

Development and Suggestions for Real Estate Companies Based on SWOT Analysis: A Case Study of JS Company in Jinan

Guangyun Fan *, Abraham C. Camba Jr

College of Business Administration, Polytechnic University of the Philippines, Manila, 0900, Philippines

Abstract: Jinan JS Real Estate Company, a participant in China's real estate industry, is the subject used in this study to assess its current management approaches and core competitiveness. Five-Point Likert Scale survey and SWOT analysis were used to gather data from the company's staff. The analysis revealed strengths in the company's brand reputation, adaptability, skilled workforce, location, cost control, and diverse operations. The SWOT analysis suggested the company explore market expansion, technology adoption, strategic partnerships, and workforce development opportunities.

Keywords: SWOT analysis, Real estate, Jinan JS Real Estate Company.

1. Introduction

This research explored Jinan JS Real Estate Company, a Chinese property developer which caters to housing and real estate development projects in Jihan. In October 2005, the company was established in Jinan City, Shandong Province, with a registered capital of 10 million Yuan. At the initial stage of its establishment, Jinan JS real estate company mainly engaged in landscaping matching the real estate. After the company began to take shape, it began to set foot in real estate development. Under the joint influence of global economic integration and China's reform and opening up, China's social and economic openness has been continuously improved, and the market mechanism has been increasingly improved (Jiang Jian, 2013). China's real estate industry has been well developed. Jinan JS real estate company has seized the opportunity and obtained rich profit returns.

After four years of development and capital strength reserve since 2009, Jinan JS real estate company began to develop real estate in Jinan City due to its regional advantages. Until 2013, after Jinan JS real estate company had reached a certain scale, it began to gradually expand its business from Jinan to other cities in Shandong Province (Zhang Fan, 2018). Recently, Jinan JS real estate company has been developing in the increasingly competitive real estate industry with increasingly strong financial strength, but it has not yet embarked on the standardized development route.

Now, it has preliminarily developed into a local private real estate development enterprise with strong financial strength, mainly focusing on real estate and mainly on residential development. At present, the company has set up a real estate project department, landscape greening department, finance department, property management department and other departments.

The company adapted its enhanced fiscal stimulus in 2024, which prioritizes efficiency and strategic goals. In evaluating the core competitiveness of the company, the study shall use SWOT analysis in examining how the enterprise is handling its current management strategies. (Qiu, 2015)

2. SWOT Analyse

SWOT refers to Strength (S), Weakness (W), Opportunity

(O), and Threat (T):

a. Strength. Strengths refers to the assets of the company that serves as its edge against its competitors.

b. Weakness. Weakness refers to the factors or areas that a company considers as fragile and vulnerable which has the tendency to get critically affected if not given proper management.

c. Opportunities. Opportunities refers to expansion activities that a company pursues for profitability purposes.

Threats. Threats refers to the external elements that the company considers as a pitfall as it will have a great impact in its operational management. The study aims to determine the current development strategy through SWOT analysis. (Panagiotou G, 2003)

3. Methodology

3.1. Sampling Technique

The study employed stratified random sampling and identified 260 employees from Cochran's formula which were distributed into three strata: (A) manager level: 30; (B) rank and file level: 141 employees; and (C) third party project management employee: 119 employees. The respondents were employees who are knowledgeable on the current processes and guidelines of the company. Company Employee was identified to be the subject of this research so that findings and recommendations obtained can be benefited certainly the company. The elements of stratified sampling include determination of strata within the population and identification of the target count per stratum to ensure proportionality.

3.2. Description of the Respondents

The respondents were composed of the JS Real Estate Company employees in managerial level as to their current management strategy and third-party management project management as well as rank & file employees for their level of competencies and swot analysis of the company. They were employed and working at JS Jinan Real Estate Company.

Data in this study was collected through a questionnaire survey through google form. So, the formulation questionnaires are one of key parts in this study. The

following are the results of relevant descriptive analysis:

Table 1. Age Range

Age	N	%
31-40 years old	48	18.50%
41-50 years old	106	40.80%
51-60 years old	106	40.80%

Table 2. Gender Range

Gender	N	%
Male	146	56.20%
Female	114	43.80%
Total	260	100.00%

Table 3. Civil Status

Civil Status	N	%
Single	140	53.80%
Married	47	18.10%
Separated/Annulled	60	23.10%
Widow/Widower	13	5.00%
Total	260	100.00%

Table 4. Highest Educational Attainment

Highest Educational Attainment	N	%
College Graduate	42	16.20%
Master's Degree (Units)	116	44.60%
Master's Degree Holder	77	29.60%
Doctoral Degree (Units)	25	9.60%

Table 5. Years of Service

Years of Service	N	%
5 years and below	14	5.40%
6-15 years	109	41.90%
16-25 years	128	49.20%
26-30 years	9	3.50%
Total	260	100.00%

