

Differences between Res Trading and Holcim Cement Bangladesh in case of SWOT analysis

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Submitted to:

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Mr. Fairuz Chowdhury

Lecturer

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Subject: Submission of report on SWOT analysis of Res Trading and Holcim Cement Ltd.

Dear Sir,

With great pleasure, I am submitting this report on “SWOT analysis of Res Trading and Holcim cement” as a partial requirement for the fulfillment of the degree of Master of Business Administration. I am grateful to you for allowing me to carry out such study. I am also grateful to you for your cordial cooperation and assistances during preparing this report. I believe that the knowledge and experiences I have acquired while conducting this study will help me in many ways in future.

I have provided my full concentration and tried my level best in making this report. I hope my study will meet your expectation as well. However, if you need any clarification of any part of this report please let ask me about it.

I would like to mention that there might be some errors in the report that is totally unintentionally and due to professional hazard. I believe that you will consider it, while you evaluate the report.

It's a great pleasure for me that I have been able to submit this report to you in time.

Thank You,

Sincerely yours

Sourav Kanti Sikder (Nitu)

ID: 13364004

Acknowledgement

I would like to express my gratitude to Mr. Fairuz Chowdhury, the lecturer of BRAC University. For giving me the opportunity to prepare this assignment on “SWOT analysis of Res Trading and Holcim”. Your graduate and meticulously structured discussion helped me in each step for preparing this report. I owe a great debt to you for the extended cooperation provided for this report. I have achieved some wonderful practical experiences while preparing this report.

Executive Summary

Res Trading was established and registered in 2013 with its main office located in Dhaka. Their mission is to provide their products at the right time at the right place with zero tolerance. Their vision is to be the most favorable company in the Steel, Rods, Cement, Stone trading industry. The principles and standards of Res Trading has made the company one of the most reputed trading organizations in Bangladesh and we are able to satisfy all our clients who are based in Dhaka, Chittagong, Rajshahi & round the country. They are the Supplier of Steel, Rods, Cement, Stone to roads & highways, industrial buildings, multistoried building, ware house, bridge & culverts and private buildings. It has some weaknesses also like- lack of adequate marketing, lack of training facilities for the employees and strong competition among the existing players of the industry etc.

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Chapter one- Introduction

Introduction

Res Trading was established and registered in 2013 with its main office located in Dhaka. Over the past two years , Res Trading has accumulated a strong and healthy market trust through a simple principle that they follow:

1. Earn Trust with Business.
2. Res Trading is among the leading distributors of Steel, Rods, Cement, Stone in the whole country almost two years.
3. Res Trading has been providing support and services to all major industries, contractors and traders in the region.
4. Res Trading has flexible business in the field of distributorship. We almost supply the above mentioned products of any producer of Bangladesh.(e.g. BSRM, KRMS, AKS TMT Bar, Seven Circle, Scan Cement, Lafarge Surma Cement).
5. In order to cope up with the huge demand of the market, Res Trading trades material from abroad.

Annual Turnover : Around Tk. 10 Million

Bank Account :Islami Bank Ltd, Prime Bank Ltd, Premier Bank Ltd.

Objective

Our objective is to become one of the leading market share holder in one of the most competitive market in the world.

Goal

Customer satisfaction is the ultimate goal of our company.

Mission Statement

We are committed to provide our products at the right time at the right place with zero tolerance.

Vision Statement

To be referred as the most favorable company in the Steel, Rods, Cement, Stone trading industry.

Achievements

The principles and standards of Res Trading has made the company one of the most reputed trading organizations in Bangladesh and we are able to satisfy all our clients who are based in Dhaka, Chittagong, Rajshahi& round the country.

Major product range

Supplies Steel, Rods, Cement, Stone to:

- ✓ Roads & Highways
- ✓ Industrial Buildings
- ✓ Multistoried Building
- ✓ Ware House
- ✓ Bridge & Culverts
- ✓ Private Buildings

From:

Steel & Rods:

- ✓ BSRM Steels Ltd
- ✓ Bashundhara Steel
- ✓ AKS TMT Bar
- ✓ KSRM Steel
- ✓ Ss Steel Pvt. Ltd etc.

Cement:

- ✓ Seven Circle
- ✓ Lafarge Surma Cement Factory
- ✓ Crown Cement Factory
- ✓ Scan Cement etc.

Our offered Categories of stone:

1. Mosaic stone
2. whet stone
3. Piling or foundation stone

N.B. We can supply any kind of stone classified by the customer

Our Major Projects was done with:

- Pacific Group
- UDC Construction Ltd.
- NASSA Group
- MAF Real Estate
- Rupantor Real Estate

Chapter two- SWOT Analysis of Res Trading

SWOT Analysis:

Strenghts

- Experienced management
- Strong and competitive customer channel network of the top management.
- Quality products.
- After sales services of the company.
- Company reputation and goodwill.
- A good number of multitasking dedicated employee.
- Value addition in products and services.

