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Innovation in a Shifting Landscape

Atomic's Innovative Approach to Skiing and Its Application to Global Business Challenges

Taylor Cain

The objective of this case study is to analyze the responses organizations can employ to manage changes in the external environment that directly impact the growth and survival of their value proposition. This analysis focuses on the ski industry as a tangible example of environmental, economic, and cultural attributes that provide challenges and opportunities to stakeholders of the industry. Though challenges can be attributed to different external factors and locations, this analysis examines the interconnectedness of challenges threatening the continued growth of the ski industry moving forward. Further analysis of these challenges is investigated through Atomic, a ski manufacturer based in Austria with a history of an innovative approach to change management. The ski manufacturer's innovative approach to problem solving is evaluated through frameworks to provide further analysis of internal factors and how it influences its unique task environment to respond to challenges. The study of Atomic's internal factors and unique task environment aim to provide a backdrop for outlining the importance of intent in using innovation to manage business processes when facing external challenges, which can be applied on a larger scale. The findings from the analysis of Atomic are further applied to the challenges facing the organization going forward and to the approach needed by other organizations facing similar challenges in a wide array of industries. Methods for the analysis include conducting research through industry journals, environmental studies, industry studies, and company resources such as financial and sustainability reports.

INTRODUCTION

Businesses require flexibility and adaptability in the modern business environment, especially when their value proposition is interconnected with the natural environment. Research indicates that implementing sustainable development into company strategy has taken an important position in business and that organizations are employing "sustainability as a matter of optimization" (Luglietti, Rosa, Terzi, & Taisch, 2016). To achieve this, organizations make use of their entire stakeholder group including product designers, product and service engineers, management, the supply chain, and the customer group (Luglietti, Rosa, Terzi, & Taisch, 2016). This is particularly important for organizations that manufacture products that are tightly integrated with other industry services and specific environmental conditions. Additionally, further complexity is added when the industry services connected to the manufacturer's products are experiencing growth and have a significant connection to culture. Therefore, it is necessary to analyze the challenges and opportunities faced by organizations, and the responses possible through managing the innovation process to remain competitive in these conditions. Throughout this case study, the complexity experienced by industries facing challenges and opportunities related to sustainability, economic growth, and cultural aspects will be analyzed in further detail. The topic will be examined through the lens of the ski industry with a particular focus on Atomic, a ski manufacturer based in Altenmarkt, Austria (Amer Sports, n.d.). This case study begins with background information regarding environmental issues facing adventure tourism and the ski industry; economic opportunity and the tension between environmental issues facing the ski industry; and the connection between ski culture and environmental and economic aspects of the industry. This case study will next introduce and discuss the history of Atomic and innovation frameworks demonstrating how it has used innovation to respond to these challenges. This case study will conclude with a discussion regarding an analysis of external forces specific to Atomic's environment and what it must consider going forward. The concluding section will also outline considerations for other organizations that can be adopted for sustainable development in the changing global business landscape.

BACKGROUND

Environment – Adventure Tourism

When discussing the ski industry, it is important to analyze the relationship between the environment and business, as the sport is dependent on specific environmental conditions. In addition to being considered an extreme sport, skiing is considered a component of adventure tourism. Adventure tourism is defined as tourism activities that both involve a certain degree of risk through participation and usually occur in the natural environment (Giddy & Webb, 2016). In fact, the “environment not only provides the setting for the adventure activities, but also could bear the brunt of human impact upon it” (Giddy & Webb, 2016). This is an important point to consider for businesses involved in adventure tourism, as the maintenance of environmental conditions impact the activities that take place. This is also a point of interest for manufacturers of equipment, as changing environmental conditions impact the performance of equipment.

Furthermore, a study conducted by Brymer and Gray determined that participating in adventure tourism impacts the participants’ likelihood to live sustainably (Giddy & Webb, 2016). Also, one study examining adventure tourism along the Cape South Coast of South Africa found that motivation for participating in adventure tourism is complex and includes the opportunity to interact with the setting in certain ways (Giddy & Webb, 2016). These findings present opportunities for businesses closely connected with nature to provide experiences aligning with these values. However, this also presents the challenge of continuously improving and adapting service packages and equipment design to both protect the environment, and allow for more interaction during activities.

