NEAR EAST UNIVERSITY

FACULTY OF ECONOMICS AND ADMINISTRATIVE SCIENCES

GRADUATİON PROJECT
MAN-400

STRATEGIC MANAGEMENT

Submıtted By: Hüseyin İzci (970433)

Submıtted To : Mr. Hasan Sarıca

HÜSEYİN İZCİ

NO: 970433

BUSS

35/50

TABLE OF CONTENTS

INTRODUCTION

Izko is a carpentry company which was established in 1978.Although it hasn't got a very wide market share in the existing sector,since it attaches importance to quality and strength it always found a place for itself in the carpentry market.It is a demanded company for the special and quality works.Izko with its 14 lobourers held % 0,34 Of the market in 2001.

This project is prepared to analyze, the progresses in building construction sector from past tilltoday and its present situation and related to this the role and the position of İzko in this sector.Thus this project is prepared to help İzko to determine its long term strategy.

To prepare this project it is benefited from the book at statistics of external trade importation and exportation of Department of Trade and book of Transition Programme of Government planing Organization

This project is consist of 7parts

In the first part,ageneral information about building construction sector

In the second part , there are information and exaluation about residential building sector,which is found in building construction sector,is given and also some data and exaluation directed to these are given beside the analyze of this sector

In the third part , there are comparison of residental building sector to construction building sector with current price and USD price.

In the fourth part,the colculations the and evalutions of then market size of the carpentry is seen.

In the fifth part, the financial situation development and the swot analyze of İzko is found.

In the sixth part , evaluation of the İzko`s problem and after all these some suggestions done to the company .

In the seventh part , the things that İzko has to do after all these evaluations and the suggestions done to it can be found.

I.1 General Information about Building Construction Sector

Building Construction sector is one of the basic elements economic and social development.It is also factor in the development of other sectors and a factor to have a regular and quick relationshios between them.Becauseof this characterristic,in construction sector is done as “the locomotive power”.

The sector,leading the residential building first,gathersn the construction to work such as building, fabric, road, sewer system, harbour, airport, water requlator, small lake and dam its structure. It also takes garden architecture, park arrangement, monument and statue construction into its scope.Building construction work is classified as substructure and superstructure.This sector is also divided into building works done inside and outside of the building.

Production

Production value in the building sector,constitutes a very important part of the fixed capital investment of our country.The current price of the production value in 2000 was 60,152,787.8 million TL and was 80,919,422.1 million TL in 2001.

The Production and increase in building sector

Years	Current Price Production	Increase rate %
1998	21063834,9	%97.4
1999	34238126.4	%62.5
2000	60152787.8	%75.6
2001	80919422.1	%34.5

These increases are calculated according to the prexious year.

Employment

With its high labour density building construction sector has a very important contribution to the capacity of general employment.In both 2000 and 2001 the number of lobourers were 14,104.The share of the building construction sector in the overall employment was 15.8 % in 2000 and decred to 15.6% in 2001

II.Residentıal Building Sector

Residential building sector is one of the construction found in the building construction sector. These construction found in the residential building, forms the places that need furniture and wooden productions . This is the reason, why almost all of the products produced in furniture sector is produced fore these constructions . So we can say that any change or development in the residential building sector directly effects the furniture and wood sector .

The place of Residention Building in building construction sector

(Milyon TL)

Building Construction Residential Building

	Building Construction	Resident Building	%
1998	21,063,834.9	12,769,143	60,6
1999	34,238,126.4	22,035,188	64.3
2000	60.152,787.8	33,095,875	55
2001	80,919,422.8	65,822,895	82.5

The place of residential building sector in the building construction sector according to years is as follow . We can categorize residential building sector in to three parts as

1-Residential Building

2-Shop

3-Others

Residential Building :

Production of residential. Building includes 3 types of construction. These are house and apartment houses. Residential building production is a investment addressed to human being and is an important factor that directly effects human life condition. Residential building production has a very close relationship with individual and social prosperity level. Since it takes input to employment and many production branches and has positive contribution to entire economy it has an important place in the building construction sector. In our country, the biggest portion in total building construction both economically and as field belongs to residential building construction.

In 2000 the field of Residential Building Construction in the total construction field portion was %78.2 and was 588.5 in 2001

Distribution of the Resident building, shop, others in Reswident Building

	Urban	Rural	Total	
2001 General Total	48,471,228	17,351,667	65.822,895	Residential
Building	42,277,854	15,306,461	58,274,697	%88.5
Shop	2,277,854	680,129	2,957,983	%4.5
Others	3,225,138	1,365,077	4,590,215	%7

	Urban	Rural	Total	
2000 General Total	18,210,891	14,884,984	33,095,875	
Residential Building	14,199,859	12,252,977	26,452,836	%80
Shop	961,697	251,045	1,212,742	%3.6
Others	3,049,335	2,380,962	5,430,297	%16.4

	Urban	Rural	Total	
1999 General Total	11,502,984	10,532,204	22,035,188	
Residential Building	9,068,806	8,339,441	17,408,247	%79.1
Shop	486,788	342,859	829,647	%3.7
Others	1,947,391	1,849,903	3.797.294	%17.2

	Urban	Rural	Total	
1998 General Total	7,88,778 .	5,580,365	12,769,143	
Residential Building	6,100,679	4,866,128	10,966,807	%85.8
Shop	180,733	238,032	418,765	%3.2
Others	907,367	476,205	1,383,572	%10.8

It is shown in the table above , residential building construction has the biggest portion in residental building sector and these construction from the skeleton of residental building sector

2. **Shop:**

There are two types of shop . These are private shops or shops in the first ground floor or in the up stories of an apartment . Shops are the places for trade for the society. In 1999 shops had % 3.7 of the re3sidential building sector had % 3.6 in 2000 and had %4.5 in 2001 .The shops that usually are betwwen %3 and %5 in the res'dent'al building sector has a very important place for the country`s economy.

