

Pakistan telecommunication company

[Business](#), [Company](#)



Despite having established a network of enormous size, PTCL workings and policies have attracted regular criticism from other smaller operators and the civil society of Pakistan. Pakistan Telecommunication Corporation (PTC) took over operations and functions from Pakistan Telephone and Telegraph Department under Pakistan Telecommunication Corporation Act 1991. This coincided with the Government's competitive policy, encouraging private sector participation and, lately, data communications services.

Pursuing a progressive policy, the Government in 1991, announced its plans to privatize PTCL, and in 1994 issued six million vouchers exchangeable into 600 million shares of the would-be PTCL in two separate placements. Each had a par value of Rs. 10 per share. These vouchers were converted into PTCL shares in mid-1996. In 1995, Pakistan Telecommunication (Reorganization) Ordinance formed the basis for PTCL monopoly over basic telephony in the country. The provisions of the Ordinance were lent permanence in October 1996 through Pakistan Telecommunication (Reorganization) Act.

The same year, Pakistan Telecommunication Company Limited was formed and listed on all stock exchanges of Pakistan. PTCL launched its mobile and data services subsidiaries in 2001 by the name of Ufone and PakNet respectively. None of the brands made it to the top slots in the respective competitions. Lately, however, Ufone had increased its market share in the cellular sector. The PakNet brand has effectively dissolved over the period of time. Recent DSL services launched by PTCL reflect this by the introduction of a new brand name and operation of the service being directly supervised by PTCL.

Mission To achieve our vision by having: An organizational environment that fosters professionalism, motivation and quality An environment that is cost effective and quality conscious Services that are based on the most optimum technology " Quality" and " Time" conscious customer service Sustained growth in earnings and profitability Core Values Professional Integrity Teamwork Customer Satisfaction Loyalty to the Company Chapter 2. Products of company Products of Company: List of products or services: 1. PTCL smart tv 3. International Calls 4. Local calls 5. Broadband Wireless 6. Easy learning 7.

Ip connect 8. Audio conferencing 9. Business DSL 10. Broad band Pakistan 11. VMS 12. Calling Cards 13. PTCL Plus 14. Vfone 15. 36 16. Evo wingle 9. 3Mbps 17. Evo Moblie 18. Ufone Mobile 19. Ufone Sims Chapter 3. Porter's Five forces model Five forces looks at five key areas namely threat of new entry, power of buyers, power of suppliers, threat of substitutes, and competitive rivalry. Threat of New Entry As government of Pakistan is showing liberalism in case of telecommunication sector and opened its policies to award new licenses to new mobile service providers so threat of new entry is high. ? As set-up cost is in billions of dollars so in this case threat of new entry is low, but there are companies who are working to achieve licenses and approaching PTA to know terms and conditions for this. ? As for this business companies need a well established distributions and franchises network so threat of new entrant is high in this case. Bargaining Power of Buyers Power of buyer is high in telecommunication sector. There are six market players and players are offering different packages at different prices and a situation of price war is running.

Buyers have a power to buy any package which is suited to them. Cost of switching from one company package to other company package is low. Hence, power of buyers is high. Bargaining Power of Suppliers hat numbers of suppliers are few in the market but they are competing in the market to make agreements with mobile service providers. Threat of Substitute Products Government also gave so many land lines and wireless local loop licenses to different companies like PTCL wireless local loop, GO CDMA etc. these services in future will be like mobile phone services like they are planning to offer services a lot but currently they are offering SMS and CLI services to their customers. Rivalry among Competing Firms in Industry Currently there are six market players but in future they will be eight and nine or even more. Thuraya satellite service is offering subscribers freedom of mobility and uninterrupted service. Thuraya's satellite technology supplements of existing mobile service providers, overcoming the challenges of large geographical areas and insurmountable terrain. It will also generate new revenue streams for future growth. The company also continued to invest in infrastructure development and addition of network capacity with a view to enhance services and to expand its reach across the country. SWOT ANALYSIS Strengths Largest operational network and infrastructure within ICT (Information ; Communication Technologies) segment. . An integrated Monopoly. Market leadership in Local loop, Wireless local loop (WLL) and fixed telephony. PTCL (Ufone) is market challenger in GSM segment. Ufone is performing well though Warid and Telenor are tough competitors.

PTCL, Ufone's profitability increased by 49.2 percent to Rs 977 million in 1 H/FY07 as compared to Rs 655 million in the corresponding period last.

Competitors still depend on PTCL network either directly or indirectly.

Experienced Telecom Resources. Weakness Not been able to nurture its growth around customer services oriented strategy. Paknet, the internet service provider arm of PTCL continues to incur losses due to poor management and lack of network optimization. PTCL-V, the fixed wireless phone service is poor. Over employment & low productivity. Slow decision making including external interferences.

Corporate culture akin to government departments

Chapter 5. PEST Analysis

PEST analysis is an analysis of the external macro-environment that affects all firms. P. E. S. T. is an abbreviation for the Political, Economic, Social, and Technological factors of the external macro-environment. Such external factors usually are beyond the firm's control and sometimes present themselves as threats. For this reason, some say that "PEST" is an appropriate term for these factors. Many macro-environmental factors are country-specific and a PEST analysis will need to be performed for all countries of interest.

The following are examples of some of the

- 0 Economic
- 0 social
- 0 Technological

1. Political Analysis:- Political factors are those which are directly controlled by the political parties and Government they could be able to influence directly in any situation or in any industry. So they create a major impact on any industry. Factors that Creating Threats: Political instability: In Pakistan Political environment are not stable that is the major threat for telecommunication industry because no one knows at what time

Government will change and with the change of government policies will also change.