Environment – Ski Industry

Facing environmental challenges that coincide with adventure tourism, ski tourism organizations have implemented adaptive procedures to manage these changes. Some of these measures include locating resorts at higher elevations, building infrastructure for all-season resorts, and adding activities other than winter sports to their service mix (Dawson & Scott, 2016). These procedures demonstrate challenges the ski industry faces directly in responding to reduced amounts of snow available. However, even with “technological advances in snowmaking machinery and application, and the modernization of business plans, even the most sophisticated adaptation strategies still cannot shelter ski areas from the current and expected impacts of climate change” (Dawson & Scott, 2016). Clearly, this presents a significant problem to organizations in the ski industry regarding sustainable development going forward.

Also, one study examined the reliability of snow and its impact on ski tourism in multiple countries. It determined that under a two-degree Celsius increase in temperature, the percentage of ski areas with reliable amounts of snow included in the study (six hundred and sixty-six areas in Europe) is reduced from ninety-one percent in 2007 climate conditions to sixty-one percent with the increase in temperature (Dawson & Scott, 2016). This presents a challenge for all organizations involved in the ski industry, as the activity itself is threatened by changing environmental conditions.

Additionally, research conducted regarding climate change shows that there is increased likelihood that the ski industry will continue to contract, as it has done in the past. This impacts organizations in manufacturing ski equipment and the provision of skiing, as the ski activity providers, such as resorts, will need to cut costs in other areas in response to higher operating costs associated with the activity (Dawson & Scott, 2013).

Economy

While environmental changes pose new threats to the ski industry, the industry itself continues to recognize economic growth and increased opportunity. In Europe, there are over 60 million skiers (Maida, 2016). Analysts at Technavio forecast the global market for ski equipment to continue to grow, reaching and surpassing 5.7 billion U.S. dollars by the year 2020 (Maida, 2016). Moreover, Governments around the world are increasing efforts to promote skiing as the ski industry makes significant direct contributions to economies in countries. For example, in South Korea, the “government invested USD 10 billion in the development of infrastructure for winter sports,

which includes ski slopes” (Maida, 2016). This investment also includes the development of infrastructure for new, attractive forms of skiing, including night skiing, which is recognized as a way to drive growth in the ski industry (Maida, 2016). Clearly, governments are working hard to market skiing and capitalize on the growth the industry is seeing to attract skiers to visit their countries. This directly impacts the ski manufacturing segment as well, as large amounts “of this segment’s growth is driven by the increasing participation of people in skiing as the ski is the most important equipment for skiing” (Technavio, 2016). However, maintaining this growth when faced with environmental issues that threaten to counter the growth in demand create challenges for all members of the ski industry.

Moreover, the ski industry has a significant impact on the economy in certain countries, such as Austria. One report describes that the tourism industry in Austria contributes 4.9% directly to the country’s gross domestic product (Steiger, 2012). Additionally, tourism is expected to grow at a rate of 1% in Austria until 2030 (Steiger, 2012). Combined with environmental challenges, this is significant, as “[s]ome communities are entirely dependent on the winter season” (Steiger, 2012). Moreover, the Austrian Tourist Agency developed scenarios that were expected to impact Austrian tourism beginning in 2015 and extending beyond for years to come. These scenarios describe possible outcomes of winter tourism in Austria. Possible outcomes include an income gap resulting in polarized tourism packages with high and low quality; a contracting market resulting in increased costs for people to go skiing; an external force of high energy prices resulting in more care from participants and consumers about the impact of their actions; and new technology being developed that allows the winter tourism market to be retained (Steiger, 2012). The environmental changes being seen that directly impact the ski industry will create challenges that organizations must understand to respond to and determine ways to build on the economic potential of the industry. Analysis of these issues and their responses is more important than ever, with economic and environmental factors directly linked to preserving and developing both ski culture and the local culture in regions.

Culture

Both ski culture and the culture within regions are tightly interconnected with the environmental and economic impacts facing the ski industry, and understanding the systemic reach of the challenges is important to determining solutions. In terms of ski culture, the changing climate impacting stakeholders of the ski industry through shortened ski seasons have resulted in an increase in visits to indoor ski hills (Technavio, 2016). This highlights a global cultural change in the ski industry due to environmental challenges faced, resulting in considerations for members of the industry in providing services to skiers.