Table 6. Employment Status

Employment Status	N	%
Rank-and- File Employee	141	54.20%
Third Party Management	119	45.80%
Total	260	100.00%

The age distribution leans towards individuals in their 40s and 50s, with both the 41-50 (40.80%) and 51-60 (40.70%) age groups being well-represented. The gender breakdown reveals a slight majority of males (56.20%) compared to females (43.80%). Interestingly, the civil status distribution with single individuals forming the largest group (53.80%), followed by separated/annulled (23.10%), married (18.10%), and widowed/widower (5.00%). (see table 1-3)

In terms of education, Master's Degrees (Units Earned) took the lead (44.6%), followed by those holding formal Master's Degrees (29.6%) and College Graduates (16.2%). Doctoral Degrees (Units Earned) are the least common (9.6%). Experience is a significant factor, with the majority (41.9%) having served for 6-15 years, and nearly half (49.2%) boasting 16-25 years of experience. Less than 10% fall into categories with less than 5 years or over 25 years of service.

(see table 4-5)

Furthermore, the study showed that the workforce is dominated by experienced individuals in their 40s and 50s, with a significant portion holding Master's Degrees (Units Earned) and boasting long tenures. (see table6)

4. Result and Discussion

Then SWOT analysis questionnaire will administer. (Qiu, 2015)

The table 7 shows the strength analysis survey with weighted mean at 4.18 (Agree) which emphasizes the firm's key strengths in areas like brand, distribution, innovation, finance, market knowledge, customer service, adaptability, culture, and leadership. Highlighting positive perceptions across various aspects, the findings suggest a strong internal foundation for the firm.

Table 7. SWOT Analysis (Strength)

Strength	Mean	Verbal Interpretation
This company has a strong brand reputation.	4.24	Agree
The company's employees are highly skilled and motivated.	4.23	Agree
The company has a well-established distribution network.	4.18	Agree
The company has a strong track record of innovation.	4.15	Agree
The company has a robust financial position.	4.15	Agree
The company has a deep understanding of its target market.	4.14	Agree
The company has a strong commitment to customer service.	4.18	Agree
The company is adaptable and able to respond to change quickly.	4.20	Agree
The company has a strong corporate culture.	4.16	Agree
The company's leadership team is highly effective.	4.17	Agree
Weighted Mean	4.18	Agree

Jinan JS real estate company has five strengths and advantages: good location advantages, cost control advantages, diversified operation advantages, network resources advantages and organizational structure advantages, which can enhance the core competitiveness of the enterprise.

The table 8 shows a weakness analysis survey identified at weighted mean 4.164, all agreed in the firm's strategy, talent management, supplier concentration, employee retention, and outdated marketing/data practices.

Table 8. SWOT Analysis (Weakness)

Weakness	Mean	Verbal Interpretation
This company lacks clear and ambitious strategic goals.	4.16	Agree
Our products are easily outmatched by competitors in terms of innovation.	4.18	Agree
Communication between different departments is often siloed and ineffective.	4.13	Agree
Decision-making processes are slow and bureaucratic, hindering agility.	4.10	Agree
We struggle to attract and retain top talent due to inadequate compensation or benefits.	4.18	Agree
Our online presence and marketing efforts are outdated and ineffective.	4.22	Agree
The company culture is rigid and stifles creativity and innovation.	4.19	Agree
We rely heavily on a small number of key suppliers, posing a risk to supply chain stability.	4.17	Agree
Our data analytics capabilities are insufficient to gain meaningful insights for decision-making.	4.14	Agree
We have a high employee turnover rate, leading to lost productivity and knowledge.	4.17	Agree
Weighted Mean	4.164	Agree

Table 9. SWOT Analysis (Opportunity)

Opportunity	Mean	Verbal Interpretation
There is a significant untapped market for our products/services beyond our current customer base.	4.12	Agree
Emerging technologies can significantly improve our operational efficiency and cost structure.	4.07	Agree
Collaborations with other companies could create new and lucrative market opportunities.	4.07	Agree
Expanding into new geographic markets holds significant growth potential for the company.	4.05	Agree
There is a growing demand for sustainable and environmentally friendly products/services, which aligns with our strengths.	4.09	Agree
The increasing use of digital marketing offers cost-effective ways to reach new customers.	4.10	Agree
New regulations or changing consumer preferences could create opportunities for disruption and innovation.	4.20	Agree
Leveraging data analytics can generate valuable insights for personalized marketing and product development.	4.17	Agree
Investing in employee training and development can unlock new skills and capabilities for the company.	4.15	Agree
Embracing diversity and inclusion in the workplace can attract top talent and enhance creativity.	4.14	Agree
Weighted Mean	4.116	Agree

According to the actual situation of Jinan JS Company, it is

found that the enterprise has five aspects: family management mode, talent shortage, low product technology content, insufficient brand influence and insufficient experience in cross regional project implementation.

