

SWOT ANALYSIS OF CONSTRUCTION INDUSTRY

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ABSTRACT: The main purpose of this study is to make a SWOT analysis for construction industry. To give a proper understanding of their strength, weakness, opportunities and threats. This paper helps to study on the organization structure and to determine SWOT analysis in order to achieve their objective and goal which will be helpful for their growth of construction industry. Construction process has been improved a lot when compared to past by adopting new technology along with proper quality control. By applying SWOT analysis to the organization it enables continuous improvement in their industry. SWOT gives evaluation and examination for internal and external factors which influence performance and growth of the company. This SWOT for the construction industry will make to understand the market condition and various opportunities available for them in the current construction industry.

Keywords: *SWOT analysis, SWOT matrix, SWOT analysis theory, SWOT framework, SWOT in strategic analysis*

INTRODUCTION

The construction industry in India has created a development growth and started investing in various related sectors. The construction industry has contributed a share of around **19%** GDP. Also most of construction activities supported by government departments. During the past 50 years construction industry has spent 40 per cent of the development investment in India. Construction industry trends has created a boom in related construction sector. Government sectors takes initiative to developmental facilities expansion in construction industry. Construction industry is one of the most booming industries in the whole world. The process of construction can be divided as: construction of buildings, Heavy and civil engineering construction, Specialized activities.

It is believed that building homes is an art and passion. It has emotions, care, love memories and cherished dreams. To achieve a quality assured construction they follow rules and regulations for ethical business practices. The mission is to provide quality, functionally elegant and good appealing residential, office and other built spaces and developed sites following ethical business practices. Genuinely care about customer interest by keeping them as the focus of business activities. Also construction industry has to ensure a friendly, growth-oriented working environment for the employees who can work with their principles. Always they focus to deliver a quality life for their customers. This will enable the good image and better relationship with the customers.

Construction industry has various departments which are interdependent with each other for the entire execution process. The departments are purchase, marketing, accounts, legal, IT, quality assurance, HR. Understanding the market condition and survey enable to undergo a proper quality construction.

LITERATURE SURVEY

[1] MCDS methods along with SWOT analysis will help to make decision alternatives for better business strategies. The basic frame of SWOT will support to make different strategic decision-making. MCDS methods with SWOT analysis ends up with betterment. By that alternative strategic decisions can be selected. Adopting this method results in decision making process. Evolution of the A'WOT method is done here. This techniques are mainly used for analysis of strategic management planning.

Miika Kajanus ,Pekka Leskinen ,Mikko Kurttila ,Jyrki Kangas (July 2012) Forest Policy and Economics

[2] Social media sites provides enough information for decision-making in businesses nowadays. Here mainly delivered about SWOT benefit. Enabling SWOT will make them to understand them properly. SWOT framework of company can bring competitive knowledge. Proper understanding of market will help upcoming new company's to get into the business. This will lead small start-up company to successes in market.

Gail Brooks,Alan Heffner,Dave Henderson (Apr 23, 2014)

[3] Currently off-site construction leads to a new development in construction industry. By adopting this building approaches can be improved and developed well. This will introduce a factory work which moves the building process away. off-site construction will give more significant benefits. Thus it get derived from the increased global adoption. This paper brings scientific process of having strengths, weaknesses, opportunities and threats analysis.

Rui Jiang,Chao Mao,Lei Hou,ChengkeWu,Jiajuan Tan (1 February 2018) Journal of Cleaner Production

[4] SWOT is one of the tool used for strategic decision making process to all over the business environment in the market. SWOT is the internal and external factors important for categorizing: Strengths, Weaknesses, Opportunities, and Threats easily. In A'WOT the AHP and framework are integrated with SWOT analysis. This can be implemented by applying the hybrid method. For the purpose of improving the quantitative information of strategic planning processes.

Jyrki Kangas, Mauno Pesonen, Mikko Kurttila, Miika Kajanus (August 2-4, 2001)

SWOT ANALYSIS

STRENGTH

- Brand image is created among the consumers.
- Delivering at the respected time.
- There is well established distribution system by having direct marketing.
- Effective promotion strategy done by dedicated marketing force.
- The company adopted computerized machineries for security.
- Allocation of work force by technically skilled superiors.

WEAKNESS

- Construction will not happen in the rural areas as they are agriculture sector.
- There is a lack of improper communication.
- Difficulty in Price fixing with vendors.
- Improper sourcing activities.

OPPORTUNITIES

- Infrastructure development in India are growing faster.
- High growth in real estate.
- Government and other agencies are started to provide agriculture promotion schemes .
- Getting the CMDA approval by local bodies and by corporation.

THREATS

- Price change in raw material price makes difficult in pricing strategy.
- Nowadays registration process takes more time which will lead to further process delay.
- Construction industry need to face greater competition with more competitors.
- All the competitors are started to go for new strategies.
- If they clearly understand and identify their strength, weakness, opportunities and threats then they can automatically improve their growth in the market and have a good image among the customer mind.

SUGGESTIONS

- If they increase the resources and manage the time properly, they will be able to increase the productivity level.
- Have to provide Transportation.
- To improve the safety measurements for the employees working under production site.
- Implement latest technologies and software's so as to make work easier.
- The company has to follow proper time management in delivery process where it was identified that customers register many complaint.
- Government should provide insurance in order avoid effect from the natural disaster which cause damages to the building.

CONCLUSION

Here we observed many things in SWOT of construction industry which can be improved in this areas. Thus some of the areas to be improved is CRM which is dealing with customer in order to meet their expectation, legal department in procurement of properties, negotiation process with vendors. Implementation of suggestion to the construction industry will bring growth to the business.

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