

Institute of Sciences, Humanities & Liberal Studies

Department of Languages

Topic: SWOT Analysis

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What is SWOT Analysis?

SWOT (strengths, weaknesses, opportunities, and threats) analysis is a framework used to evaluate a company's competitive positioned to develop strategic planning. SWOT analysis assesses internal and external factors, as well as current and future potential.

A SWOT analysis is designed to facilitate a realistic, fact-based, data-driven look at the strengths and weaknesses of an organization, its initiatives, or an industry. The organization needs to keep the analysis accurate by avoiding pre-conceived beliefs or grey areas and instead focusing on real-life contexts. Companies should use it as a guide and not necessarily as a prescription.

Understanding SWOT Analysis

SWOT analysis is a technique for assessing the performance, competition, risk, and potential of a business, as well as part of a business such as a product line or division, an industry, or other entity.

Using internal and external data, the technique can guide businesses toward strategies more likely to be successful, and away from those in which they have been, or are likely to be, less successful. An independent SWOT analysis analysts, investors or competitors can also guide them on whether a company, product line or industry might be strong or weak and why.

- **Strengths** describe what an organization excels at and what separates it from the competition: a strong brand, loyal customer base, a strong balance sheet, unique technology, and so on. For example, a hedge fund may have developed a proprietary trading strategy that returns market-beating results. It must then decide how to use those results to attract new investors.
- **Weaknesses** stop an organization from performing at its optimum level. They are areas where the business needs to improve to remain competitive: a weak brand, higher-than-average turnover, high levels of debt, an inadequate supply chain, or lack of capital.

- **Opportunities** refer to favorable external factors that could give an organization a competitive advantage. For example, if a country cuts tariffs, a car manufacturer can export its cars into a new market, increasing sales and market share.
- **Threats** refer to factors that have the potential to harm an organization. For example, a drought is a threat to a wheat-producing company, as it may destroy or reduce the crop yield. Other common threats include things like rising costs for materials, increasing competition, tight labor supply and so on.

Advantages of SWOT Analysis

A SWOT analysis is a great way to guide business-strategy meetings. It's powerful to have everyone in the room to discuss the company's core strengths and weaknesses and then move from there to define the opportunities and threats, and finally to brainstorming ideas. Oftentimes, the SWOT analysis you envision before the session changes throughout to reflect factors you were unaware of and would never have captured if not for the group's input.

A company can use a SWOT for overall business strategy sessions or for a specific segment such as marketing, production or sales. This way, you can see how the overall strategy developed from the SWOT analysis will filter down to the segments below before committing to it. You can also work in reverse with a segment-specific SWOT analysis that feeds into an overall SWOT analysis.

Conducting a SWOT analysis

A SWOT analysis is a tool for documenting internal strengths (S) and weaknesses (W) in your business, as well as external opportunities (O) and threats (T). You can use this information in your business planning to help achieve your goals. To work out if something is an internal or external factor, ask yourself if it would exist even if your business didn't. If it would, then it's an external factor (e.g. new technology).

Use the following 8 steps to conduct a SWOT analysis.

1. Decide on the objective of your SWOT analysis

To get the most out of your SWOT analysis, you should have a question or objective in mind from the start. For example, you could use a SWOT analysis to help you decide if you should introduce a new product or service, or change your processes.

2. Research your business, industry and market

Before you begin the SWOT analysis you need to do some research to understand your business, industry and market. Get a range of perspectives by talking to your

staff, business partners and clients. Also conduct some market research and find out about your competitors.

3. List your business's strengths

The first step is to identify and list what you think are your business's strengths. Examples could include strengths relating to employees, financial resources, your business location, cost advantages and competitiveness.

At this stage of the SWOT analysis, the list does not need to be definitive. Any ideas and thoughts are encouraged. Step 7 is where the list is prioritized.

4. List your business's weaknesses

List things in your business that you consider to be weaknesses (i.e. that put your business at a disadvantage to others). Weaknesses could include an absence of new products or clients, staff absenteeism, a lack of intellectual property, declining market share and distance to market.

Make sure you address the weaknesses raised in your SWOT analysis. The list of weaknesses can indicate how your business has grown over time. When you review the SWOT analysis after a year, you may notice that your weaknesses have been resolved. While you may find new weaknesses, the fact that the old ones are gone is a sign of progress.

5. List potential opportunities for your business

Think about the possible external opportunities for your business. These are not the same as your internal strengths, and are not necessarily definite - an opportunity for one aspect of your business could be a threat to another (e.g. you may consider introducing a new product to keep up with consumer trends, but your competitors may already have a similar product). Keep this in mind, but for the SWOT analysis, the same item shouldn't be listed as both an opportunity and a threat. Opportunities could include new technology, training programs, partnerships, a diverse marketplace and a change of government.

6. List potential threats to your business

List external factors that could be a threat or cause a problem for your business. Examples of threats could include rising unemployment, increasing competition, higher interest rates and the uncertainty of global markets.

7. Establish priorities from the SWOT

When you have completed the steps above, you will have 4 separate lists. Ideally, these lists can be displayed side-by-side so you can have an overall picture of how your business is running and what issues you need to address. You can then work out what issues are the most important and what can be dealt with later (i.e. develop 4 prioritized lists).

8. Develop a strategy to address issues in the SWOT
Review your 4 prioritized lists by asking:

- How can we use our strengths to take advantage of the opportunities identified?
- How can we use these strengths to overcome the threats identified?
- What do we need to do to overcome the identified weaknesses in order to take advantage of the opportunities?
- How will we minimize our weaknesses to overcome the identified threats?

Once you have answered these questions and finalized your lists, you can now use the SWOT analysis to develop strategies for achieving your business goals

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Topic: Presentation Techniques (brief summary)

Faculty-In charge: Prof. Mamta Amin

- Presentation-Point A to B (Audience is at the Centre)
- Use of anecdotes/ subjective examples-Connect with the audience with relatable experience sharing
- Slides should not be crowded
- Bullets-Only when necessary
- No/Simple Background
- Simple Fonts
- Simple Colors
- Minimum Animation
- Proof Read
- Rehearse
- Timing allotted according number of slides made