The table 9 shows an opportunity analysis survey with a weighted mean 4.116 equivalent to agree on several promising opportunities for the firm.

The respondents saw potential in expanding beyond their current customer base, leveraging technology for efficiency, pursuing strategic collaborations, entering new markets, utilizing digital marketing, capitalizing on changing trends, investing in employee development, and embracing diversity/inclusion. These findings highlight numerous avenues for future growth and innovation.

The table 10 shows a threat analysis survey identified with a weighted mean 4.082 and agreed on significant threats facing the firm.

Table 10. SWOT Analysis (Threat)

Threat	Mean	Verbal Interpretation
The emergence of new competitors with disruptive technologies poses a significant threat to our market share.	4.10	Agree
Rising energy/material costs could significantly impact our production costs and profitability.	4.15	Agree
Changes in government regulations or legislation could negatively impact our operations or products.	4.15	Agree
A shift in consumer preferences towards different products/services could render our offerings obsolete.	4.00	Agree
A major cybersecurity attack could disrupt our operations, damage our reputation, and incur financial losses.	4.05	Agree
Dependence on a limited number of suppliers puts us at risk of supply chain disruptions and price increases.	4.10	Agree
Economic downturns or recessions could significantly reduce customer demand for our products/services.	4.10	Agree
Negative media coverage or public relations scandals could damage our brand reputation and consumer trust.	4.07	Agree
Skilled labor shortages in our industry could make it difficult to recruit and retain.	4.07	Agree
Climate change and environmental regulations could increase operational costs.	4.03	Agree
Weighted Mean	4.082	Agree

Respondents perceive disruption from new competitors, rising costs, changing regulations, and shifting consumer preferences as major threats. Additionally, concerns were raised about cybersecurity risks, supplier dependence, economic downturns, negative publicity, talent shortages, and climate change.

5. Conclusion and Recommendation

Based on the previous SWOT matrix analysis of Jinan JS Company, and on the basis of comprehensive consideration of internal and external environmental factors, we can determine different strategic schemes, which represent different overall strategies such as growth, turnaround,

diversified operation and defense (Bingan and Jiansheng, 1995).

Turning Around (WO) Strategy: give full play to the advantages of external opportunities to make up for and optimize their own disadvantages, so as to enhance the overall competitiveness. Jinan JS Real Estate should focus on the following current management strategies: talent training and retention plan, improve the salary incentive system, and improve the employees' work enthusiasm and sustainable development ability; Create an information management system and introduce modern software to grasp information and opportunities at the first time. Accelerate the pace to form brand advantages.

Strategy of Diversified Operation (ST) is mainly to give full play to advantages, avoid and eliminate threats to the greatest extent. With this, Jinan JS Real Estate should focus on the following current management strategies: fully grasp opportunities, constantly carry out scientific and technological innovation and management innovation, so as to cope with the changes in resource elements brought about by the rapid progress and dissemination of science and technology, and move towards standardization and the establishment of long-term mechanisms.

Defensive (WT) Strategy: WT strategy is a kind of passive and defensive strategy, which mainly ensures the existing market share of the enterprise through various preventive measures, so as to avoid the adverse impact of market risks on the enterprise. As such, Jinan JS Real Estate should resist other competitors to a certain extent and stabilize its own operation by taking measures such as improving product quality and price competitiveness as its current management strategy.

Findings of the SWOT analysis propose the company Jinan JS Real Estate in opportunity a potential in market expansion, technology adoption, strategic partnerships, workforce development, digital marketing, and brand building, to establish a stronger brand reputation, create a better distribution network, improve its financial management, optimize its online presence for further market reach, sustain customer satisfaction, innovate decision-making process, value employee talents and contributions, invest in data analytics, address the issues on high employee turnover rate, explore untapped market potential in the regions, acquire better technologies, and create a risk management system to cope with possible threats.

References

- [1] Jiang Jian.(2013). Analysis on energy-saving construction technology of modern building engineering [J] Doors and windows, (11): 124-125
- [2] Zhang Fan.(2018) .Analysis of the Five Forces Model for Shared Cycling [J] Computer enthusiasts, (1): 195
- [3] Qiu Guofang, Cui Yafeng, Zhang Xiaoqi. (2015). A Method for Enterprise Strategy Formulation Based on SWOT Analysis [J] Research on Technology Management, 35 (18): 193-196
- [4] Panagiotou G. (2003) .Bringing SWOT into focus [J]. Business Strategy Review, 14(2): 8-10
- [5] Wang bingan, Gan Jiansheng.(1995) .SWOT marketing strategy analysis model [J]. System engineering theory and practice, 15 (12): 34-40