Weaknesses

- Lack of adequate marketing (advertising and promotion) effort.
- Lack of full scale automation.
- Lack of training facilities for the employees.
- Strong competition among the existing players of the industry.
- Inside trading by the top management.

Opportunities

- Regulatory environment favoring private sector development.
- Increasing purchasing power of people.
- Increasing trend in international business.
- Increasing the population of Bangladesh.
- Expanding market, expanding sales & profitability
- A healthy industry sector with quality business.
- Good purchasing power of target customers group.
- Government keen interest to solve housing problem with the rapid increase of urban population.
- Open market economy, recent housing policy etc. may favor sustainable growth of housing industry.
- Dependency of the major housing companies in the market.
- A high profitable investment opportunity for individuals as well as financial institutions.
- A very wide scope is prevailing for foreign investor also.

Urban population is developing favorable attitudes towards apartment living, although the present market of apartment business is limited within high income groups of the society, there exists opportunity for middle and lower level income groups.

Threats

Increased price of industrial materials will be difficult to pass on the customers because the agreement in response of the price and construction standard is made 2 to 3 years before the actual handing over of the apartments

The industry as a whole does not follow any standard business rules, therefore there remains uncertainty practices by some of the developers.

Frequent changes of inhabitation rule of Bangladesh Government or RAJUK

National and global political unrest.

Chapter three- About Holcim Cement Bangladesh

Holcim Cement Bangladesh:

Cement is at the heart of infrastructural development and at Holcim Bangladesh they ensure that they manufacture the best to give the future a solid foundation. Ever since we established their operations in Bangladesh in 2000, we have been striving to produce the best quality cement and contributing to the infrastructural development of the country by delivering high quality products and cutting-edge technical solutions to our customers, all the while adhering to our guiding principles to ensure sustainable development at all levels – economic, social, and environmental.

Our success is tied to the success of our customers. We aim to provide the highest standard of customer satisfaction through constant innovation, outstanding technical expertise and reliable performance.

Mission:

Our mission is to **"To grow by creating value for all stakeholders; ensuring delighted customers, engaged employees, enlightened partners and sustainable development."**

Objectives are to:

Continually set the highest standards of customer satisfaction in our industry - through **innovative products and services.**

Secure the strongest competitive position in our relevant marketplaces through creative product design and **operational excellence.**

Partner with the best suppliers, delivering **increased value for both the Group and our customers.**

Be recognized as an **employer of first choice**.

Empower our employees at every level, and integrate them fully into our global network.

Selectively grow our presence in Bangladesh.

Continually demonstrate our **commitment to sustainable environmental performance**, and visibly play a leading role in social responsibility within our sphere of influence.

Maintain an active dialog with governments, international organizations and NGOs, and be acknowledged as a valued and trusted partner.

Values:

Strength:

- A solid partner
- Integrity and strength of character of our people
- A strong organization behind them with global leadership and competence

Performance:

- Delivering on our promises to each other and to our stakeholders
- Best solutions for our customers
- Demanding excellence
- Open and always searching for new and better ways
- Best results from working together

Passion:

- Dedication and commitment - we care about everything we do
- We care about our people, their safety and their development
- We care about our customers and their success
- We care about our world, in particular the communities we live and work in
- We take pride in performing well and we recognize and celebrate success

Code of Business Conduct:

This code of business conduct establishes a common and consistent framework across our global organization for how we will achieve our mission and goals. It provides direction and clarification in how we conduct our daily business. High business ethics and personal integrity ensure our credibility and reputation as a Group.

Business:

Our success is tied to the success of our customers. We aim to provide the highest standard of customer satisfaction through constant innovation, outstanding technical expertise and reliable performance.

Sustainable Development:

Holcim Bangladesh is committed to sustainable development that meets the needs of the present, without compromising the ability of future generations to meet their own needs.

Social Responsibility:

Holcim recognizes the importance of corporate social responsibility as a part of its overall commitment to sustainable development. In line with our goal to create value for all, we have initiated the following activities:

- Weekly medical center in Meghnaghat and Mongla
- Traffic safety enhancement program
- Insurance program for Masons
- Scholarship program for masons' children

Environmental Responsibility:

Holcim's beliefs and thoughts are very much centralized in the area of environmental responsibilities and our own understanding of the interlinking aspects of industrial ecology is growing. We are committed to providing healthy and safe workplaces in all our facilities, ensuring that our operations do not present a risk to health or the environment by providing appropriate training.

Competitors of Holcim Cement:

Premier, Scan, Boshundhara, Lafarge Surma and Anchor cement etc.