3.Others

This category is formed gathering of small construction . This category held %17.2 of residental building sector in 1999 and held % 16.4 in 2000. This rate in 2001 was % 7 some main building found in this category are schools,fabrics, workshops, hotels, cinemas, bakeries,sheeps – folds and stores. You can find more detailed information about residential building sector in the attachment.(More information in appendix)

III.I. Comparison of growing rate of sector of residental building and sector of building construction with in the sector base ,with its current price.

When you look at then sector growing rate of both residental building and building construction sector over the current price it is obviously seen that there is no stability and balance in the market. For example ,the growth of 1998 compared to 1997 was % 97.4 and the following year this rate decreased to % 35 thus the growth in 1999 become %62.5 . İn 2000 compared to 1999 ,to growth rate was %75.6 and thus % 13 bigger growth occured compared to 1999. İn 2001 compared to 2000 % 34.5 increased occured. İf you look at the residental building sector during these years you can see the same imbalance. It is also very clear that although the sector growth rate of these two sectors Is related to each other there is no appropriateness. That is to say ,although residential building sectors is a branch of building construction sector they behave completely independent in the float of market .

For example if we look at the growth rate on current prices between 1998-2001 , we see that in 1998 building sector grew % 97.4 compared to the previous year , on the other hand only % 43.7 growth occurred in the residential building sector . In 2001 as residential building sector grew % 34.5 the building construction grew %98.8 When sector growth rate is examined on the basis of current price It looks impossible to have a accurate correct analyze of the growth and decrease in the sector. The biggest reason at this is the unstability at the money type used in the country. These all a rise from the unstability although sector development speed at 1998 – 2001 to the previous year was given to move between the

% 97.4 and % 34.5 in the table , these growth rate doesn't reflect the reality , because between these years there are some factors that effect the rise of prices .

???For instance factors like; inflation rate and value loss of TL has effected the prices in this period . Because of this it will be more real to evaluate the growth in the market over a foreign currency .

III.2 EVALUATİON OF SECTOR GROWTH RATE OVER DOLLAR PRICES

İf we evaluate the sector over the dollar prices we can see an stability again. But since the evaluation is done over the dollar price , we can have a realistic observation and evaluation of the growth and decrease in the market .

As it is seen from the table , when sector growth rate is calculated over the dollar currency , the developments in residential building sector and building construction sector has been occurred different from each other as it was with current prices. Reason of this is that some items which from the constitution of the building construction sector is the buildings done by the government and as we said before when explaining the building construction sector these are the constructions like road , sewer system , harbour , airport , dam etc .done by the government .Because of this reason it won't be very much realistic to reconcile building construction sector with the economic statistics . For example there was a % 16.5 increase in 1998 , a % 1 increase in the following year and % 18.4 increase in 2000 . İn 2001 a sudden fall occurred and % 28.5 decrease occurred however residential building sector is totally related to economic power at the society it is a kind of fundamental need . For this reason economic developments effect residential building sector on a large scale and since it is a fundamental need it displays a recovery after the economically effected periods .

For example , because of the % 215 devaluation happened in 1994 the residential building sector reached to the bottom point and descended to the level of 32,989,232. and in the following years wide float was lived at the sector . In 1997 with the recession of inflation to % 81.7 the sector reached to it minimum price 57,328,238.

In 1998 although the inflation continued to fall the minimum prices which was reached to 57,328,238.- receded to the level of 48,665,796.- in 1999 the fall in recession of inflation continued and fall came to the level of % 55.3 . Related to this the sector rose to 521,774,318.- as the float + in inflation decreased in 1999 and 2000 , the float in the sector decrease too . In 2ooo inflation fell to % 53.52 and the size of the market rose to 52.835.246. Beside macro economy , although there was a devaluation , as an effected of micro economy , there was a demand in the residential building sector due to the expectations in the rise at the residential buildings . The reason to this , were the effects of the political development which had the Cyprus issue on its foundation .

Comparison construction sector and residential sector with current price and USD pricei

Years	Construction Sector		Residential Sector		Current price and USD price growth rate %				Inflation %
	Currency price (milyonTL)	USD Price	Currency price (milyon TL)	USD Price	Cons.B Current price	Building C. Current price	Cons.B USD Price	Building C USD Price	
1998	21,063,834.9	80278552	12769143	48,665,796	%97.4	%43.7	%16.5	%-15.2	%66.5
1999	34238126.4	81072943	22035188	52177431	%62.5	%72.5	%0.098	%7.2	%55.3
2000	60152787.8	96029711	33095875	52835246	%75.6	%50.2	%18.4	%1.2	%53.2
2001	80919422.1	68699.814	65822895	55883007	%34.5	%98.8	%-28.5	%5.7	%76.8