In terms of local ski culture, providers of services and equipment must make considerations to respond to shifting trends outside of their control. In Austria, the participation has seen a decline in tourists in the youngest age group “from 87% in 1991 to 63% in 2000” (Steiger, 2012). This describes a sociocultural trend that cannot be fully controlled by providers in the ski industry. However, it is important to be aware of trends similar to this, as they demonstrate a connection to environmental and economic challenges being faced, shown by research that describes a plausible explanation for this trend being increased costs of skiing. Moreover, this extends beyond cultural issues to impact the environmental and economic issues faced, as the ski industry and ski tourism is described as key to “Austria’s rural and peripheral areas and their socio-cultural and economic wellbeing, and relevant for the entire Austrian economy” (Steiger, 2012). This outlines the importance of the consideration of these issues for all members involved in providing products and services, as the customer of ski product packages changes, demand for product packages change, and the environment products are used in changes. The next section will focus on Atomic, a ski manufacturer with a history of innovative solutions to changes in the ski industry and considerations for these challenges based on their organizational attributes and application of external factors to business processes.

ATOMIC – COMPANY HISTORY

Atomic ski is an Austrian manufacturer of ski equipment founded in 1955 by Alois Rohrmoser (Amer Sports, n.d.). Throughout the second half of the twentieth century, Atomic became known as a leader in ski equipment development through its innovative approach to manufacturing. For example, in 1988, Atomic was looking to improve skis used in powder snow (Masia, 2005). Skiing in “powder is the most exalted experience in skiing. But for the uninitiated, skiing powder can feel like stirring cement” (Bastone, 2010). To improve the user experience for powder skiing, an Engineer at Atomic, Rupert Huber, made the connection between the way snowboards, which were being produced by the organization at this point, seemed to float over the powder. To meet the needs of powder skiers, Huber created skis by adapting a ski design based on the attributes of a snowboard. Atomic turned this idea into the Powder Plus ski, thus completing the innovation process by commercializing the first superfat powder ski. Although the market for this ski was described as limited, attributes of this ski would also assist in the innovative processes for the company in the future. Through monitoring developments in the ski equipment industry and adapting them to their own product lines, Atomic was able to continue their success through the early 1990’s and build on their innovation. In 1992, former Bulgarian ski team racer Ivan Petkov approached Atomic to design a new carving ski with improved stability. When Petkov eventually left Atomic to go to a rival manufacturer to produce his idea, Atomic took notice of the changes in design and created their own line (Masia, 2005). Therefore, Atomic’s approach to knowledge management and leading product design to meet the needs of skiers allowed it to rise as a leader in manufacturing ski equipment.

In the lead up to the 1990’s, the winter sports equipment sector in Austria consisted of many small factories (Mulligan, 2003). However, the ski equipment sector in Austria faced significant economic difficulties during the 1990’s, resulting in the government sponsoring consolidation projects to restructure and move production of all equipment brands to a reduced amount of very large production sites. Atomic received loans to allow the company to survive, but issues regarding “costs and quality at the company’s main factory...plus ill-starred forays into tennis, apparel and in-line skates led Atomic to default in 1994” (Mulligan, 2003). Nonetheless, this situation would not be the end of Atomic and its innovative approach to ski manufacturing. In 1994, Amer Group in Helsinki added Atomic to its portfolio for \$140 million dollars (Mulligan, 2003). After the completion of the takeover, Michael Schineis was appointed as the leader of Atomic, and restructured the company by removing distribution contracts that were incurring unnecessarily high costs and implementing a strategy of distribution to locations in Europe directly from the factory instead (Mulligan, 2003). This would place Atomic back on the path to success very quickly as it used the factory’s location to Atomic’s advantage, reducing distribution costs through a method that would be difficult for manufacturers in Canada or the United States because of larger distances between locations. This would contribute to reinstating the organization as an innovative leader in the ski manufacturing industry.

According to Mulligan, “the key to restoring Atomic may have been in its founder’s ambitious product development” (Mulligan, 2003). Referring to the Atomic Superfat Powder Ski, this innovation allowed the company to use an attribute of the ski to meet the current needs of consumers later on in the decade. In 1996, Atomic used the control over extreme conditions on the slopes provided by the Atomic Superfat Powder Ski to create and release parabolic skis for its customer base. The ski was highly successful and ultimately continued as a leader from its inception in the market in 1996 up through the early 2000’s (Mulligan, 2003). In addition to its products, other aspects of Atomic allowed it to recover from challenges it faced in its industry to retain this position, including internal factors and the unique task environment of the organization.