Chapter four- SWOT analysis of Holcim Cement Bangladesh

SWOT Analysis	
Strengths	<ol style="list-style-type: none"> 1. One of the 2 largest cement manufacturers worldwide 2. Market leader in cement production in Australia, Azerbaijan, India, Slovakia, Switzerland, and Latin America 3. Focuses on Sustainable development 4. The company has over 70,000 employees in over 70 countries 5. Product portfolio for the brand includes Cement, construction aggregate, concrete 6. Its approx production capacity is 200+ million tons per annum
Weaknesses	<ol style="list-style-type: none"> 1. Profits reduced due to weak markets 2. High transportation costs of raw materials lowers the margins
Opportunities	<ol style="list-style-type: none"> 1. Acquisition of smaller players and tie-ups with big players can help improve business conditions 2. Strategic media coverage and advertising can help boost business and credibility further
Threats	<ol style="list-style-type: none"> 1. Post merger operations can be a tough task 2. Strong competition in all operating countries is a concern 3. Strict govt restrictions and growing operation costs can affect business

Comparison of SWOT analysis of Res trading and Holcim Cement Industries:

Strengths:

Res Trading	Holcim Cement Industries
1. One of the firms in the industry	1. One of the 2 largest cement manufacturers worldwide
2. The firm operating their business within the country	2. Market leader in cement production in Bangladesh, Australia, Azerbaijan, India, Slovakia, Switzerland, and Latin America

3. The company has 150 employees in Bangladesh	3. The company has over 70,000 employees in over 70 countries
4. After sales service	4. After no sales service
Res Trading	Holcim Cement Industries
1. Lack of adequate marketing (advertising and promotion) effort.	1. Profits reduced due to weak markets
2. Lack of training facilities for the employees.	2. High transportation costs of raw materials lowers the margins
3. Strong competition among the existing players of the industry.	

Opportunities:

Res Trading	Holcim Cement Industries
1. Regulatory environment favoring private sector development.	1. Acquisition of smaller players and tie-ups with big players can help improve business conditions
2. Increasing purchasing power of people.	2. Strategic media coverage and advertising can help boost business and credibility further
3. Increasing the population of Bangladesh.	3. Increasing the population of Bangladesh.
4. Expanding market, expanding sales & profitability	4. Expanding market, expanding sales & profitability
5. Government keen interest to solve housing problem with the rapid increase of urban population	5. Government keen interest to solve housing problem with the rapid increase of urban population

6. Urban population is developing favorable attitudes towards apartment living, although the present market of apartment business is limited within high income groups of the society, there exists opportunity for middle and lower level income groups.	6. Urban population is developing favorable attitudes towards apartment living, although the present market of apartment business is limited within high income groups of the society, there exists opportunity for middle and lower level income groups.
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Threats:

Res Trading	Holcim Cement Industries
1. Increased price of industrial materials will be difficult to pass on the customers because the agreement in response of the price and construction standard is made 2 to 3 years before the actual handing over of the apartments	1. Post merger operations can be a tough task
2. The industry as a whole does not follow any standard business rules, therefore there remains uncertainty practices by some of the developers.	2. Strong competition in all operating countries is a concern
3. Frequent changes of inhabitation rule of Bangladesh Government or RAJUK	3. Strict government restrictions and growing operation costs can affect business
4. National and global political unrest.	4. National and global political unrest.

Chapter Five: Findings, Recommendations & Conclusion

Findings:

Res Trading was established and registered in 2013 with its main office located in Dhaka. Their objective is to become one of the leading market share holder in one of the most competitive market in the world. The principles and standards of Res Trading has made the company one of the most reputed trading organizations in Bangladesh and we are able to satisfy all our clients who are based in Dhaka, Chittagong, Rajshahi& round the country. They are the Supplier of Steel, Rods, Cement, Stone to roads & highways, industrial buildings, multistoried building, ware house, bridge & culverts and private buildings. On the other hand Cement is the heart of infrastructural development and at Holcim Bangladesh they ensure that they manufacture the best to give the future a solid foundation. Ever since we established their operations in Bangladesh in 2000, we have been striving to produce the best quality cement and contributing to the infrastructural development of the country by delivering high quality products and cutting-edge technical solutions to our customers, all the while adhering to our guiding principles to ensure sustainable development at all levels – economic, social, and environmental.

Recommendations:

- ✓ Res trading should develop their web page immediately
- ✓ They should promote marketing activities
- ✓ They should arrange training facilities for their employees
- ✓ Res Trading should follow standard business rules
- ✓ Cope up with the changes of inhabitation rule of Bangladesh Government or RAJUK

Conclusion:

Res Trading is a newly established company. Their mission is to provide their products at the right time at the right place with zero tolerance. The principles and standards of Res Trading has made the company one of the most reputed trading organizations in Bangladesh and we are able to satisfy all our clients who are based in Dhaka, Chittagong, Rajshahi & round the country.

It has a growing economy though it has not established its web page. It has some weaknesses also like- lack of adequate marketing, lack of training facilities for the employees and strong competition among the existing players of the industry etc.

References:

www.Holcim Cement.com

Papers on Res Trading