IV CARPENTRY SECTOR

IV.1 General Information about carpentry sector

Carpentry sector is formed of wood works used in the constructions like resident building, shop and others that are found in the residential building sector. Mainly wood work can be ordered as door, window, frame, bed room wardrobes, kitchen cupboards roof, stairs and furniture. Carpentry sector is entirely connected with the residential building sector. The developments and changes ın the residential building sector can be seen in the carpentry sector can be seen ın the carpentry sector ın the same way. The reason of this is that, the products use in the carpentry sector is produced for the constructions in the residential building sector. Thus the changes ın the residential building sector reflect to the carpentry sector in the same way. As it ıs shown ın table 4 the market capacity of carpentry sector follows the same trend for years since it is connected to residential building sector. Then market capacity of carpentry sector in 1998 was 3,988454. (Million TL.) and in 1999 was 6,623454. (Million TL) . in 200 it was 9,962,757. (Million TL), and ın 2001 it was 17,280,057.09 (million TL). it is obvious that carpentry sector is the biggest and most important item in the residential building sector so it has got a good place ın country's enonomy and ıt proxides employment . ıt is also a renewing sector which is affected from the technologic developments. Big developments have been accrued especially in the last 10 years. The most important of these developments is raw material. Far example M.D.F is found, a ready – made material , laminate is used in kitchen cupboards , bedroom wardrobes and in furniture. Since the customers compared to the past are more sophisticate, more selective and pay more attention the quality there has been obvious development in the products of carpentry products.

IV.2. Calculation of Market Capacity in the Carpentry Sector

Due to the luck of statistics about carpentry sector it is not possible to find completely. Because of this it is applied to interview method this is done by using the experiences of the owner of Izko L.T.D , ibrahim izci who has got an experience in the carpentry sector. The questions asked in the interviews are given below.

1-) what is the percentage of carpentry sector in the cost of residential building constructions?

Answer %32

2-) what is the percentage of carpentry sector in the cost of shop constructions?

Answer %25

3-) what is the percentage of carpentry sector in the cost of constructions named as 'others'?

Answer %22.

The answers are based on the experiences accumulation and observations of the past years. For this reason it would be wrong to generalize these rates for every single construction. And say that this much rate of wood belonging to the carpentry sector was used. The biggest reason of this is that there in no standard on constructions and individuals plan and design their constructions according to their own need and wish related to this , these rates might change up or down in every construction. But the rates got by the interview are the average share of carpentry products used ın constructions ın the past years. Consequently we can say that in every construction rates might change according to individuals but the total rate is this rate.

Distrubutiopn of Carpentry Sector in Residental Building Sector

(milyon TL)

Years	Distrubution of Residental buildin sector	Current Price in Resident Building Sector (TL)	Ration of Carpenterysector in construction building (%)	Capacity of Carpentery sector
1985 TOTAL	Residental Building Shop Othersi	6958 9745 1078 17181	%32 %25 %22	2034.56 2436.25 237.16 4,707.97
1990 TOTAL	Residental Building Shop Othersi	74276 6654 12712 187284	%32 %25 %22	23768.32 1663,5 2796.64 28228.46
1994 TOTAL	Residental Building Shop Othersi	876.036 63067 47791 986.841	%32 %25 %22	280331.52 15766.75 10514.02 306,612.29
1998 TOTAL	Residental Building Shop Othersi	10,966,807 418,765 1.383.572 12,769144	%32 %25 %22	3.509378 104,691 304,385 3.918454
1999 TOTAL	Residental Building Shop Othersi	17408247 829647 3.797294 22,035,88	%32 %25 %22	5,570,639 207,411 835,404 6,613,454
2000 TOTAL	Residental Building Shop Othersi	26,452836 1212742 5430297 33095875	%32 %25 %22	8464907 303185 1,194,665 9962757
2001 TOTAL	Residental Building Shop Other	58274697 2957983 1747523	%32 %25 %22	18647903 739495 340455

V.3 Local Production İn The Carpentry Sector (Million TL)

(Milyon TL)

Year's	1990	1998	2000	2001
Carpentry Sector Including the İmports	28.228.44	3918454	9962757	20397246.09
The guantity of Product İmported	2310.72	1 42551.43	5 37 65.20	3117 189
Local carpentry Sector	25917.74	25 759 02.57	47 25091.8	17280057.09
Gwp per	3447	4666	4978	4303

When calculating the local production in yhe carpentry from previsusly found carpentry Sector market capacity. And we find local production in the carpentry Sector. Foreing Trade export-import startistics book.

This result also shows the actual production quantity in Cyprus. Local then production had the majority of the market in 1990 but later through the end it 1990's it has lost some part of the market. Between 1998 and 2000 about % 30 and % 55 of the market was held by imported goods but in 2001 goods but in 2001 this rate changed . The major reason of it was value lost of TL against foreign currency and increase in guote value as a result of this the purcahisg power of the society for foreign goods increased does the importation of imported good increased but the develetion in 2001 turned this event upside town and this time TL lost value and does the purcahisng power of individual for foreighn goods decresing.

V.4. P.E.S.T Analyiss.

It is very important that an organization considers its environment before beginning the marketing process. Intact environmental analysis should be continuous and feed all aspects of planning. We can say the PEST analysis is scan of the external macro environment in which the firm operates can be expressed in term of the following factors

1- Political factors.

One of the major problems affecting and to affect the sector af carpentry in cyprus is the cyprus problem . due to the fact that T.R.N.C is not recorgnized and in this context being in a illegal state non of the products have been able to be experted for this reason we can say that Cyprus problem is the biggest problem to influence the sector of carpentry since the volume of market of the furniture sector for Cyprus is fifed. This problem is a political problem and the development in this problem will directly influence ithe sector of carpentry for instance the market volume of the current carpentry sector is fixed or the average but any political development for example a long with the tariffs of commercial embargoes or realization of a settlement the ongiing trade restrictions and tariffs. Will be lifted and thus the carpentry sector in cyprus becoming limited number will be opered to the world market instantly and will gain a very board customer potential for ıtself . also considering the probability of access to E.U , we can say that ıt would be a good opportunuty for carpentry sector . another poletical factor in the sector of carpentry is the tax policy that the government implements to support domestic production in cyprus the goverment dereased the rate of V.A.T from %13 to %3 in the production purpose imported row materials thus helping the decrease of cost and products in the market. Also te government has been implementing the poicy of protecting the producers by fundıng the properties produced in cyprus but also imported into cyprus.

