

Management

This capstone project helps undergraduates understand the different sectors of the hospitality industry by accumulating five of the main business functions within a company. This section delves into Bauer Hockey's organizational foundation and structure and how they are working to establish a socially acceptable corporate culture and have a motivated and dedicated work team.

Mission and Values

The company wide mission that is preached from top to bottom of the Bauer Hockey organization calls for all employees to be big dreamers and pave the way for the future. Its goal is "to become a leader" for everything it takes on, whether it's specifically in the hockey equipment industry or through initiatives to make hockey more inclusive and accessible throughout the world. Since the company's earliest origins, it's always been one of the most forward-thinking and prominent figures in the industry and it is why so many professional teams and players rely on Bauer equipment for maximizing their on-ice potential. To get to this point, lots of passion from each and every employee who has a love for the game and its growth was required, along with a strong belief in teamwork in order to achieve goals that many would say are impossible. Ed Kinnaly, Bauer's CEO and face of the organization, is the biggest ambassador for the company values that are currently in place and effectively put Bauer at the forefront of its industry. From his 20 years at Nike and opportunities to manage work teams in North America and Europe, he believes that operating with a diverse group of people who can develop and execute plans while working well with each other is key to elevating the "company's horsepower" as he puts it. Additionally, having faith and "organizational confidence" is another beneficial trait employees should carry if they want success at Bauer, Kinnaly says [Link to Source](#).

History

Kitchener, Ontario, Canada is the birthplace of Bauer Hockey and it was back in 1927 when this company was officially founded. Its specific founder was Roy Charles Bauer of the Bauer family that operated a Canadian shoe manufacturing company called “Western Shoe Company”. It would be a smooth transition from designing shoes to skates and the instrumental decision to permanently secure skate blades to the boot was the first of its kind and defined the early legacy of the company. As Bauer continued to make skates and move on to other pieces of hockey equipment, it would eventually become a subsidiary of Nike in 1994 and it would be this way until February 21, 2008, where they were sold to the investors Roustan Inc. and Kohlberg & Co (*History of Bauer*, n.d) [Link to Source](#) . Success has long been a part of Bauer’s brand reputation and through continued quality leadership, it should continue to be this way.

Management Structure

Bauer consists of many different departments, and each consists of a particular leader tasked with large responsibilities for the entire department. For example, the company’s COO Joe Robinsion is a project manager who has high authority for decision making while also working directly with staff to come up with and achieve company goals. The company’s Chief Financial Officer, Cathy Tymowski for Bauer Hockey, has the duty of analyzing the company’s financial strengths and weaknesses and ensuring that there is sustainable growth in reach for Bauer. In addition, Ed Kinnaly is of course the most powerful member in the organizational structure at Bauer and oversees the entirety of staff and operations, including other managers, and guides the direction of Bauer’s future through his decisions and leadership. Some of the other head leadership positions within Bauer include, Chief Digital Officer, VP and General Counsel, VP of product innovation and production, and VP of Sourcing Distribution and Quality.

Values of teamwork and group over individual success are just as important for these higher level positions as it is in every other company function and Bauer prioritizes this.

Motivational Drawbacks

With Bauer being such a forward-thinking company while steering away from being conventional more often than not, it could be a challenge to get every Bauer employee to commit to this philosophy and agree with the company's direction. Kinnaly is adamant about Bauer flourishing with intellectual curiosity and innovativeness, which could cause stress to lots of employees who fear change or lack the creative vision others possess. Another potential negative outcome that comes from this organizational mindset is the increase in likelihood of failure, especially for things such as product design, apparel collaborations, or training equipment (not exactly Bauer's niche). Some things might not sell as well or be as popular with consumers as expected, and Bauer employees need to embrace potential failures with it being so forward-thinking.

Although this competitive company mindset is fluent throughout all levels of the organization, values of group support and a commitment to equal representation, both between employees and to the public, are equally important to Bauer. A passion for work and team collaboration are what should guide each member within the work team, according to Bauer themselves. This should show how Bauer employees can expect a great support system around them and never feel tasked with too much responsibility when it comes to innovation and creative thinking. Bauer is a company fueled on success and setting trends in their respective industry, but it always does right for each and every member of its work team, the community, and its partners.

PEST Analysis

Businesses in the hockey equipment and manufacturing industry are constantly aware of and affected by outside factors in the political, economic, socio-cultural, and technological worlds. In order to analyze the specific issues that Bauer Hockey faces, running a PEST analysis test is an effective measure towards setting company strategies and attempting to increase growth. There is lots of data accumulated when running these sorts of tests, but the decisions and outcomes that come from it are focused on pleasing all company stakeholders. If Bauer wants to remain at the top of their industry, it's crucial to be aware of trends in the market and not only adapt to them, but remain innovative and forward-thinking. Enacting plans for action in each of the four external areas requires turning research into business strategies, and the PEST analysis can always be used to assist this process.

