

APPLICATION OF SWOT ANALYSIS IN CONSTRUCTION INDUSTRY-A QUALITATIVE STUDY IN COIMBATORE DISTRICT

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ABSTRACT

The SWOT analysis technique can be used by an individual or organisation as part of their sustainable strategic approach in assessing their strengths, weaknesses, opportunities, and threats in connection to project planning and market rivalry. Although the method is still frequently utilized, it needs to be improved in order to be more useful in strategic management. This method, which involves "peeling back layers of the corporation," is intended to be utilized in the starting phases of the procedures to be followed in deciding the decisions and also be served as an effective device for assessing the long-term business position of critical zones of the various organizations (for-profit organization, regional and central governmental executive bodies, construction, etc.). Its purpose is to outline the project or business venture's objectives and describe both the internal and external elements which are advantageous and detrimental to accomplishing their goals. Making the TOWS or SWOT evaluation for the construction sector is the primary goal of this study in order to provide a thorough grasp of its internal and external factors. In order to accomplish their objectives along with goals, which will aid in the development of the construction sector, this article assists in studying the structure of the organisation additionally helps in determining the assessment of SWOT. The implementations of new technologies and tight quality control have significantly enhanced the construction process in comparison to the past. By adopting SWOT analysis, the firm may continuously progress in their industry. SWOT analyses and assesses both internal and external factors that have an impact on the operation and growth of the firm. The construction industry's SWOT analysis will enable stakeholders to comprehend the state of the market and the numerous opportunities that are now open to them.

Keywords: SWOT analysis, SWOT framework, Construction planning, SWOT as strategic tool

INTRODUCTION

In India, the building industry has sparked a boom in development and begun investing in other allied industries. Around 19% of GDP has been provided by the construction sector. Additionally, government agencies provide support for the majority of the construction activities. In India, the construction industry has invested 40% of all development funds during the past 50 years. Trends in the construction business have sparked a surge in associated construction. Government agencies take the lead in expanding development facilities for the building sector. One of the most rapidly expanding sectors in the world is construction. Building construction, heavy and civil engineering construction, and specialized activities can all be classified as parts of the construction process. Building homes is seen as both an art and a passion. It contains feelings, affection, loving memories, and treasured dreams. They adhere to standards and guidelines for moral business conduct in order to provide a construction with quality assurance.

The goal is to offer superior residential, commercial, and other built spaces and developed lands that are aesthetically pleasing and ethically constructed. Keep the interests of your customers at the forefront of all business decisions. Additionally, the construction sector must guarantee a welcoming, growth-oriented workplace for staff members who can operate according to their values. They consistently put their consumers' quality of life first. This will support the company's positive reputation and improved customer relationships.

The many departments in the construction sector depend on one another throughout the execution process. Purchase, marketing, accounting, legal, IT, quality assurance, and human resources are the departments. To carry out a proper, high-quality building, it is necessary to understand the market situation and survey.

Businesses of all sizes, inclusive of construction sector, had also utilized SWOT evaluation as a metric to aid in long-term business planning since the 1960s. Although the analysis is still used extensively and it has also suggested advanced improvements to be made to increase its strategic management utility.

LITERATURE SURVEY

[1] One of the best methods used by businesses which in turn help them make market-based strategic decisions is SWOT analysis. SWOT is an effective way to look in to the internal and external issues effectively. SWOT analysis is combined with the AHP and framework in A'WOT. This can be accomplished using the hybrid strategy, enhancing the quantitative data used in long term decision planning processes. Jyrki Kangas, Mauno Pesonen, Mikko Kurttila, Miika Kajanus (August 2-4, 2001)

[2] SWOT analysis and MCDS methodologies will aid in decision-making for better company strategy. Making various strategic decisions will be supported by the SWOT analysis'

fundamental framework. Betterment results from combining MCDS methodologies with SWOT analysis. By doing so, other strategic options can be chosen. Adopting this strategy leads to decision-making. Here, the A'WOT methodology is developed. These methods are mostly employed for evaluation of long-term business management planning. Miika Kajanus ,Pekka Leskinen ,Mikko Kurttila ,Jyrki Kangas (July 2012) Forest Policy and Economics

[3] Today, social networking sites platforms offer sufficient data for business decision-making. Here, the major message is around SWOT advantage. They will better grasp them if SWOT is enabled. A company's SWOT analysis can help it get competitive insight. A thorough understanding of the market will aid upcoming new companies in entering the market. This will help tiny start-up businesses to succeed in the marketplace. Gail Brooks, Alan Heffner, Dave Henderson (Apr 23, 2014)

[4] Off-site designing is a relatively new trend in the construction sector. Adopting these construction techniques will aid in their growth and development. The construction process will move due to the introduction of manufacturing work. Off-site building will offer extra benefits, Because of the rising global adoption it follows. This post presents a way for analyzing SWOT in a scientific approach. Rui Jiang, Chao Mao, Lei Hou, Chengke Wu, Jiajuan Tan (1 February 2018) Journal of Cleaner Production

SWOT IN CONSTRUCTION

According to the SWOT analysis Strengths along with weaknesses are generally internal, but opportunities along with threats are typically external. The name is an acronym for the four arguments that the approach takes into consideration:

Strengths: Factors of the business or project that make it stand out from competitors.

