

Strategy Planning

Tools in Strategic Planning

SWOT

SWOT Analysis is a strategic planning method used to evaluate the **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats involved in a project or in an organisational venture.

A SWOT analysis must first start with defining a desired end state or aim and then looking at the internal and external factors that might contribute to achieving that aim

- **Strengths:** attributes of the person or organisation that are helpful to achieving the objective (internal)
- **Weaknesses:** attributes of the person or organisation that are harmful to achieving the objective (internal)
- **Opportunities:** *external* conditions that are helpful to achieving the objective
- **Threats:** *external* conditions which could do damage to the objective.

EXAMPLE

INTERNAL	
<p><i>A strength could be:</i></p> <ul style="list-style-type: none"> • Your specialist expertise and links with users • A new, innovative product or service. • Location of your organisation • Quality processes and procedures. • Any other aspect of your organisation that adds value to your product or service. 	<p><i>A weakness could be:</i></p> <ul style="list-style-type: none"> • Lack of skills in publicising your service. • Similar services to other organisations operating in your field. • Location of your organisation. • Poor quality services. • Damaged reputation.
EXTERNAL	
<p><i>An opportunity could be:</i></p> <ul style="list-style-type: none"> • Developing a particular service for a niche market that no-one else offers based on your strengths; • Mergers, joint ventures or strategic alliances. Moving into new areas that offer improved benefits for your users. • A new geographical area of working. • An area vacated by an organisation that is ineffective. 	<p><i>A threat could be:</i></p> <ul style="list-style-type: none"> • A new organisation that provides similar services in your area. • Lower cost or free services from other organisations. • A similar organisation has a new, innovative product or service. • Other organisations have superior access/relationships with users. • Taxation is introduced on your service.

A word of caution, SWOT analysis can be very subjective. Do not rely on SWOT too much. Two people rarely come-up with the same final version of SWOT.

Simple rules for successful SWOT analysis

- Be realistic about the strengths and weaknesses of your organisation when conducting SWOT analysis.
- SWOT analysis should distinguish between where your organisation is today, and where it could be in the future.
- SWOT should always be specific. Avoid grey areas.



- Always apply SWOT in relation to your competition i.e. better than or worse than your competition.
- Keep your SWOT short and simple. Avoid complexity and over analysis
- SWOT is subjective.

Once key issues have been defined by your SWOT, you can combine with other strategic planning tools to effectively plan your organisation's aims and how you might achieve these.

