**Sirius Real Estate SWOT Analysis**

SWOT analysis is a vital strategic planning tool that can be used by Sirius Real Estate Ld managers to do a situational analysis of the organization . It is a handy technique to analyze the present Strengths (S), Weakness (W), Opportunities (O) & Threats (T) Sirius Real Estate Ld is facing in its current business environment.

The Sirius Real Estate Ld is one of the leading organizatations in its industry. Sirius Real Estate Ld maintains its prominent position in market by carefully analyzing and reviewing the SWOT analysis.  SWOT analysis an immensenly interactive process and requires effective coordination among various departments within the company such as – marketing, finance, operations, management information systems and strategic planning.

The SWOT Analysis framework helps an organization to identify the **internal strategic factors** such as -strengths and weaknesses, & **external strategic factors** such as - opportunities and threats. It leads to a 2X2 matrix – also known as **SWOT Matrix**.

* SO (strengths-opportunities) Strategies
* WO (weaknesses-opportunities) Strategies
* ST (strengths-threats) Strategies
* WT (weaknesses-threats) Strategies

**SWOT Matrix Strategies Objective**

The primary purpose of SWOT matrix is to identify the strategies that an organization can use to exploit external opportunities, counter threats, and build on & protect Sirius Real Estate Ld strengths, and eradicate its weaknesses.

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**Strengths of Sirius Real Estate Ld – Internal Strategic Factors**

As one of the leading firms in its industry, Sirius Real Estate Ld has numerous strengths that help it to thrive in the market place. These strengths not only help it to protect the market share in existing markets but also help in penetrating new markets. Based on [Fern Fort University extensive research](http://fernfortuniversity.com/) – some of the strengths of Sirius Real Estate Ld are –

* Superb Performance in New Markets – Sirius Real Estate Ld has built expertise at entering new markets and making success of them. The expansion has helped the organization to build new revenue stream and diversify the economic cycle risk in the markets it operates in.
* Highly successful at**Go To Market strategies** for its products.
* Highly skilled workforce through successful training and learning programs. Sirius Real Estate Ld is investing huge resources in training and development of its employees resulting in a workforce that is not only highly skilled but also motivated to achieve more.
* Successful track record of integrating complimentary firms through mergers & acquisition. It has successfully integrated number of technology companies in the past few years to streamline its operations and to build a reliable supply chain.
* Automation of activities brought consistency of quality to Sirius Real Estate Ld products and has enabled the company to scale up and scale down based on the demand conditions in the market.
* Strong dealer community – It has built a culture among distributor & dealers where the dealers not only promote company’s products but also invest in training the sales team to explain to the customer how he/she can extract the maximum benefits out of the products.
* Good Returns on Capital Expenditure – Sirius Real Estate Ld is relatively successful at execution of new projects and generated good returns on capital expenditure by building new revenue streams.
* Reliable suppliers – It has a strong base of reliable supplier of raw material thus enabling the company to overcome any supply chain bottlenecks.

**Weakness of Sirius Real Estate Ld – Internal Strategic Factors**

Weakness are the areas where Sirius Real Estate Ld can improve upon. Strategy is about making choices and weakness are the areas where an organization can improve using SWOT analysis and build on its competitive advantage and strategic positioning.

* The profitability ratio and Net Contribution % of Sirius Real Estate Ld are below the industry average.
* Not highly successful at integrating firms with different work culture. As mentioned earlier even though Sirius Real Estate Ld is successful at integrating small companies it has its share of failure to merge firms that have different work culture.
* There are gaps in the product range sold by the company. This lack of choice can give a new competitor a foothold in the market.
* Investment in Research and Development is below the fastest growing players in the industry. Even though Sirius Real Estate Ld is spending above the industry average on Research and Development, it has not been able to compete with the leading players in the industry in terms of innovation. It has come across as a mature firm looking forward to bring out products based on tested features in the market.
* The marketing of the products left a lot to be desired. Even though the product is a success in terms of sale but its positioning and unique selling proposition is not clearly defined which can lead to the attacks in this segment from the competitors.
* Days inventory is high compare to the competitors – making the company raise more capital to invest in the channel. This can impact the long term growth of Sirius Real Estate Ld
* Organization structure is only compatible with present business model thus limiting expansion in adjacent product segments.