2- Economic factors

The currence used in cyprus is T.L since T.L in not a stable currency a stable economic policy has note been carrıed out . and since many years very big fluctuations accur in economy. For exmple fluctuations in excange rates have been creating a blurned atmosphere and this atmosphere has been affecting the mates , resulting in high interest rate thus hindering the people to make investments and failing the reclization of economic expansion and in connection with this economic shrinkings accur from time to time consecuently we can say that ther can be a risk enonomically.

3- Social factors

If we have a look ot the pace of papulation increase , while 200587 people would live in 1978 in 1996 there wasn't any major ıncrease in population and with an avarage %0.57 increas the population went up to 212342 we can say that ghe few increase in popularion is good for the sector at least this rncreased protected its potential customers , also experienciıng an increase in the 30-60 age population which is the target mass of izko is a positive development. When we see the situation from the society's viewpoint of domestic production we can see a good conclusion the reason for this is that the significance of supporting domestic production in society is well know and the preserve of a contemporary society . ıt is possible to see the results of this in the sector of carpentry . for example 20397246 Tl amount wooden products were needed in 2001 only %15.2 of this is imported the rest is demanded from the domestic production we can say tht ıf is on oppertunity for the sector to have a society heaching this consciousness.

4- Technological factors

Due to the technological developments some developments have been felany place in the sector of carpentry . for examlple laminant kitchens have been produced by means of laminant lechnologywhich is ready made material and in comperison with the other kıtchens in terms of time in producion laminant kitchens hav been prduced in shorter time and more cheaply . on the other hand by means of technological developments it have been seen that products alternative to products of carpentry have been spreading this situation is a threet for the sector of carpentry. As on example to this on alternative to wooden windows with P.V.C technology . P.V.C windows developed and weth the latest technological developments doors were also added to this and they succesded in producing P.V.C windows and dors in defferent shades of colour of wood . because of this we can say that technological developments in the alternative market can be a threat for carpentry sector.

V. IZKO LTD

V.I Historical Evaluation of Izko

İzko L.T.D was found by İbrahim izci and Osman koççat in 1978 . They started doing carpentry work in a small workshop in dikmen. They were also the shareholders of izko L.T.D İbrahim izci had % 70 of the share and Osman koççat had the % 30 remained. They were both the founders and the first workers of the campany they had been doing carpentry work since their childhood so they knew the work well.the izko L.T.D that was found in 1978 used to make production according to customer's wish and tride to do quality work so they thought that would be easier for them to find a place in the market. As the years past it found place in the market developed and advanced . in 1985 their sales rose to 27,764,671 with this number they had %0.258 of the market. İn the following years izko L.T.D kept growing and when it was come to 1990 izko LTD rose its sales to 263,029,530 whith this number they had managed to rose to %0.93 this meant that izko made one of every 100 construction. By this rise izko also increased the numder of ıts labourers. Later they moved the fabric from dikmen to industry area in lefkoşa . they built a new fablic with 9000 metre kare size. Since then they have been doing the production in this fabric. In 1991 their production was 40,333,218 183 TL. And in 2000 they rose ıt to 54,143,052,294 TL. In 2001 their production was 57,738,318,582 during these years, in 2000 Osman koççat one of the partners of izko L.T.D left the company by selling his shares to Ayfer izci.

V.2 General İnformation About İzko

V. 2.1 Profile of İzko

İzko is a well-Known and respected company in Cyprus's carpentry market. Hs name is mentoned with its wide prodmchnon fan in the arpentry sector. Its prodncts are door, window, frame, kitchen cupboard and bedroom wardroke, stairs, roof etc. Between 1990-199? İzko managed to have a %0.1 market share. Between these years the number ot la bourers was between 10-12. through the end of 1990's especially in 1998 as a result of the crisis. %15.2 fall occured in the residential building sector and naturally becawse of the way it is calculated this fall has been reflected to carpentry sector too.

İzko has been effected more than the market has been effected from this. Crisis. And in year the market share of izko has that decreased mare than 1985 and receded to %0.51. in 1999 izko increased its market porhon to %0.6 and recreased to %5.4 in 2000 in 2001 it decreased to Sale numbers in 1998 was 4033218183 and in 2000 it was 54,143,052,294. in 2001 20,27,3,024,545 Tc, in 1999 it was As a result of a faal of market share there was also a dierease in the number of izko's labourers. The number of of izko's labourers has receded to 8-10 from 10-12.

V.2.2 **Mission**

The mission of izko is to provide customers with fast and effective service they will aim to provide consumers with qualıty products and be recognized as ane of the best and trustworthy campanies in their sector.

V.2.3 **Target Customers**

The izko is targeting the same segments since they have started to business in 1078. However the target based has enlarged since then. Target segment of the izko is the 7000 – 30000 dollar a year income level people who are considered to be high ıncome level people. These people are usually 30 – 60 years old age grou. The reason for such segmentation is that izko produces quality products with a higher price range.

V.2.4 Marketing Mix

Customers need and wonts are the number one priority of the campany. They aims to design their products and service with the customer in mind.

