

# Matrix, Strengths, Weaknesses, Opportunities and Threats (SWOT)

A SWOT analysis is a technique used to assess and evaluate four key aspects of your business or organization.

SWOT stands for: **S**trength, **W**eakness, **O**pportunity, **T**hreat. A SWOT analysis guides you to identify your organization's strengths and weaknesses (S-W), as well as broader opportunities and threats (O-T). Developing a fuller awareness of the situation helps with both strategic planning and decision-making.

SWOT analyses can be applied to an entire company or organization, or individual projects within a single department. Most commonly, SWOT analyses are used at the organizational level to determine how closely a business is aligned with its growth trajectories and success benchmarks, but they can also be used to ascertain how well a particular project

Strengths and Weaknesses are internal factors

Opportunities and Threats are External factors.

## SWOT ANALYSIS



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- Things your company does well.
- Qualities that separate you from your competitors.
- Internal resources such as skilled, knowledgeable staff.
- Tangible assets such as intellectual property, capital, proprietary technologies, etc.

Think of the advantages your business has, paying particular attention to your core values, internal processes and staff. Other things to consider as strengths are customer loyalty and brand recognition. Ultimately, when analyzing the strengths of your business you are looking for what makes you different from the rest.

Key questions to consider:

- What do others perceive as your strengths?
- When competitors or consumers think of your business, what would they say are your strong points?
- What makes your brand, product or service unique?
- Why would people invest in your service or buy your product?

## 2) **Weaknesses.**

- Things your company lacks
- Things your competitors do better than you
- Resource limitations
- Unclear unique selling proposition

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The key to successfully assessing your weaknesses is honesty. Like strengths, weaknesses are the internal frameworks within your organization. What could you improve? What have you discovered in the past that your company tends to struggle with? Looking at previous experiences and data can be useful when analyzing your company's weaker points. What hasn't worked well in the past?

Again, you should focus on how your company is perceived from the outside as this can help you think about it from a new angle.

Key questions to consider:

- What do competitors think your weaknesses are?
- What do they have that you don't?
- What have you discovered in the past that your company tends to struggle with?
- What areas don't run efficiently?

### 3) Opportunities.

- Underserved markets for specific products
- Few competitors in your area
- Emerging needs for your products or services
- Press/media coverage of your company

Now's time to switch focus to external factors. Opportunities arise from various situations, this could be the market or technology, for example. In order to be successful and become a leader in your market, you must seize opportunities and exploit any opportunity that may emerge. No opening or possibility is too small, if you see something that can benefit your business, service or product, you should capitalize on it.

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Responses to the latest events, consumer behavior and societal changes can all contribute to potential opportunities. In terms of your SWOT, an opportunity is an external factor that can positively help your business. You're looking for outside advantages when analyzing your business.

Key questions to consider:

- Where is the market or demand growing?
- What would more budget allow you to do?
- How can the listed strengths be turned into opportunities and grown even further?
- How can the listed weaknesses lead to growth?
- Is there a need in the market that isn't being met?

## 4) Threats

Everything that poses a risk to either your company itself or its likelihood of success or growth.

- Emerging competitors
- Changing regulatory environment
- Negative press/media coverage
- Changing customer attitudes toward your company

The opposite of an advantageous external factor is a threat. Any outside influences that could negatively impact your business. Potential threats could be anything from regulations and competitors to costs and labor. It's important to identify threats as you can then plan action against them or avoid them.

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Planning for threats is to arm yourself and ensure you're equipped to handle anything that may be thrown your way.

Key question to consider:

- What would happen if there was a decrease in budget?
- Could any of the weaknesses prevent you from meeting your goals?
- Are there any current trends that pose a threat to success?
- Are your competitors changing their approach or improving their process?