ATOMIC – INTERNAL FACTORS

The internal factors framework describes how change is managed within an organization to provide an innovative approach to its environment. This approach to management of change creates “idea generation and the development of new products or processes within organizations” (Dawson & Adriopoulos, 2014). The internal factors framework includes people, administrative structures, core business change, and technology. The people factor describes the impact that individuals and groups within the organization have on the innovative processes

of the firm. Core business change refers to changes in the core product the organization offers (Dawson & Adriopoulos, 2014). Administrative structure outlines the formal structure and regulations that coordinate innovative activities and general work activities. Ultimately, technology outlines the system of work and how it combines with the equipment to produce the product (Dawson & Adriopoulos, 2014). These factors work together to allow organizations to implement change in the organization. Through a dedicated approach to each factor, companies can optimize their resources and social capital to encourage more creativity and implement this creativity through innovative processes. Moreover, it is important to note that while internal factors are connected to each other, they also coincide with factors in the external environment. Internal factors for Atomic are described in the figure below to analyze how formal innovation processes in the organization allow for responses to challenges faced.

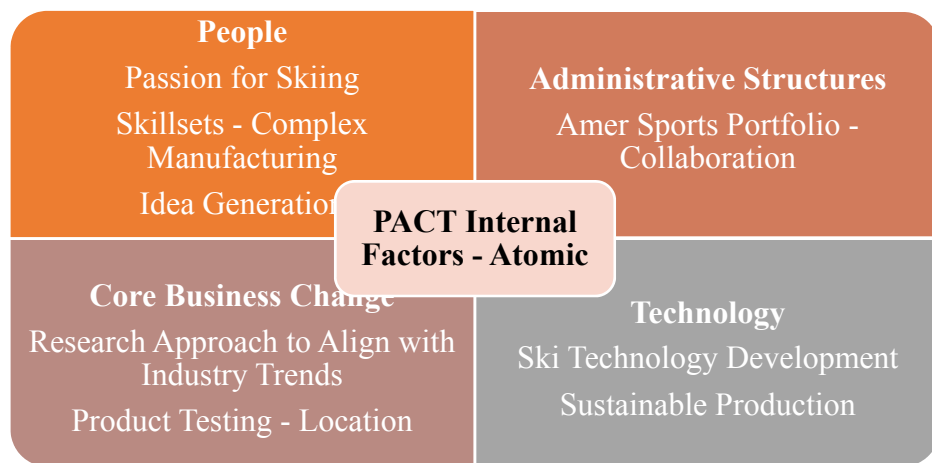


Figure 1: Internal innovation factors specific to Atomic.

People

The management of human resources at Atomic demonstrates a unique approach to managing internal factors to respond to a changing external environment. A key component of the human resources strategy at Atomic is the shared passion for skiing among members of the organization. Schineis claimed that each member working at the Atomic factory participates in skiing (Mulligan, 2003). Additionally, Atomic describes that their products demonstrate a fusion of expertise about skiing and the passion of employees for skiing (Atomic, n.d.). This internal approach shows that the company places high value on understanding the culture of the sport and the culture in the region it is based. This gives the organization a strong understanding and connection to the forces that cause the ski industry to shift. Moreover, another key part of their approach to human resources exists in Atomic’s parent organization: Amer Sports. In 2007, Teresa Leavitt was hired by Amer Sports to be Director of Human Resources. In addition to over twelve years of experience in Human Resources, Leavitt brought her experience “as a former owner of an adventure ski guide business” as well (Heitkemper, 2007). Both experience in professional areas (i.e. human resources) and the industry (i.e. ski industry) is a key part of the strategy towards people in the organization, providing innovation through shared passion and expertise.

In addition to the approach towards people from the perspective of a passion for skiing, the technical skillsets of employees is critical to responding to challenges in the industry. For Atomic, it is important that employees are highly skilled. The need for highly developed skillsets stems from the fact that the skis are produced through a process of layering and molding plastic, laminate, and wood. Moreover, even “[s]imple skis require 10 layers; high-quality racing skis contain as many as 50” (Mulligan, 2003). To meet the requirements of the equipment design, skilled employees are needed. This approach to human resources provides skilled employees with the ability to produce equipment, allowing customers to use the equipment to meet their performance needs and interact with the natural environment while skiing.

