

MACRO CONDITIONS FOR THE FUNCTIONING OF A JOINERY PRODUCTION COMPANY IN THE SITUATION OF AN UNPREDICTABLE ECONOMIC SLOWDOWN

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INTRODUCTION

The basis for the functioning of every enterprise is its ability to move efficiently and effectively in the business space. This ability depends on a number of conditions, both intra-sectoral, on which the company can have a direct impact, as well as macro-environmental, political and legal, cultural and social, economic and technological and organizational. The analysis of macro-environmental conditions can be a determinant of wise use of company's resources and lead to success despite the change of its macro-environment. In the article such an analysis was carried out in relation to a particular joinery manufacturing company in a situation of a pandemic economic slowdown. This analysis for the adopted case study allowed to determine the magnitude of the forces of positive and negative impact of individual macro-conditions.

The analyzed company is a large manufacturing company with an established position and more than 25 years of presence on the Polish market. Previous analyses have shown very clear opportunities for continuous development and sales growth. The company does not engage in retail sales. It has a network of B2B customers who are engaged in retail trade. The company's area of operation is mainly Poland, European Union countries and individual countries outside the EU.

METHOD

For the analysis of the selected enterprise, the PESTEL method was chosen, expanded to include parameters to determine the extent and magnitude of the forces of positive and negative impact on the enterprise's survival and growth strategies. This approach can serve organizations as a kind of environmental compass, pointing out potential threats as well as opportunities to be exploited by enterprises in various industries. In unpredictable situations, such as a COVID-19 pandemic, it can also serve as a delineation of the main area requiring attention in the first moments after a random event, helping to guide crisis management activities.

Component issues of the factor	Description	Nature	Impact	Time horizon
Decline in consumer orientation of society	The economic crisis, as a consequence of the society's reduced purchasing power in real terms, leads to a reduction in the society's consumer orientation.	Negative	3	Present
Decline in the life stability of society	The consequence of many layoffs will be fewer (of all types and scales) purchases and investments.	Negative	4	Present
Ease in obtaining loans	Lower interest rates mean more loans and an increase in the group of people who can start renovating their apartments or building homes.	Positive	5	Future/Present
Increased interest in building own house with a garden	A several-week public shutdown (pandemic lockout) has sparked interest in seeking building lots.	Positive	3	Future

source: own study

RESULTS

The result of such a comprehensive analysis is a table summarizing the six factors of the PESTEL analysis, the average strengths of their impact of their component problems, and the resulting nature of this impact on the business venture of the company under study.

Group of factors	Average impact	Nature
Political	4,0	Negative
Economical	4,0	Negative
Social	3,75	Neutral
Technological	3,25	Positive
Environmental	3,25	Positive
Legal	3,75	Negative

source: own study

CONCLUSIONS

The results of the PESTEL analysis presented in this publication, may suggest to the surveyed joinery manufacturing company more survival than development functioning in the current situation of an unpredictable economic slowdown. The survival element is related to the political, economic, and legal issues expressed in the analysis above, while development may be based on the environmental and technological factors cited in this publication. The social factor remains in neutral nature.