

# [Swot analysis of pac resources](https://assignbuster.com/swot-analysis-of-pac-resources/)

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SWOT Analysis
Strength:
Providing quality products and services to the customers
Strong presence in the market of United States
Strong workforce
Strong customer base
Weakness:
Dependency on one customer for generating sales revenue
Practising few unethical works
The company has no experience in downsizing
Dissatisfaction and aggressive employee behavior
Opportunity:
Reduce the high-cost related factors
Emerging in the new markets
Streamline the labor related issues
Knowledge management
Threat:
Problems regarding labor union
Decrease the demand for products
Economic downturn
Legal problems
Strength is one of the parts of the company’s internal analysis and strengths indicate those internal areas where a business has a significant competitive advantage. At the time beginning of this business, the owner of the company started the business operation in the US and after that, it got success in that particular market. Gradually they become a strong player and increase their sales revenue from this market. Strong presence also helps the company to establish a stable customer base in this market. The company can generate almost 83% of its total revenue from one customer. The company is involved to produce major components for this customer. It can be said that that customer has started to depend on the component o this company which is one of the biggest strength of this business (Akanda, 2013). PAC Resources, Inc. employs 835 full-time workers in their business activities. This scenario indicates that the company is able to get enough human resources to run its operational activities. Weaknesses are few internal lacking which needs to be corrected by the organization after implementing appropriate strategies. Here, the company is depending on only one primary customer for earning a major percentage of sales revenue. Therefore, the company posses a high-risk factor regarding the possibility of a decline in sales in future with the decrease of business with the primary customer. The managers do not concentrate on day to day operation in this business and as a result, the business is involved in some unethical practices. Again, the management has few ides to cut down the heavy cost factors in business. Employees are dissatisfied for the management activities in this organization. This company has several opportunities to establish their business in new markets such as Asia, Europe etc. The company is cutting cost by providing an employee-paid share. The management of this company has taken several initiatives like various training program to improve the skills of labors. Knowledge management opportunity increases the scope of generating more knowledge and exchanges the ideas and views among the employees of this organization. The future economic downturn may be a threat to this business activity. Presence of labor union may create some labor related issues which may hamper the operational work. Due to the increase in competition demand for such products may be decreased. Few legal problems may create problem to expand the business operation in new market places.