V.2.4.1 Product

İzko products are developed and featured to meet teh needs and wonts of their customers. Quality, convenience and practicality are some of the features that attract the attention of the consumers. Customer satisfaction is the ultimate aim of the company and they they develop theır products with the customers in mind.

V.2.4.2 Place

Izko has 17 production units all over the country. These production units are established in order to access relevant markets in the shortest time possible with the minimum costs. The company also a very good distribution channel and have 57 agents and retailers around the country.

V.2.4.3 Promotion

Izko has adopted indirect communication strategy to promote their products.Hence they are using advertisement to attract more customers and increase the awareness towards their products. The promotional activities concentrate on brand and image building.

V.3. Financial Analyze

V.3.1 The position of the company in 1990 and in 2001 according to income statements

it can be seen from the financial reports there is a clear Fall in Izko` s income compared to 1990.In 1990 Izko had % 15 benefit from the sale income. Beside this, in this period izko, also had %0.93 market share and had 263.029.590 TL sale, in the carpentry market. In 2001 although there was an increase in the sale of izko, this didn't reflect the reality. The reason of this increase is the increase of the prices due to inflation and accordingly the value loss of TL In reality there is a big fall in Izko`s market share in 2001.In 1990 its market share was % 0.93 and in 2001 it receded to % 0.28.Besides in 2001. Izko`s sale income receded to % 12.6.As it can be understood from these datum, in 2001 a fall in izko`s sales and related to this a fall in its market share was occurred.

V.3.2 Balance sheet 2001-1990

When izko`s balance sheet of 2001 is examined it is seen that although there are goods in its stocks, there is very few ready money and money owed to credit. However the company's bets are quite much. It is possible to see this analyze with quick ratio. Although company's quick asset is 743,141,527 TL its bed debts are very much above thıs. The debts at the company in 2001 is 39366282751TL and ıts quıck ratıo is 0.018. This means that the company is in a very dıffıcult position.In other words ıf creditors want treır money rıght now the company can not pay thıs money and ıt may go bankrupt.Althought the companys position is very good in 2001 compared to 1990,this years quick ratio rate is %38 which means that the company's position is not good this year as well But the reason of this is that izko LDT made an investment in 1990,built a new fabric, when this is considered the rate can be accepted but it is still at a visky rate. When we look at company's current ratio we see that it was 1.41 in 2001 and was 0.58 in 1990. These rations are below the normal position. The ratio which is accepted as normal is 2. Current ratio supplies you the company's wealth to its debts. In 1990 the wealth of the company couldn't cover its debts so the company was in indebted position. In 2001 the company had a little more than its debt. (More information in appendix)

V.4 S.W.O.T Analysis

SWOT analysis si a tool for aufiting an organaziation and its environment. İt is first stage of planning helps marketers to focus on key issues. Once key issues have been ıdentified , they feed ınto marketing objectices. İt can be used in conjunction with other tools analysis , such as PEST analysis and porder's five-forces analysis. And SWOT stand for strengths , weaknesses , opportunıtıes and threats. Strengths and weaknesses are internal factors and opportunities and threats are external factors.

1-Strength

Izko , since its date of establihment has been securing its place in the market and will promise confidence in the future because of the importance it attached to guality and customer any being in the market for 33 years as an advantage .

2- Weakness

since the cost's of izko are high , it doesn't attach importance to advertisiment , hasn't meraged to became a wellknown trademark . It is uncertain whether it would survive in the long ran .

3-Opportunitiy

The process comprising the opportunities of the company are made up of external factors and these factors develop independent of the company itself . The primary factors to affect İzko in the future are polatical factors. As it is stated in the P.E.S.T analyses the possibility of a settlement in Cyprus in the coming years we can say that this can create new opportunitiy is the tax decrease by the goverment . Another

VI. The Problem of Izko

VI.1. Definition of Problem

Izko was found in 1978 and entered into a market having nothing. But as the years followed the izko`s share in the market increased and found it Self a good position in the market. When it was come to 1990 izko had the % 0.93 of the market. In these years its sales were 2.783.475.000 and the capacity of carpentry sector was 28.228.46 million TL. But through the end of 1990,s the market share of izko decreased and when it was come to 2001 izko`s market share receded and became % 0.28.Unfortunately the reason of this recession was never understood so never removed. This recession continued until today. Briefly we can say that the izko`s main problem is the decrease in sale income and fall of its market share. Its another Problem is high debt rate as it is seen in the balance sheet.

VI.2 Solutions To Problems And Suggeshons

At a fist singt, you may see its financial problems but actually the company's fundamental problem is the badly formation ot vision and mission from the begining. İzko's visioun was to have a good position in the market But As it is known, how broad and clear horizon there is, a bettern prepared mission here will be to reach the horizon. Sofirst izko must carry its vision to forward. For instance it is likely mar it will be more success ful if it puts itself a targetn to be an internationnal, world-wide company and if it develops itself morder to reach that target.

İf it renew its vision we will see that it will start to make investments in fields such as brand and adverti sement that it doesn't interest in now. İf it does these, its sales will increase inu more stable way and related to this there wiil be increases in its incomes. Beside these when it is evamined from a financial angle asit is seen in the (Addition table attached) we sec that there are some cases that izko has to correct. The most important of all these is the marketing

VII. Conclusion and Recommendation

Although Izko is at a position that it reserve to be sence he has been in this carpentry sector for many years.If Izko does the necessary arrangements and works . It will come to better position Izko stand today since it always gave priority to customer satisfaction and quality .In the following years, if Izko does the necessary arrangement use the opportunities it come across, protect itself against traits straighten it weak sides. It will be very successful in the sector. By means of this project Izko got a change to evaluate the events happened untill today with a better objective way on the other hand by developing some new strategic plans it will try to find a way to became to a better position .