In manufacturing, the government has the ability to tax imports from European and Asian countries. This is something of importance to Bauer Hockey since many of its primary facilities that produce goods are in China, Vietnam, and Thailand (*Annual Information Form*, 2013) [Link to Source](#). As of now in Canada and the U.S, tariffs on hockey equipment products are non-existent which benefits Bauer and all of its consumers. This could change at some point however since there were tariffs imposed by the Canadian government on import goods for hockey equipment as recently as a little over a decade ago, and it made buying prices for Canadian consumers outrageously higher than those in the U.S. Avoiding heavy amounts of manufacturing overseas is difficult for a Northern American company like Bauer due to the high total cost of federal regulations. In Canada and the U.S, increased government focus and financial spending towards improving manufacturing in the country has suppressed wage growth and made creating jobs more difficult (2023) [Link to Source](#). There are also ethical dilemmas regarding human rights and proper wages when companies choose to produce from facilities in

European and Asian countries. Bauer Hockey should operate with due diligence and assess the risks of manufacturing where human rights violations are much more likely to occur and create a procedural plan to address it.

Bauer Hockey relies on cutting-edge materials for many of their hockey products that can be quite expensive to produce and obtain. Kevlar, carbon fiber, and polymers are found in sticks, helmets, pads, and gloves, which are necessary pieces of equipment to play the game (Maida, 2023) [Link to Source](#). The higher costs of producing the equipment means the higher buying price consumers have to face, which is why this is an economic issue that restricts market growth. Although the price to play is always a concern for prospective buyers, the growth in popularity of hockey indicated growth in the hockey equipment market as well. According to Technavio, a global research and advisory company, the estimated compound annual growth rate from 2022-2027 will be 5.08% and include a total of \$421.46 million USD (Maida, 2023). While Bauer may be powerless when it comes to manufacturing and raw material costs, it can strive to get involved with youth hockey and professional leagues to assist with growing the sport. Launching initiatives and coming up with strategies to make hockey more accessible for all despite its challenges aligns perfectly with Bauer's company values.

In areas where sports culture doesn't glorify hockey and socioeconomic statuses are lower, getting the next generation of kids to appreciate or participate in hockey is a major challenge. Although it is popularized up north in Canada along with the finger lakes and northeastern parts of the U.S, ice hockey is not prevalent in many warmer climate areas in the southern region. This has been a continuing cycle since the birth of the sport and it is hard to influence peoples' preferences in a short period of time. For Bauer Hockey, partnering with hockey programs that focus on including minority and underrepresented groups is a priority. An

example of a course of action Bauer has taken in this area was their creation of “The Barn”, a new brand campaign shining a light on diversity in hockey. This program includes \$100,000 in equipment donated to The Black Girl Hockey Club, and Bauer will help maximize the impact of the program to ensure opportunities for black girls and women in hockey (Bauer, 2022) [Link to Source](#). Participation in any form of youth hockey is heavily advocated by Bauer, but as far as registration and travel costs go for more competitive travel leagues, this is still a major issue. Parents may struggle with investing so much into their kids playing competitive hockey that it could create a large enough financial burden where sacrifices would have to be made. The sport of hockey is taken incredibly seriously by lots of people, but to continue playing it at a high level, the financial effects that come with it take a toll. Bauer should focus more on the regional areas where the sport isn’t as popular and look to grow the market in these places so more hockey equipment products can be sold.

Bauer Hockey continues to look for the newest and most innovative ways to utilize advanced technologies in each equipment type and product line. Nexus, Vapor, and Supreme are all product lines consisting of expensive top-of-the-line materials intended to enhance player performance and make for comfortable fitting gear. The big advantage Bauer is able to give its customers that most other equipment companies can’t match is the ability to allow buyers to customize their skates and sticks. For skates in particular, there are several components that need to come together to maximize performance and find the right fit for each consumer. On Bauer’s website, they educate buyers on what skate sharpening and profiling is and how it is intended to match with a skaters’ style, ability, and stride [Link to Source](#). The type of steel for the blade, the blade holder itself, and design of the skate boot is all important as well and Bauer explains this through both a manufacturer’s and hockey player’s perspective. PROSHARP, the skate

sharpening company Bauer has a partnership with, has allowed for greater specialization and superiority in skate design and manufacturing. For sticks and all sorts of protective gear, knowing exactly what to get and why one thing is better than another is confusing for many consumers. Bauer products are not just great for better on-ice performance and ensuring safety, but there are options for every type of player regardless of age, size, and hockey knowledge or experience. It is important for Bauer to educate its buyers through their website and retail stores on how to use each piece of equipment and help assist them with finding their perfect fit.

This section explored the management of Bauer Hockey LLC by highlighting the past, present, and future of the company. Specifically, the present and future delved into the PEST analysis and how Bauer is operating around these external factors and creating an ideal company environment. Also, it covered the lack of motivational impact that Bauer Hockey could have on its employees and how this affects the company .

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