Application of Timmons's FORT Model to Adidas

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Introduction

The term entrepreneur is used to describe an individual or group of individuals who identify a prospect and create a brand or organization to follow it. Adolf Dassler, the founder of Adidas company, is one such entrepreneur. His entrepreneurial journey to introduce his new brand started at his mother's house. Through the implementation of proper strategies, Adidas scaled the heights of success to become a global competitor. Adidas remains a major global sportswear company, but the ranking and €19.29 billion figure describe an older source period. In its 2025 financial reporting, Adidas recorded net sales of €24.811 billion and operating profit of €2.056 billion. What an interesting entrepreneurial story to uncover for this great company!

Timmons's FORT Model of the Entrepreneurial Process

Entrepreneurship is a process that involves several activities, functions, and operations aimed at discovering opportunities and constructing companies to pursue them. (Bygrave 2013). Wickham (2004) says that the main purpose of the business process is to generate value or improve the value of goods or services. Timmons's FORT model defines the procedure of crafting a new enterprise. The opportunity and the skill to spot and scrutinize any potential opportunities form the driving force of Timmons's model. The concepts of the FORT model are defined as Founder, opportunity, Resources and Team factors.

Founder Factor

The founder of the venture is the entrepreneur. His or her job is to ensure the deal or opportunity is seized to the end. In other words, the founder takes charge of the "success equation." The founder possesses several of the following skills: quick to learn and teach others, ability to deal with adversity, resilience, integrity, honesty, ability to build an entrepreneurial culture and dependability. The founder is encountered with ambiguity, uncertainty, and risks which require critical evaluation to know whether to take a risk or averse (Low & MacMillan, 1988, p.189). The homework on creativity, problem-solving mechanisms, and coming up with strategies belongs to the founder. He or she pays due diligence in analyzing the strengths and weaknesses of the venture. He is responsible for answering these questions, “what is wrong with this opportunity”, “what is missing” and “what can we do”.

The founder is responsible for choosing the right combination of resources, such as technology, team management and inputs, to produce the final product. Staying on top of the competition, eliminating unnecessary financial risks and adopting the latest technology are among the founder’s top priorities. He designs the kind of change and change agents necessary to fuel the operations of the venture. In this sense, the founder plays a critical role in managing change (Timmons & Spinelli, 2009, p.113). In a nutshell, the founder manages and redefines the equation of risk and reward while striving to achieve the sustainability of the venture. Sustainability has become paramount in a modern business context, and thus, creating a positive legacy and fulfilling corporate social responsibility is all that a founder strives to achieve.

The Opportunity Factor

The FORT model of entrepreneurship assumes that entrepreneurship is “opportunity-driven.” The market can also avail of critical opportunities. However, a seemliness good idea is not always viable or feasible regarding business, and thus, the potential market demand defines the potentiality of the business idea. The business opportunity or idea becomes viable if it attempts to add value to the existing products or creates new ones (Nasution, 2011, p.339). Creating unique, attractive, timely and durable products and services goes hand in hand with customer satisfaction. Timmons’s model is different from the conventional entrepreneurship models as it begins with an opportunity (Timmons & Spinelli, 2009, p.109). The traditional entrepreneurship models often begin by creating a business plan and then identifying an opportunity. In Timmons’s model, financing and business plans receive secondary credit and only appear after the establishment of an excellent opportunity. The model assumes that a viable business opportunity is easily financed, while the ultimate determinant of whether the business plan fails or passes is the identification of a business opportunity.

The Team Factor

The team composition comes after the identification of an opportunity. The entrepreneur puts together the working team and gathers the necessary resources. The shape and size of the team are determined by the nature and scope of the opportunity. Timmons’s model assumes that a good team ultimately determines the success of the business (Timmons & Spinelli, 2009, p.104). Typically, a bad team can “waste a great idea.” Team resource becomes the vital resource that can unlock higher business potential given a particular opportunity. A good team efficiently manages growth-related pressure ensuring the business does not receive unnecessary internal shocks.

According to Timmons (2009), the team performs the roles of removing uncertainty and ambiguity related to the opportunity through the application of creativity and the provision of leadership for the management of the available resources efficiently. The team interacts with capital markets and exogenous factors, which constantly change, and thus adjust their activities to keep up with the pace of the changes. This is the point at which the founder's ability to form a good team is put to the test. Entrepreneurs must also know that great teams are scarce, and therefore, the founder must train and coach any new talent to gain more competence. The essential qualities that the team should have include commitment, adaptability, creativity, relevant experience, risk tolerance, motivation to achieve excellence and time locus of control.