REFERENCE

1-Devlet Planlama örgütü 2002 Geçiş Yılı Programı
2-Devlet Planlama Örgütü 2003 Geçiş Yılı Programı
3-Devlet planlama Örgütü İnşaat ve Parsel Statistikleri 2001 Yılı
4-Devlet Planlama Örgütü İnşaat ve Parsel Statistikleri 2000 Yılı
5-Devlet Planlama Örgütü Statistik Yıllığı 2001 Yılı
6-WWW.Marketing Teacher .com
7-Ticaret Dairesi İthalat ve İhracat Statislikleri

APPENDIX

1990 Balance Sheet of Izko

Current Asset	Inventory Receivable Cash Account	43,156,350 78,050,120 4,419,983 125,626,453
Current Liability	Bank Liability Liability Tax	342 213,516,331 2,182,504 295,699,177
Net Current Liability		90,072,724

2001 Balance Sheet of Izko

	Inventory	54,941,860,450
Current Asset	Receivable	576,941,199
	Cash Account	166,200,328
		55,685,001,977
	Bank Liability	66,729,872
Current Liability	Liability	38,775,514,397
	Tax	524,038,182
		39,366,282,751
Net Current Liability		55,685,001,977

Financial Report

Position of company debit or credit 1998 and 2001 years

	1990 years	2001 years
Sale income	**263,029,530.-**	**57,738,318,582.-**
Cost of sale	**-200,697,729.-**	**-25,638,572,090.-**
Gross profit	**62,331,801.-**	**32,099,746,572.-**
Market and Adm.cost	**20,442,951.-**	**24,108,624,138.-**
İnterest Exp.	**339,600.-**	**138,293,752.-**
İncome Tax	**-2,182,504.-**	**524,038,182.-**
Net İncome	**39,366,746.-**	**7,328,790,500.-**

2.Kentsel İnşaat İstatistikleri

2. Urban Building Statistics

2001

A. Yapı Sayısı / A. Number of Buildings	**B. Yüz Ölçümü (m2)** / B. Floor Area (m2)	**C. Değer (Milyon TL)** / C. Value (Million TL)	**D. Daire veya Dükkan Sayısı** / D. Number of dwelling unit or shop

			Toplam Total	**Lefkoşa** Nicosia	**Gazimağusa** Famagusta	**Girne** Kyrenia	**Güzelyurt** [1] Güzelyurt	**İskele** [2] İskele
Genel Toplam	**Toplam**	A.....	468	43	278	67	32	48
General Total	Total	B.....	167,097	16,267	115,707	21,205	4,966	8,952
		C.....	48,471,228	4,517,424	33,259,051	6,153,062	1,486,352	3,055,339
Konut		A.....	306	31	145	54	30	46
Residential Buildings		B.....	144,679	10,959	104,778	16,354	4,274	8,314
		C.....	42,968,236	3,246,593	30,565,079	5,014,213	1,304,939	2,837,412
		D.....	1,251	61	968	142	33	47
Ev		A.....	146	15	27	31	29	44
House		B.....	25,787	2,778	5,732	5,568	3,742	7,967
		C.....	8,575,750	880,034	1,913,547	1,894,093	1,151,042	2,737,034
		D.....	153	15	34	31	29	44
Apartman		A.....	160	16	118	23	1	2
Apartment		B.....	118,892	8,181	99,046	10,786	532	347
		C.....	34,392,486	2,366,559	28,651,532	3,120,120	153,897	100,378
		D.....	1,098	46	934	111	4	3
Dükkan		A.....	4	1	1	2	-	-
Shop		B.....	8,657	3,286	2,612	2,250	509	-
		C.....	2,277,854	840,613	735,653	572,964	128,624	-
		D.....	60	3	29	23	5	-
Müstakil Dükkan		A.....	-	-	-	-	-	-
Shop building		B.....	4,267	3,006	341	920	-	-
		C.....	1,095,132	759,616	98,643	236,873	-	-
		D.....	4	1	1	2	-	-
Yapı Altı veya		A.....	-	-	-	-	-	-
Üstü Dükkan		B.....	4,390	280	2,271	1,330	509	-
Shop within a		C.....	1,182,722	80,997	637,010	336,091	128,624	-
context		D.....	56	2	28	21	5	-
Diğer		A.....	158	11	132	11	2	2
Other		B.....	13,761	2,022	8,317	2,601	183	638
		C.....	3,225,138	430,218	1,958,319	565,885	52,789	217,927

[1] 2000 yılından önce Lefkoşa içerisinde yer almaktadır.

[2] 2000 yılından önce Gazimağusa içerisinde yer almaktadır.