Risk of martial law: In Pakistan Risk of martial Law is always threat for all the industries and in the dictatorship they could not be able to explore themselves and do not grow as they could be. **Terrorism:** Terrorism is the Major problem that is facing Pakistan in now a days that is the most crucial factor that is hurdle in the growing in the telecommunication sector because o one knows about the terrorist activities. **Pricing regulations:** In Pakistan government dictates the pricing regulations so that influence the smooth working of the telecommunication industry.

Rapid change in Regulations: In Pakistan Government is changing the policies very rapidly so that creates instability. **Factors Creating Opportunities:** Industrial safety regulations: Now the government of Pakistan is trying to give the maximum Protection to this sector and passing number of Laws to make it more safe and stable. **Development of PTA:** Government of Pakistan had developed Pakistan telecommunication Authority (PTA) o that helps in the establishing Business in Pakistan in more efficient manner.

Investor Friendly Environment: Government is trying to provide investor friendly environment to give the more benefit to the investors and give them maximum safety. **2. Economic Analysis:-** Economic factors are directly controlled and influenced by the financial institutions like State Bank of Pakistan (SBP). So they help the industry in giving economic soundness and provide financial aids to survive in the time of crises. **? Factors that Creating Threats:** In Pakistan Although an proper Institution for telecommunication

sector working PTA) but Government is influencing the working of that department and imposing the policies made by politicians. Overall economic conditions are not very sound: Overall economic conditions are not very good for any industry because rate of inflation is increasing day by day and value of currency is going down which causing increase in the value of loan payable that is another major threat for telecommunication industry.

Efficiency of financial market is not so Good: In Pakistan all the financial institutions are controlled by government rather than the head of financial Institution State Bank of Pakistan (SBP). Rate of interest is increasing day by day it is approximately 21% which is higher than any country in the world so it makes impossible for the telecommunication industry to take loan facility. Country risk of Pakistan goes to 3: Risk rate of economy of Pakistan goes to 3 out of 5 that is the alarming situation for the Pakistan as well as all the industries of Pakistan.

Currently government has increased the taxes : Currently government has increased the taxes on the telecommunication sector so that reduces the income of the telecommunication sector some of the examples of that are given below etc... Pre-paid customers were charged 10 per cent withholding tax on every new load, which was deducted in advance 0 With 15 per cent sales tax on every call increased the sales tax from 15 per cent to 21 percent for mobile users. Foreign Direct Investment: During 2010 telecommunication sector attracted US \$ 142. 7 million FDI which was 26. % of the total FDI in the country during this period. So government is trying to give maximum benefit to the telecommunication industry. Lowest Labor Rates in the world:

During the quarter ending December 2009, telecom sector Labor Cost of Pakistan is very Low as Compared to other Countries so that is also an opportunity for the Telecommunication sector. Fastest Growing Industry in the Pakistan: Telecommunication industry is the fastest growing industry in the Pakistan that shows that investment is quite comfortable in telecommunication sector. . Social Analysis:- are working if they try to dictate the social factors that create the threats to that industry and if they work with in the social norms then social factors become the key to success. Factors that Creating Opportunities: The Pakistani people are more social: Pakistani people are more social so they have family system and they want to remain in contact with other through any means so that is the opportunity for telecommunication sector to capture the feelings of the people.

Celebrate lot of festivals like: Pakistani people celebrate a lot of festivals on that occasion they try to make contact to their all family members and other at any cost these occasions are Jashn-e- Saharan, Eid Celebrations and other cultural festivals. They create the lot of opportunities for telecommunication industry so they make calls to their relatives particularly on that festivals.

Population is increasing Rapidly: The total population of Pakistan is approximately 169, 248, 500. The population is increasing rapidly which increase the number of cellular usage and help in projecting high profits. ?

Factors Creating Threats: Un educated People: Low Educated people could not be able to understand the language of telecommunication (ZEM 1. 0, ZEM 2. 0 etc). That create misunderstanding and create threat about the particular package. Corruption: Corruption is the major threat for any industry in the Pakistan that is because people are unaware and un educated

but now these telecommunication companies are working on that like....
{Khamoshi Ka Boycott} (Djutsche) O KRO MUMKIN (Telenor) These are all
campaign to educate people and develop the positive behavior in that social
culture.

Destroying Cultural norms: Although these companies are bringing positive
change in the society but also destroying the social culture and providing the
negative attitude to the young generation of the country by providing late
night services that is affecting the 4. Technological Analysis:- Technology is
the most known word in the modern world so any advancement in the
technology affects the industry if industry settles them accordingly then it
opens lot of doors of success and achievement if they do not respond toward
the advancement then that particular company goes into the darkness.

Technology is changing the attitudes and behavior: Telecommunication
technology is changing the behavior of the people and providing them
opportunities to get the bright future. Impact on cost structure: Due to latest
technology the cost of telecommunication industry is decreasing and they are
giving lowest rates to the peoples to remain in contact with relatives and
with their family. Introduction Of CDMA technology: Introduction of CDMA
(CDMA stands for Code Division Multiple Access.)Technology in the mobile
Sims is also creating the Opportunities for the telecommunication industry.

This technology gives less radiation than GSM technology. 3G mobile
technology: The latest technology of 3G mobile communications has been
earmarked and PTA will soon be inviting applications for 3G spectrum
auction. This technology will increase operating capacity and revenues by

using HSPA technology. Focus on increasing the Coverage: The current focus of the telecommunication industry is on increasing the coverage rather than up gradation of the systems they should up grade the systems to meet the requirement of the modern world.

Conclusion: The number of macro-environmental factors is virtually unlimited. In practice, the firm must monitor those factors that influence its industry. Even so, it may be difficult to forecast future trends with an acceptable level of accuracy. In this regard, the firm may turn to scenario planning techniques to deal with high levels of uncertainty in important macro-environmental variables