

Strategic Planning in Construction Companies

Student's name

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Course

Code

Date of submission

## Strategic Planning in Construction Companies

### **What is the topic of the paper?**

The topic of the paper is “Strategic Planning in Construction Companies.”

### **Is the scope of the paper well defined?**

Yes, the scope of the paper is well defined. The paper is about an orderly process development that entails establishment of a competitive strategy that will boost the marketability of a construction company (Warzawski, 1996). The author goes ahead and clarifies that strategies are future methods, approaches, and plans, which the company intends to embrace to enable it meet its objectives despite the level of competition in the environment. It is, also, significant to note that within the scope of the paper, Warzawski (1996) outlines the stages that should be followed in order to develop a competitive strategy upon which a construction company can rely.

### **Are the objectives of the paper stated clearly?**

The objectives of the paper are stated clearly especially, the main objective, which is to present procedural steps to develop a strategic plan for a construction company. Other objectives as outlined in the procedure are: first, to examine the mission of the company, which Warzawski (1996) contends that it presents the perspectives of the company owners regarding the scope of activities. The second objective is to survey the business environment of the company. According to Warzawski (1996), environment encompasses all economic factors that are influential to business activities in addition to all factors that affect the entire construction sector. The third objective of the paper is to disclose particular packages of potential opportunities for

the project and highlight the likely threats to the organized activities of the company (Warzawski, 1996). The fourth objective of the paper is to analyze the main resources of the company. According to Warzawski (1996), the main resources encompass the knowledge, the organization, finances, personnel, the procurement system, the construction capacity and the marketing system. The fifth objective of the paper is strategy development. According to Warzawski (1996), strategy development will be founded on plotting of the comparative desirability of the activity areas.

**What original contribution is the author presenting in the paper?**

The original contribution that the author makes to the paper is the arrangement of the paper right from the abstract, introduction, methodology, through to conclusion. His other specific contribution is the outlined 12 grand strategies, which a company should follow to achieve its objectives. These strategies include concentrated growth, market development, product development, innovation, horizontal integration, vertical integration, opening of joint ventures, concentric diversification, conglomerate diversification, retrenchment, divestiture, and liquidation (Warzawski, 1996). Other original contributions of the author include the questions he develops when analyzing the resources of the company. According to Warzawski (1996), the main resources of the company encompass the knowledge, the organization, finances, personnel, the procurement system, the construction capacity and the marketing system.

**Is the research methodology (if any) described clearly?**

The research methodology that the author chose is the quantitative approach. It is described clearly in the sense that; first, the problem is well defined. This is where there is proper

examination of the system that contains the problem considering decision variables, inputs and outputs. Second, methodology, also, defines the system parameters and the likely constraints to the solution. Third, there is a well formulated objective function in the methodology. This is where there is efficiency definition that facilitates the conversion of inputs into outputs. The methodology, also, analyses the reliance of the same efficiency on the value of decision variables (Warzawski, 1996).

**Are the results or findings of the paper applicable in practice?**

Yes, the findings of the paper are applicable in practice. For instance, cost leadership is practical in life. This is where the company requires offering fair-priced products and services as compared to the competitors (Warzawski, 1996). Differentiation strategy, on the other hand, helps the company to offer more appealing services than competitors.

**What key fundamental positions are taken by the author?**

The position that the author takes is under the “Choice of Strategy” section where he limits himself to discussing the choice of competitive strategy (Warzawski, 1996). He goes ahead to discuss this strategy in a simplified form as focus, differentiation and cost leadership strategy.

**What assumptions does the author make in developing his/her cases?**

Warzawski (1996) makes several assumptions especially under the, “Analysis of Company Resources” section. When analyzing the construction capacity, the author assumes that the survey should disclose the company’s comparative strength and weaknesses regarding its construction method. The second assumption comes after analysis of procurement system.

Warzawski (1996) assumes that the resulting conclusions from this analysis should disclose the company's strengths and weaknesses in respect to its procurement system. The third assumption is that the findings from market analysis should disclose the company's marketing stance in reference to its competitors (Warzawski, 1996). The fourth assumption is that the findings from personnel analysis should disclose the worth of the employees of a company as compared to that of their counterparts in competitor companies (Warzawski, 1996). The assumptions listed above are not questionable in any way.

**Are the conclusions supported by research results?**

Yes, the conclusions are supported by research results. For instance, promising areas for a company to invest are where opportunities are, and also where it can enjoy unique privileges as compared to its competitors (Warzawski, 1996). The conclusion; however, does not provide a summary of the whole research because of its brief nature.

**Are there any errors in the paper?**

The paper was written comprehensively, there are neither factual nor topographical errors.

References

- Warzawski, A. (1996). Strategic planning in construction companies. *Journal of Construction Engineering and Management*. 133-140.