The Resources Factor

The FORT model insists on bootstrapping or beginning the venture with limited resources as the venture raises up to gain competitive advantages. This notion is contrary to the traditional idea that holding extensive resources reduces the risk of establishing a business. The main advantages of bootstrapping include lowering market costs, inculcating the art of leanness and discipline in the enterprise and promoting innovative resources to attain more productivity with limited resources (Timmons & Spinelli, 2009, p.105). Leasing equipment instead of purchasing them is one of the useful applications of bootstrapping. Usually, the size of the opportunity determines the number of resources needed. In spite of the fact that economic resources are scarce, an organization pursuing a viable opportunity backed up by strong team management will not struggle to attract money and other unique resources.

Application of the FORT model to the Adidas Company

Opportunity Conception

Born in a Bavarian town in Germany, Adolf Dassler trained as a banker. However, his family began a local shoemaking enterprise, which he joined to create footwear. Adolf, being a sports fan, saw the opportunity to transform the slippers into soccer shoes and frivolous gymnastics. The opportunity brought in more money, and the family would soon open a small plant in 1926. The company was called 'Dassler Brothers Shoe Factory' (Elmuti et al., 2001, p.234). The team started by making shoes for tennis players but later ventured into making other sports shoes. The team saw the opportunity to invest in making athletic shoes and made the 'first athletic shoe with arch support.' Adolf Dassler still identified the opportunity to make lighter spiked shoes using rubber and canvas instead of metal spikes (Ind et al., 2015, p.1). By grasping these opportunities, the Dassler brothers laid the path for future success. Soon later in 1928, the company would offer free shoes to support Olympic athletes at Amsterdam games. After eight years, a gold medalist, Jesse Owens, would win the Berlin Olympics wearing the family's athletic shoes.

Adolf Dassler Characteristics

During the period that Adolf led the company, Adidas was able to expand and extend to global markets in the field of sports. The company thrived on Adolf's philosophy of "only the best for the athlete." His belief propelled craftsmanship in the company to innovate sports shoes and wear. Dassler, a competent entrepreneur, would take time to analyze the wear and tear of each used shoe brought to him by the employees (Ind et al., 2015, p.2). The collection of used shoes served as Dassler's way of helping him to identify and resolve production and design problems. Dassler had a strong understanding of his surrounding materials. Long after his death, the innovations of Adidas are inspired by Adolf's philosophy. Dassler's engineering mindset and his constant search for new solutions act as a guiding force to the current management.

The Team Behind Adidas

The management team, led by Adolf Dassler, propelled the company to greater heights in the 1970s. After the death of Adolf, his wife and son-in-law took over the ownership of the company. Currently, the company has over fifty-three thousand employees globally. This broad base of skilled labor force keeps the spirit of innovation alive. Most efficient organizations have between three to six boards of directors (Lowe & Marriott, 2006, p.48). Adidas currently has a four-member Executive Board comprising Chief Executive Officer Bjørn Gulden, Chief Financial Officer Harm Ohlmeyer, Executive Board member for Global Human Resources, People and Culture Michelle Robertson, and Chief Commercial Officer Mathieu Sidokpohou. The board members are actively involved in the motivation of employees and the development of new talents. The company has become one place to seek employment for the majority of people (Ind et al., 2015, p.2). The marketing team is active in developing relevant marketing campaigns that deliver value to the company. Adidas team commits to continuously add value to customers, create value for the products and make profits for the business.

According to this analysis, a conclusion is drawn that the FORT model explains 80 percent of the success of Adidas. One of the significant additional factors for the success of Adidas is the formation of healthy partnerships and collaborations with famous people. For instance, in 2016, the company collaborated with Kanye West, a rap icon, to introduce a new brand in North America, which increased the company's sales by 30 percent.

Conclusion

Successful venture creation must encompass a proper entrepreneurial process. Timmons's FORT model describes the entrepreneurial process. According to the analysis of Adidas, identification of the opportunity is the critical initial step towards creating a sustainable brand. The entrepreneur has to have the skills to recognize potential opportunities and analyze their viability. The team factor is the driving force for the execution of the opportunity. Behind every successful company lies a strong team. In summary, entrepreneurship is about identifying opportunities, building the right team and creating value for customers. These are the essential processes of creating a successful venture.

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