2.Kırsal İnşaat İstatistikleri
2.Rural Building Statistics

2001

A. Yapı Sayısı B. Yüz Ölçümü (m2) C. Değer (Milyon TL) D. Daire veya Dükkan Sayısı
A. Number of Buildings B. Floor Area (m2) C. Value (Million TL) D. Number of dwelling unit or shop

İskele [2] İskele	Güzelyurt [1] Güzelyurt	Girne Kyrenia	Gazimağusa Famagusta	Lefkoşa Nicosia	Toplam Total		
46	39	84	40	84	293	.....A	Genel Toplam
6,252	6,362	14,908	9,413	20,323	57,258	.....B	General Total
1,886,590	1,962,719	4,639,894	2,943,458	5,919,006	17,351,667	C	
39	34	63	37	67	240	.....A	Konut
5,057	5,921	13,465	8,348	16,115	48,906	.....B	Residential Buidings
1,538,388	1,860,174	4,304,495	2,647,687	4,955,717	15,306,461	C	
39	37	82	43	124	325	.....D	
38	33	60	31	51	213	.....A	Ev
4,877	5,414	11,015	6,383	8,655	36,344	.....B	House
1,486,318	1,713,509	3,595,771	2,079,262	2,797,688	11,672,548	C	
38	33	60	31	52	214	.....D	
1	1	3	6	16	27	.....A	Apartman
180	507	2,450	1,965	7,460	12,562	.....B	Apartment
52,070	146,665	708,724	568,425	2,158,029	3,633,913	C	
1	4	22	12	72	111	.....D	
-	-	-	2	1	3	.....A	Dükkan
80	-	-	1,010	1,446	2,536	.....B	Shop
20,216	-	-	284,707	375,206	680,129	C	
1	-	-	6	23	30	.....D	
-	-	-	-	-	-	.....A	Müstakil Dükkan
-	-	-	407	20	427	.....B	Shop building
-	-	-	110,274	5,054	115,328	C	
-	-	-	3	1	4	.....D	
-	-	-	-	-	-	.....A	Yapı Altı veya
80	-	-	603	1,426	2,109	.....B	Üstü Dükkan
20,216	-	-	174,433	370,152	564,801	C	Shop within a
1	-	-	3	22	26	.....D	context
7	5	21	1	16	50	.....A	Diğer
1,115	441	1,443	55	2,762	5,816	.....B	Other
327,986	102,545	335,399	11,064	588,083	1,365,077	C	

[1] Included in Nicosia before 2000.
[2] Included in Famagusta before 2000.

2.Kentsel İnşaat İstatistikleri
2. Urban Building Statistics

2000

A. Yapı Sayısı	**B. Yüz Ölçümü (m2)**	**C. Değer (Milyon TL)**	**D. Daire veya Dükkan Sayısı**
A. Number of Buildings	B. Floor Area (m2)	C. Value (Million TL)	D. Number of dwelling unit or shop

			Toplam Total	**Lefkoşa** Nicosia	**Gazimağusa** Famagusta	**Girne** Kyrenia	**Güzelyurt** [1] Güzelyurt	**İskele** [2] İskele
Genel Toplam	**Toplam**	A.....	325	45	136	109	17	18
General Total	Total	B.....	118,736	20,862	60,301	31,266	3,106	3,201
		C.....	18,210,891	3,153,451	9,367,179	4,713,280	477,627	499,354
Konut		A.....	227	26	100	71	15	15
Residential Buildings		B.....	89,497	11,034	51,260	22,779	1,949	2,475
		C.....	14,199,859	1,751,286	8,155,178	3,607,423	302,206	383,766
		D.....	710	87	485	108	15	15
Ev		A.....	116	12	34	40	15	15
House		B.....	19,156	2,231	6,152	6,349	1,949	2,475
		C.....	2,970,271	345,932	953,911	984,456	302,206	383,766
		D.....	116	12	34	40	15	15
Apartman		A.....	111	14	66	31	-	-
Apartment		B.....	70,341	8,803	45,108	16,430	-	-
		C.....	11,229,588	1,405,354	7,201,267	2,622,967	-	-
		D.....	594	75	451	68	-	-
Dükkan		A.....	26	6	11	8	1	-
Shop		B.....	6,179	1,302	2,683	2,026	168	-
		C.....	961,697	201,357	417,004	319,907	23,429	-
		D.....	89	13	33	41	2	-
Müstakil Dükkan		A.....	-	-	-	-	-	-
Shop building		B.....	1,499	63	796	472	168	-
		C.....	221,059	10,057	115,754	71,819	23,429	-
		D.....	25	2	11	10	2	-
Yapı Altı veya		A.....	-	-	-	-	-	
Üstü Dükkan		B.....	4,680	1,239	1,887	1,554	-	
Shop within a		C.....	740,638	191,300	301,250	248,088	-	
context		D.....	64	11	22	31	-	
Diğer		A.....	72	13	25	30	1	
Other		B.....	23,060	8,526	6,358	6,461	989	726
		C.....	3,049,335	1,200,808	794,997	785,950	151,992	115,588

[1] 2000 yılından önce Lefkoşa içerisinde yer almaktadır.

[2] 2000 yılından önce Gazimağusa içerisinde yer almaktadır.

2000

A. Yapı Sayısı B. Yüz Ölçümü (m2) C. Değer (Milyon TL) D. Daire veya Dükkan Sayısı
A. Number of Buildings B. Floor Area (m2) C. Value (Million TL) D. Number of dwelling unit or shop