**Opportunities for Sirius Real Estate Ld – External Strategic Factors**

* The profitability ratio and Net Contribution % of Sirius Real Estate Ld are below the industry average.
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**Opportunities for Sirius Real Estate Ld – External Strategic Factors**

* New customers from online channel – Over the past few years the company has invested vast sum of money into the online platform. This investment has opened new sales channel for Sirius Real Estate Ld. In the next few years the company can leverage this opportunity by knowing its customer better and serving their needs using big data analytics.
* Government green drive also opens an opportunity for procurement of Sirius Real Estate Ld products by the state as well as federal government contractors.
* The market development will lead to dilution of competitor’s advantage and enable Sirius Real Estate Ld to increase its competitiveness compare to the other competitors.
* Stable free cash flow provides opportunities to invest in adjacent product segments. With more cash in bank the company can invest in new technologies as well as in new products segments. This should open a window of opportunity for Sirius Real Estate Ld in other product categories.
* Decreasing cost of transportation because of lower shipping prices can also bring down the cost of Sirius Real Estate Ld’s products thus providing an opportunity to the company - either to boost its profitability or pass on the benefits to the customers to gain market share.
* New environmental policies – The new opportunities will create a level playing field for all the players in the industry. It represent a great opportunity for Sirius Real Estate Ld to drive home its advantage in new technology and gain market share in the new product category.
* The new taxation policy can significantly impact the way of doing business and can open new opportunity for established players such as Sirius Real Estate Ld to increase its profitability.
* The new technology provides an opportunity to Sirius Real Estate Ld to practices differentiated pricing strategy in the new market. It will enable the firm to maintain its loyal customers with great service and lure new customers through other value oriented propositions.

**Threats Sirius Real Estate Ld Facing - External Strategic Factors**

* New technologies developed by the competitor or market disruptor could be a serious threat to the industry in medium to long term future.
* No regular supply of innovative products – Over the years the company has developed numerous products but those are often response to the development by other players. Secondly the supply of new products is not regular thus leading to high and low swings in the sales number over period of time.
* Rising raw material can pose a threat to the Sirius Real Estate Ld profitability.
* As the company is operating in numerous countries it is exposed to currency fluctuations especially given the volatile political climate in number of markets across the world.
* The company can face lawsuits in various markets given - different laws and continuous fluctuations regarding product standards in those markets.
* New environment regulations under Paris agreement (2016) could be a threat to certain existing product categories .
* Growing strengths of local distributors also presents a threat in some markets as the competition is paying higher margins to the local distributors.
* Liability laws in different countries are different and Sirius Real Estate Ld may be exposed to various liability claims given change in policies in those markets.

**Limitations of SWOT Analysis for Sirius Real Estate Ld**

Although the SWOT analysis is widely used as a strategic planning tool, the analysis does have its share of limitations.

* Certain capabilities or factors of an organization can be both a strength and weakness at the same time. This is one of the [major limitations of SWOT analysis](https://hbr.org/2007/03/from-swot-to-tows-answering-a-readers-strategy-question) . For example changing environmental regulations can be both a threat to company it can also be an opportunity in a sense that it will enable the company to be on a level playing field or at advantage to competitors if it able to develop the products faster than the competitors.
* SWOT does not show how to achieve a competitive advantage, so it must not be an end in itself.
* The matrix is only a starting point for a discussion on how proposed strategies could be implemented. It provided an evaluation window but not an implementation plan based on strategic competitiveness of Sirius Real Estate Ld
* SWOT is a static assessment - analysis of status quo with few prospective changes. As circumstances, capabilities, threats, and strategies change, the dynamics of a competitive environment may not be revealed in a single matrix.
* SWOT analysis may lead the firm to overemphasize a single internal or external factor in formulating strategies. There are interrelationships among the key internal and external factors that SWOT does not reveal that may be important in devising strategies.

**Weighted SWOT Analysis of Sirius Real Estate Ld**

* In light of the above mentioned limitations of the SWOT analysis / matrix, corporate managers decided to provide weightage to each internal strength and weakness of the firm. Organizations also assess the likelihood of events taking place in the coming future and how strong their impact could be on company's performance.

This method is called Weighted SWOT analysis. It is better than doing simplistic SWOT analysis because with Weighted SWOT Analysis Sirius Real Estate Ld managers can focus on the most critical factors and discount the non-important one. It also solves the long list problem where organizations ends up making a long list but none of the factors deemed too critical.
* **Limitation of Weighted SWOT analysis of Sirius Real Estate Ld**
* This approach also suffers from one major drawback - it focus on individual importance of factor rather than how they are collectively important and impact the business holistically.