Ultimately, the approach Atomic employs towards idea generation within the organization demonstrates its approach to protecting the natural environment and culture its equipment is used in. Amer Sports describes that at the Winter Sports Manufacturing Facility in Altenmarkt, an initiative was implemented named the “Call of Ideas” (Amer Sports, n.d.). This initiative was put in place to generate new ideas within the organization to respond to greenhouse gas emissions. Moreover, these ideas have demonstrated full completion of this innovative process through their implementation in the factory through changes made to manufacturing and operating processes. Therefore, innovative internal programs involving employees at Atomic provides responses to industry challenges through creating and adjusting internal processes to meet the needs of the external environment.

Administrative Structures

The purchase of Atomic by Amer Sports and addition to its portfolio outlines how administrative structure allows for implementing changes to build on innovation to respond to external challenges. After Amer Sports purchased Atomic, the administrative structure created opportunity for collaboration with other organizations in the Amer Sports portfolio. This allowed for improved innovative processes through the ability to share technology between organizations in the portfolio. In particular, the partnership between Atomic and Wilson resulted in “shared technology” (Mulligan, 2003). One product developed through this partnership was a carbon fiber component originally used in tennis equipment produced by Wilson and then applied to snowboards produced by Atomic. Additionally, skis produced by Atomic have included “aerodynamic dimples on the upper surface similar to those on a Wilson golf ball” (Mulligan, 2003). These partnerships have given Atomic access to a wealth of innovative opportunity, allowing for equipment design to meet customer needs and capitalize on growth in the ski tourism market.

Core Business Change

Atomic Ski has adopted a research approach towards its products that allows for further innovation through alignment with industry trends. For example, Atomic was involved in assisting with funding for a study conducted at the University of Salzburg published in 2011 (Müller, Gimpl, Poetzelsberger, Finkenzeller, & Scheiber, 2011). This study aimed to determine the impact that skiing has on older individuals regarding health. Additionally, one article in the New York Times profiled a seventy-one-year-old skier who was using Atomic skis as part of his equipment for continued participation in the sport (Tuff, 2006). Undoubtedly, Atomic analyzes trends and is taking a proactive approach to taking advantage of trends through its equipment design. With the average age of skiers regarding ski tourism becoming older, it is critical that Atomic analyzes ways to meet the needs of its changing customer base. Researching ways to shape changes to the core product offerings is a method Atomic generates innovative responses to challenges in the industry.

Moreover, another aspect of Core Business Change present at Atomic is the product testing that occurs because of the company headquarters location. Amer Sports describes that the Atomic headquarters are located in the Alps, “where snow is always within reach and where every day new ideas are put to the test” (Atomic, n.d.). This focus on product testing as a way of core business change is further highlighted through the continuous development of the Vantage line, which “was a tester favorite for years thanks to innovative shaping, but this year was overhauled with new materials” (Peruzzi, 2016). Strategically positioning the organization in terms of location is beneficial to allowing for a continuous development approach, allowing it to adapt quickly to changes in environmental, economic, and cultural aspects related to skiing. Additionally, in the United States division of Atomic, an employee ski day is organized annually, where an entire van of prototypes is brought for employees to try out (Laliberte & Mowry, 2003). This involves employees in the product development process and also allows them to use their knowledge as participants in the ski industry to test innovative solutions for customers.

Technology

Moreover, the technology and equipment used by Atomic in its products and to create products demonstrate its innovative responses in the changing conditions of the ski industry. With the Vantage ski, Atomic recognized an

issue that consumers faced in terms of variations in snow-type, and solved it by designing this ski to be seventy-percent cambered. This resulted in a ski that allows the consumer to transition from snow packs found off the trail to tighter packed snow on the trail with more smoothness (Peruzzi, 2016)). This demonstrates versatility allowing Atomic to improve its value proposition and provide a better ski experience for customers in the industry.

Besides, the sustainable methods in place for production at Atomic demonstrate internal measures for responding to challenges. For example, Atomic is an associate of the Climate Alliance (Amer Sports, n.d.). The climate alliance requires its members to commit to cutting their carbon emissions by ten percent every five years (Climate Alliance, n.d). This demonstrates a strong connection the organization has to the culture and geographic regions in which it operates. This connection is further demonstrated by the fact that Altenmarkt, the location of their Austrian headquarters, is a listed region in the Climate Alliance. Through this measure, Atomic is actively working to improve conditions impacting skiing and preserve the culture in the regions it operates in.