İskele [2] İskele	Güzelyurt [1] Güzelyurt	Girne Kyrenia	Gazimağusa Famagusta	Lefkoşa Nicosia	Toplam Total			
37	63	139	80	150	469	.....A	Toplam	Genel Toplam
8,060	16,458	27,223	11,529	33,066	96,336	.....B	Total	General Total
1,482,418	2,463,731	4,192,620	1,750,579	4,995,636	14,884,984	C		
31	53	115	63	110	372	.....A		Konut
4,235	10,335	25,456	10,631	28,034	78,691	.....B		Residential Buidings
656,666	1,608,469	3,950,071	1,648,411	4,389,360	12,252,977	C		
31	63	121	63	169	447	.....D		
31	51	113	63	97	355	.....A		Ev
4,235	9,037	24,815	10,631	18,766	67,484	.....B		House
656,666	1,401,250	3,847,739	1,648,411	2,909,800	10,463,866	C		
31	51	113	63	97	355	.....D		
-	2	2	-	13	17	.....A		Apartman
-	1,298	641	-	9,268	11,207	.....B		Apartment
-	207,219	102,332	-	1,479,560	1,789,111	C		
-	12	8	-	72	92	.....D		
1	2	2	1	6	12	.....A		Dükkan
145	102	422	87	937	1,693	.....B		Shop
23,148	14,225	67,370	12,133	134,169	251,045	C		
3	2	7	1	15	28	.....D		
-	-	-	-	-	-	.....A		Müstakil Dükkan
145	102	186	87	66	586	.....B		Shop building
23,148	14,225	29,694	12,133	9,204	88,404	C		
3	2	3	1	1	10	.....D		
-	-	-	-	-	-	.....A		Yapı Altı veya
-	-	236	-	871	1,107	.....B		Üstü Dükkan
-	-	37,676	-	124,965	162,641	C		Shop within a
-	-	4	-	14	18	.....D		context
5	8	22	16	34	85	.....A		Diğer
3,680	6,021	1,345	811	4,095	15,952	.....B		Other
802,604	841,037	175,179	90,035	472,107	2,380,962	C		

[1] Included in Nicosia before 2000.
[2] Included in Famagusta before 2000.

2.Kentsel İnşaat İstatistikleri
2.Urban Building Statistics

1999

A. Yapı Sayısı	**B. Yüz Ölçümü (m2)**	**C. Değer (Milyon TL)**	**D. Daire veya Dükkan Sayısı**
A. Number of Buildings	B. Floor Area (m2)	C. Value (Million TL)	D. Number of dwelling unit or shop

			Toplam Total	**Lefkoşa** Nicosia	**Gazimağusa** Famagusta	**Girne** Kyrenia
Genel Toplam	**Toplam**	A.....	292	55	121	116
General Total	Total	B.....	115,388	24,684	52,330	38,374
		C.....	11,502,984	2,482,552	5,142,058	3,878,374
Konut		A.....	180	31	85	64
Residential Buildings		B.....	85,888	18,882	36,088	30,918
		C.....	9,068,806	2,016,917	3,790,272	3,261,616
		D.....	765	155	367	243
Ev		A.....	92	9	54	29
House		B.....	15,873	1,448	8,449	5,976
		C.....	1,529,030	139,484	813,884	575,662
		D.....	92	9	54	29
Apartman		A.....	88	22	31	35
Apartment		B.....	70,015	17,434	27,639	24,942
		C.....	7,539,775	1,877,433	2,976,389	2,685,954
		D.....	673	146	313	214
Dükkan		A.....	32	6	19	7
Shop		B.....	4,685	667	2,859	1,159
		C.....	486,788	69,341	294,663	122,783
		D.....	77	14	42	21
Müstakil Dükkan		A.....	-	-	-	-
Shop building		B.....	1,243	129	674	440
		C.....	130,261	12,148	70,730	47,383
		D.....	13	2	7	4
Yapı Altı veya		A.....	-	-	-	-
Üstü Dükkan		B.....	3,442	538	2,185	719
Shop within a		C.....	356,526	57,193	223,933	75,401
context		D.....	64	12	35	17
Diğer		A.....	80	18	17	45
Other		B.....	24,815	5,135	13,383	6,297
		C.....	1,947,391	396,293	1,057,123	493,975

1999

A. Yapı Sayısı / A. Number of Buildings — **B. Yüz Ölçümü (m2)** / B. Floor Area (m2) — **C. Değer (Milyon TL)** / C. Value (Million TL) — **D. Daire veya Dükkan Sayısı** / D. Number of dwelling unit or shop

Girne Kyrenia	Gazimağusa Famagusta	Lefkoşa Nicosia	Toplam Total			
148	154	186	488	.....A	**Toplam**	**Genel Toplam**
24,003	26,975	54,536	105,514	.....B	Total	General Total
2,382,014	2,630,606	5,519,584	10,532,204	C		
113	132	157	402	.....A		**Konut**
20,631	23,772	40,044	84,447	.....B		Residential Buidings
2,001,063	2,324,169	4,014,209	8,339,441	C		
120	150	243	513	.....D		
110	128	137	375	.....A		**Ev**
19,425	20,758	26,239	66,422	.....B		House
1,871,191	1,999,597	2,527,577	6,398,365	C		
110	128	138	376	.....D		
3	4	20	27	.....A		**Apartman**
1,206	3,014	13,805	18,025	.....B		Apartment
129,872	324,572	1,486,633	1,941,076	C		
10	22	105	137	.....D		
3	3	10	16	.....A		**Dükkan**
311	923	2,155	3,389	.....B		Shop
29,288	93,004	220,567	342,859	C		
4	10	26	40	.....D		
-	-	-	-	.....A		**Müstakil Dükkan**
311	923	532	1,766	.....B		Shop building
29,288	93,004	53,074	175,366	C		
4	3	9	16	.....D		
-	-	-	-	.....A		**Yapı Altı veya**
-	-	1,623	1,623	.....B		**Üstü Dükkan**
-	-	167,494	167,494	C		Shop within a
-	-	17	17	.....D		context
32	19	19	70	.....A		**Diğer**
3,061	2,280	12,337	17,678	.....B		Other
351,663	213,433	1,284,807	1,849,903	C		