategic planning. In that respect, a review of a business' past market and finance performance and an overview of the current positioning acts as a guide on future prospects. Thus, this report provides a review of Andrew's group and its Able and Allgud products' performance. It covers eight year's period beginning the year 2015 to 2022 with a summary of the current position and an overview of its future plan. That is done by reviewing the company's product, strategies, markets segments and conducting an SWOT analysis of the business.

## **Report**

- Company progress
- Product Type

<https://assignbuster.com/andrews-group-performance-summary-essay/>

- Product type, segment and rationale

The business was set with the aim of introducing sensors for electronics.

That was because the market had failed to provide more efficient sensors. In that view, the company produces two brands with one being

(Keller, 2013)

- Strategy used in year 1, its success and modifications.

The business applied mass marketing on the first year of operations but failed since the products were meant for specific segments that could be reached through focused marketing. That resulted to change in the products marketing with adoption of personal selling. Finally, the company applied premium pricing for the high-tech segment while low-tech segment had low-cost pricing strategy. However, although the strategies were suitable for the products, the business failed in making significant sales over the period thus needs more effective product and marketing strategies.

- Production Analysis

- Production strategy execution and capacity modification

## **Production strategy**

The product development strategy began with research on the market needs and the suitable product features that could address those needs. The process was then followed by production of a prototype to test the market's readiness and pricing suitability. With the prototype success, the products were launched into the market through a single production centre that supplied all the three regional distribution centers. The first product was the Able that was launched in 2015 while the Allied product was launched in 2017.

## **Production capacity change**

The production capacity utilization for both products, as well as both segments, have been declining over the eight years. That is an indication of the reducing demand and market performance for both products.

- Market Segmentation
- Anticipation of the targeted market segments movement and adjustments undertaken

## **Segment overview**

The two products target two specific segments including the low-performance segment and high-performance segments. The low-performance segment products target a segment that demands less powerful sensors that are sold at cheap price. On the other hand, the high-tech targets a segment that demands high-performance sensors that are sold at a premium price.

- Financial Analysis
- Company's financials

The company's performance has been deteriorating over time throughout the eight years. That can be demonstrated by the reducing sales as well as the production capacity utilization. The following market share and units sold are an indication of the declining performance.

- TQM/HR
- Total Quality Management and HR investments' effect on the company's effectiveness

The company failed effectively to apply TQM management that could have focused on understanding its customers' current as well as future needs and

meet those needs through constant improvement exceeding their expectations. In addition, the business failed to apply good leadership as a way of enhancing quality management. Throughout that period, the business did establish unity of purpose and create a suitable internal environment, as well as direction for quality management. In that respect, the organization did not have an internal environment through which its people could have been fully involved in the achievement of the business objectives hence the problem with products quality that affected sales and production.

However, the business has substantially invested in Human resources through recruitment and retention of highly skilled employees. In that respect, the business has been able to recruit and retain talent in the field through suitable training and career development programs.

- Current situation

## **SWOT Analysis**

- Company's current position

The business has been subject to internal and external factors that have shaped its current position. In that respect, some internal factors within the business control have shaped the businesses strengths and weakness.

(Keller, 2013) On the other hand, external factors have shaped the business opportunities and threats as summarized.

- Strengths

The business has a well-skilled manpower that enhances business ability to deliver quality service and products to customers. The business has market experience that can be harnessed to improve its performance.

- Weaknesses

As a result of too much specialization with sensors production, the business fails to utilize its expertise and market knowledge fully. The business has poor performance that affects its finances.

#### - Opportunities

Advance in technology provides new marketing channels for the business to reach its customers through new media like social media and internet platforms. Further, research and technology advance also provides more efficient production processes that the business can use to enhance its capacity to meet market demands.

#### - Threats

Increasing competition owing to ease of market entry as technology lowers production cost. In addition, market liberalization initiatives like free trade policies contribute to increased competition hence threatening the business' market share. Finally, increasing environmental concerns are increasing environmental regulations that could affect the business operations by limiting production processes and raw materials sourcing activities that have negative environmental effects.

### **Future plan for the company and the emerging strategy**

In view of the past performance, current positioning and the SWOT analysis, the company's future can be described as worsening in capacity, finance performance and market coverage. However, the business has a relatively small market share that can be addressed by averting possible threats and taking advantage of opportunities by utilizing strengths and managing weaknesses. In that view, the business plans to its enhance performance through product differentiation. In that approach, the business seeks to

address efficiency issues by improving its products' quality. In that respect, the products will appeal to more customers hence gaining substantial market share that will utilize the largely unused production capacity. This will utilize the business human resources and skills as well as industry expertise.

## **References**

Keller, K. (2013). Strategic Brand Management, 4th ed. Upper Saddle River, New Jersey: Prentice Hall.