ATOMIC – UNIQUE TASK ENVIRONMENT

The unique task environment encompasses “a range of factors unique to the environment of a particular organization or business” (Dawson & Adriopoulos, 2014). The unique task environment focuses on the external factors of the organization that are engrained in organizational functions. Additionally, the unique task environment impacts an organization’s capability for achieving goals and objectives (Business Dictionary, n.d.). The key attributes of an organization’s unique task environment include the customers, labour market, competitors, and suppliers. The customers are the primary stakeholder group that purchases the products from the organization. The labour market describes the market for recruiting and selecting employees unique to the organization (Dawson & Adriopoulos, 2014). Competitors include the approach to direct competition. Suppliers include the organization’s supply chain and how those relationships are managed. For Atomic Ski, this is a critical part of its ability to use innovation as a focal point in its strategy to respond to changing pressures.

Customers

Atomic’s focus on providing its customers with solutions aligned with meeting customer needs demonstrate the organization’s innovative approach to managing stakeholder relationships to respond to changes in the ski industry. One element of this approach is the customer solution packages that Atomic offers its stakeholders. One product, the Atomic Hawx, is an example of this innovation providing customers with a solution to improve ski experiences. The Atomic Hawx is a boot that restores “the balance of power for alpine booters” (Steiner, 2016). This boot provides alpine skiers with an advantage because it is designed to retain stiffness for tight turns, but is much lighter than the typical alpine boot. This allows skiers to retain their energy, so they can enjoy the tight turns the boot allows for, rather than being too tired by the time they climb to the top to begin the run. Therefore, Atomic was able to recognize a problem and provide its stakeholders with a solution in response.



Figure 2: Atomic task environment impacting business process innovation

Additionally, after the organization was purchased by its current parent company Amer Sports, they adopted a focus that “boosted sales by pushing package deals” (Mulligan, 2003). This meant that Atomic would sell skis with the bindings already attached, allowing them to meet customer needs and grow their market share in bindings to fifteen percent of the global market (Mulligan, 2003). Through this approach, Atomic adapted its strategy to use innovation to solve customer needs, allowing it to provide its customers with equipment to allow for improved interactions with current alpine ski trends.

Labour Market

Another external aspect that is deeply connected with Atomic’s innovative approach to ski manufacturing is the labour market it interacts with to recruit and select employees meeting its organizational needs. A major attribute of the organization’s labour market is its seasonal approach to labour, which aligns with ski culture. The Atomic manufacturing plant located in Altenmarkt manufactures products in July, August, and September (Mulligan, 2003). This is significant as it allows the company to focus on summer employment, which in turn allows its employees to work at ski resorts during the winter (Mulligan, 2003). With this approach to the labour market, Atomic can reduce its labour costs through seasonal employees while simultaneously providing its employees with a break to pursue their passion for skiing. This approach allows Atomic to use ski culture to its advantage through the seasonal approach to labour to shape and influence the organization’s own employee market. This approach also allows Atomic employees to spend time contributing to local ski culture in the regions in which the organization operates.

Competitors

Atomic’s approach to monitoring its competitors and trends demonstrates the company’s innovative approach to its external environment and applying this knowledge in response. Through the Atomic Vantage 100 CTI ski, the company used its knowledge of the industry to differentiate itself from its competitors. Atomic’s Vantage 100 CTI ski is described as skiing “as well as any ski we tested, and better than most, for up to \$350 less” (Peruzzi, 2016). This approach to the industry showed Atomic’s drive to create its own segment to meet customer needs. Through this approach, Atomic added a ski to the market with a different value proposition, generating value across different categories to provide customers with more choice, rather than competing solely in the premium ski market (Peruzzi, 2016). This example demonstrates how Atomic has retained its position as a leader in the ski industry by strategically analyzing the external forces at play, and looking for ways to both differentiate through creating markets, and meeting the needs of existing markets.

Suppliers

When it comes to relationships with suppliers, the management of corporate social responsibility in the supply chain is an important value attributable to Atomic in solving problems in its business environment. Amer Sports group expects its suppliers to uphold the International Labour Organization Standards and the United Nations Declaration on Human Rights. Moreover, Amer Sports actually has its own supplier compliance policy that applies to the suppliers of Atomic. Therefore, to be a member of the supply chain, an organization that subcontracts must conduct audits and meet industry expectations as well as “Amer Sports’ expectations in regards to health, safety, and environmental and social responsibility” (Amer Sports, n.d.). Clearly, managing the Atomic supply chain is a key attribute in managing the unique task environment to protect the environment and maintain sustainable development of the organization.

