

# [Wipro swot and pest analysis](https://assignbuster.com/wipro-swot-and-pest-analysis/)

Working on Wipro Infotechnologies has educated me over the growth of information technology over the last two decades. The infrastructure of an organization is well understood. Wipro’s CRM, SCM, ERP and HRM are well analyzed.

By doing SWOT on Wipro has shown me the impacts of threats on a business which I can take care of in my own business.

History:

Wipro started in 1945 as a vegetable products factory. Later on 1970s they stepped in to hydraulic cylinders and then to the IT sector.

In 1980s when the IT field is taking new steps in India, Wipro has seen the first success in R&D. A group of IT scholars started working in Indian Institute of Science laboratory in Bangalore, and at last they introduced the first minicomputer in India.

Wipro joined the hands with GE medical systems in 1992 to set up a mutual business. In 1997, Six Sigma has been used in Wipro to develop their internal standards and to meet the international standards.

Wipro is the first company to achieve PCMM Level 5 and SEI CMM Level 5 certified IT Company. With many significant successes Wipro was able to expand its presence to US, UK, Asian Pacific and Middle East countries (Wikipedia et al., 2010).

Human Resource Management:

Wipro maintains their own technology based applications in processes like payroll, training, administration. Wipro always works as a catalyst for the employees to perform well by encouraging them in terms of training. With a well planned HR system, they improved many departments over the years. Some of them are:

Recruitment and Workforce Administration:

Wipro solutions assist organization in automated matching and screening processes in low budget and less time. Wipro helps to optimize resource operation and manipulate to balance the resource demand and supply to meet organizational requirements. Wipro services have resulted in well organized administration of valued workforce, reducing manual work and hence making HR operations effective and efficient (Wipro et al., 2010).

Talent Development, Learning and Performance Management:

Wipro included Talent Development practices that have assisted customers to professionally manage a variety of training initiatives and effectively meet the employee’s career development needs. Their solutions center on reorganization of the performance management process and help employee evaluation (Wipro et al., 2010).

Compensation Management, Benefits Admin and Payroll:

Wipro’s broad practical experience in designing and implementing processes related to salary, bonus, incentive compensation, separation or retirement compensation and benefit processes, etc. helps their global employees achieve accurate and timely completion of these processes (Wipro et al., 2010).

Supply Chain Management (SCM):

Wipro has been ranked as number one among all the Indian companies in terms of SCM. Their SCM services include,

Collaborative Demand and Supply Planning:

Wipros SCM services help select and integrate a web-enabled demand and supply chain planning solution to ramp up the forecasting process. This leads organizations to react to market trends by improving forecast accuracy and inventory management and optimization (Wipro et al., 2010).

Integrated Manufacturing Planning:

Wipros supply chain software solution delivers incorporated planning and implementation solutions for manufacturing processes that reflect immediate capacity. This makes corporation to implement plans as per rising market demands (Wipro et al., 2010).

Logistics and Fulfillment Management:

Wipro provides futuristic solutions for logistics automation and business system integration. This helps organizations in efficient scheduling and in turn reduces overhead costs.

Strategic Analytics

Wipro offer integrated supply chain software solutions for organizations to on cost control and enable optimum spend for more proficient operations (Wipro et al., 2010).

Customer Relations Management (CRM):

Wipro’s Customer Relationship Management (CRM) performance is the major among service suppliers. CRM project implementation is mainly motivated by Wipros thoroughly experienced professionals to Fortune 500 corporations. Wipro is the major business partner for Oracle, SAP. The CRM includes the services from consultation, upgradation and management services.

Sales Automation:

It makes easy for single view of customer data. Wipros solution helps businesses automate processes by removing wrong and lengthy manual updates leading to automatic real time synchronisation of Key Planning data (Wipro et al., 2010).

Multi Channel Customer Service:

Wipro solutions help organizations to form an automated system to benefit the business by allowing them to offer improved service to customers. With all the resources Wipro can do well in integration of suppliers, high quality customer service with comprehensive reporting and analysis (Wipro et al., 2010).

Marketing Management:

Wipro offer clarifications for facing challenges of reporting and analyzing data from the present marketing systems. Researchers believe in enhanced marketing abilities drives to Cost saving and Customer retention (Wipro et al., 2010).

Enterprise Resource Planning:

At present Wipro Technologies has an attrition rate of 27% which is much higher than competitors.

In economic environment, businesses are moving to innovations in their IT resources.

Dealing with next generation enterprise software, Wipro Technologies provides strategic Enterprise Resource Planning (ERP) services that face up to market challenges.

Wipro ERP expertise is further driven by dedicated partnerships with ERP software providers like SAP, Microsoft and Oracle. Mapping functionalities of ERP applications against your business requirements, Wipro professionals provide consulting, implementation, upgrades, application management and SOA services across these domains (Wipro et al., 2010).

#### SWOT Analysis of Wipro:

Strengths:

* Skilled manpower: Diversified skill base across service lines, delivery capabilities and client satisfaction.
* Commitment to go the extra mile
* Research and Development: Technological partnership with other software companies
* Low cost advantage: Ability to continually reduce the cost of services (Wipro ltd et al., 2009).

Weaknesses:

* Not a proactive company: Domestic market was huge but was underdeveloped
* Small player in global market: No exposure to standard work
* Limited domain: Wipro provided very limited number of services (Wipro ltd et al., 2009).

Opportunities:

* Huge global market: The Company has entered into the global market so now it’s the biggest opportunity available to the company.
* Huge Potential in Domestic Market (Wipro ltd et al., 2009).

Threats:

* Competition by Indian companies in domestic market
* Presence of big companies in global market
* Exchange rate: This can be a threat to the company as the company is making profits due to the high exchange rate and if this rate comes down in future it can lead to a major problem for the company (Wipro ltd et al., 2009).

#### PEST Analysis of Wipro:

Political:

* Liberalization: New Economic Policy (NEP) introduced in the country helped the company to excel in the global market, providing variety of benefits.
* Support of Government policies towards free trade: Export incentives and duty concessions, which showed the company a new opportunity abroad.

Economical:

Increased foreign investment: The increased foreign investments in software technology parks ensured growth in further coming years.

Change in policies: Many economic policies changes in the country helped Wipro in their growth. At that moment the latest policies were going in good turn of the whole software industry.

Exchange rate: High exchange rate helped the Company to take an advantage over other global players which actually allowed it provide products and services at lower costs.

Social:

* Immense intellectual Capital

Technological Factors:

* Easy access to various business clients
* Comfort to global customers and suppliers: Due to improvement in the technology access to the business became easy to other business partners including various suppliers and customers (Wipro ltd et al., 2009).

#### Competitive Advantage:

Wipro has to take all the initiatives which they can, as India is holding a rapid growing IT sector in the global market. Wipro can take a competitve advantage over their competitors like Satyam, Infosys and TCS by increasing their domains. The key step they can take is playing a big role in global market.

Wipro can take advantage with the government polocies which are very convinient for software industries and even wipro can expand their services by attracting the foreign/global investors. But it would be interesting to see Wipro’s moves in coming days.