Weaknesses: Factors that make the project or firm less competitive.

Opportunities: Environmental factors that a project or business could benefit from.

Threats: Environmental aspects that could be detrimental to the project or business.

APPLICATION IN CONSTRUCTION

Any situation in which a decision making is important must be get benefit by the usage of the SWOT analysis tool, not for just a profit-driven business, where it is also effect for a desired outcome (objective) based construction project effectively. SWOT analysis is helpful for crisis management as well as per-crisis planning and execution. SWOT may also be done to make a suggestion throughout a feasibility assessment or research study. It can also be used to develop corporate or personal strategy. In order to conduct long-term business based evaluation, it is necessary to identify both internal along with external components (utilizing the well standard 2x2 matrix), pick and assess among the most crucial variables, and identify the interrelation between both the internal and external characteristics. For instance, an effective relationship between opportunities along with the strengths can imply a favorable organizational climate and

the capacity for operating an aggressive strategy. As opposed to that, robust relationship between threats and weaknesses are examined as an significant cautionary sign along with that it can be taken as a piece of advice for implementing a defensive tactic.

SWOT IN CONSTRUCTION PLANNING

The business will develop strategies and plans to assist it in achieving its objectives through the use of a methodical, exacting process known as corporate planning. Business and environmental aspects can be analyzed on the basis of SWOT and PEST/PESTLE.

- Establish goals - Outline the actions that the company will take.
- Internal SWOT assessments of the organization's environmental scanning should comprise an evaluation of the current situation, a study of the product/service life span as well as a portfolio of goods and services.
- Assessments of present strategies must demonstrate their applicability in light of the results of internal and external evaluations. Environmental gap analysis might be included in this.
- When developing a business strategy, a company should take strategic issues into account.
- Create new or updated tactics; A change in objectives may be necessary as a result of updated analyses of strategic difficulties. A change in objectives may be necessary as a result of updated analyses of strategic difficulties.
- Identify crucial possible outcomes - Achieving goals and implementing strategies
- Preparing functional, infrastructural resource, and venture plans for long term strategic implementation.
- Tracking all results - Setting new objectives and adopting new tactics may require by comparing the outcomes to the plans and remedial actions to be taken.

Marketers frequently carry out in-depth competitor analyses, developing full descriptions of each rival in the marketplace while concentrating a particular one's unique competitive advantages and drawbacks (SWOT analysis). The cost efficiency, revenue streams, resources, and competencies of each competitor will be examined by marketing managers along with their competitive strategic positioning, product differentiation, and level of degree in vertical blending, prior impacts to market changes, and other factors Marketing management frequently needs to make research investments in order to obtain the data necessary to carry out accurate marketing evaluations. Management frequently carries out market research to ascertain this insight (also known as marketing research). While there are many techniques used by market researchers, the following are some of the most common ones:

- Focus groups are an example of empirical descriptive marketing research
- Quantitative marketing research includes things like statistical surveys.
- Test markets are an example of experimental marketing research.

- Additionally, to aid in identifying patterns and direct the study of a company's marketing techniques of observation like on-the-ground ethnographic observation also used.
- To identify trends and direct study of a company's marketing, marketing executive has to develop and oversee various competitor intelligence and strategies for examining the environment.

SWOT analysis was done for the understanding of market situation of a few Coimbatore based construction consultant firms.

SWOT ANALYSIS

STRENGTH

- The consumer creates a perception of the brand.
- Delivering at the appropriate hour.
- Direct marketing is used in a well-established distribution chain.
- Dedicated marketing personnel execute an effective promotion campaign.
- For security, the company employed computerized equipment.
- Workforce distribution by superiors with technical expertise.

WEAKNESS

- Rural areas won't have any construction because the agricultural sector is there.
- There isn't much ineffective communication.
- Price negotiations with vendors are difficult.
- Incorrect sourcing

OPPORTUNITIES

- India is developing its infrastructure more quickly.
- Real estate is growing rapidly.
- The government and other organizations have begun offering Programmes to promote agriculture.
- Obtaining corporate and local authority permission for the CMDA.

THREATS

- Pricing strategy is made challenging by price changes in raw materials.
- These days, further delays are because of the registration procedure which takes longer time.
- Construction industry is more competitive in nature.
- The competitors have all started to use cutting-edge strategies.

They may automatically increase their growth in the market and have a positive reputation in the minds of their customers if they can properly comprehend and recognize their strengths, weaknesses, opportunities, and dangers.

SUGGESTIONS

- If they expand their resources and use their time well, they can increase production and business
- Must offer transportation.
- Increase the safety precautions for workers at production sites.
- Use the newest software and technologies to simplify work.
- It was discovered that clients frequently file complaints throughout the delivery process, so the organization must adhere to effective time management.
- To shield structures from the consequences of natural disasters, the government should provide insurance.

CONCLUSION

In this SWOT analysis of the construction business, we found numerous areas for improvement. Thus, some areas that need improvement are vendor negotiations, the legal department's role in property acquisition, and CRM, which deals with customers to meet their expectations. The business will grow if the construction industry's recommendations are put into practice.

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