DISCUSSION

Challenges and Needs to Remain Competitive

The innovative approach employed by Atomic towards ski manufacturing has resulted in great success responding to challenges faced by the company in the past and present. With shifting external forces presenting significant challenges in the future, the internal strengths of the organization and its unique task environment must be analyzed further to generate responses.

From a political perspective, regional development plans by governments where Atomic products are used will create opportunities and challenges the organization must respond to. With changing environmental conditions, “municipal, state and federal decision-makers [will look to] establish sustainable development plans and future management strategies” (Dawson & Scott, 2013). Atomic can ensure proper alignment with these trends through its approach to researching to manage core business change and its approach to monitoring trends of competitors and factors in its unique task environment.



Figure 3: External factors presenting opportunities and challenges to Atomic

Economically, using the organization’s product innovation and collaborative capabilities under the administrative structure of the organization to respond to growth trends in the ski industry will be key. Currently, there is a large amount of product variety in the industry driven by the many different consumers’ demands in the industry (Corrocher & Guerzoni, 2009). This economic trend aligns with Atomic’s approach to product development and customer solution offerings. However, recognizing these changes on an ongoing basis is critical to continuously adapting products to meet the growing demands from customers.

From a socio-cultural perspective, changing trends in ski culture and local culture provide Atomic with the opportunity to use its internal approach to people and its approach to the labour market in its unique task environment to its advantage. With an employment schedule allowing for closer connection to ski culture in regions around the factory, employees develop a stronger understanding of trends in the industry and ski regions. Combined with employee passion for skiing, this gives the company more cultural knowledge to use in innovating products.

In terms of technological factors, the use of sustainability-based initiatives in production of Atomic products provides an advantage going forward as they contribute to protecting the environment their product is used in. An innovative approach towards protecting regions for using ski products is crucial in implementing sustainable technology for creating products and adding technology to products to meet the changing environmental conditions.

Additionally, the organization's approach to managing and influencing supplier relationships in its unique task environment provides lessons to draw from in meeting legal requirements. By holding its suppliers accountable for their practices, it ensures that the organization can manage its legal requirements on a global scale. The formal guidelines for suppliers allow Atomic to ensure that its stakeholders are helping it continue to innovate in a manner that can be sustained. Additionally, the organization will need to use its knowledge management approach to industry trends by monitoring regulations around competitions its skis are used in. In 2011, the International Ski Federation implemented a mandate in giant slalom ski requiring ski specifications to improve safety (Mutrie, 2011). By continuing to use its approach to core business change through researching trends, Atomic can continue to respond to the challenge.

Finally, with shifting environmental conditions expected, Atomic will need to continue its involvement in initiatives protecting ski regions and improving manufacturing processes to allow for the continued growth and adaptation of skiing to new conditions. These attributes of Atomic can be applied further to other organizations in different industries facing similar issues as well, demonstrating the importance of a strategic approach to managing business processes and relationships to respond to external opportunities and challenges.

Innovative Process Considerations for Other Companies

When companies face a shifting business environment impacted by continuous change to external factors, it is critical to adopt a strategic approach to preparing for both the present and the future. By viewing Atomic through the lens of its internal environment and unique task environment, further analysis of how each attribute is impacting its responses to changing conditions in the ski industry can be seen. In the case of all companies, "drivers for change occur in the external environment (external to the organization), the task environment (that is unique to each company) and within organizations (internal factors)" (Dawson & Adriopoulos, 2014). By determining how these attributes combine to form the organization's unique value proposition, organizations can prepare an approach that ensures all attributes contribute to the goals of the company. Although organizations cannot control all elements of the external environment, they can shape their processes to interact with the external environment in ways beneficial to their value proposition, as shown through Atomic's approach to using internal factors to manage its unique task environment and influence the external business environment. Ensuring that the internal attributes interact with the unique task environment to meet the needs of stakeholders through a change-focused framework creates a shared culture of continuous improvement. When determining how to drive innovation in an organization, adopting a framework emphasizing the connection between elements of internal change and influencing external change will allow the organization to determine what strategic elements of its value proposition it has to use in responding, and what elements must be developed. Adopting an innovative approach towards managing change will allow organizations to manage sustainable growth in the modern business environment.

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