

# How to do a SWOT analysis

To be useful, the analysis should be for a specific issue rather than your whole organisation.

SWOT stands for Strengths, Weaknesses, Opportunities and Threats. A SWOT analysis collects information about things that occur inside your organisation and in the world around it, that have an impact on your organisation, project or a person.

The SWOT analysis assesses your organisation's internal strengths and weaknesses as well as the external opportunities and threats.

Strengths and Weaknesses are the words used when the factors are inside your organisation. They are factors over which you and your organisation have control.

Opportunities and Threats are factors and activities that can directly affect your organisation but are external and are therefore largely outside your control. You might be able to predict them but rarely to be able to control them.

#### Start the process

Decide what you would like your SWOT analysis to achieve. It should focus on a specific issue or project rather than your whole organisation.

To increase the information you have for your SWOT analysis, you may want to first do a PEST analysis.

You will need to decide whether you want to do the SWOT analysis alone or in a group. Most are carried out in a group to maximise ideas and perspectives and to build understanding of your organisation and its challenges amongst board members, staff and others.

### Make a table

Set out a table with the headings Strengths, Weaknesses, Opportunities and Threats. Here is a Sample SWOT Analysis.

List your points in dot points (try to keep it to a maximum of six).

### Identify your strengths

Strengths are inside your organisation and within your control. Questions you could ask include:

- What do you do exceptionally well: eg. knowledge, education, contacts, reputation, skills?
- What advantages does your organisation have (in relation to this project)?
- What tangible assets do you have: eg. established donor base, plant and equipment, existing resources?
- What do others (customers, clients, members) think your strengths are?
- What is unique about your organisation?
- What intangible resources do you have: eg deep industry knowledge, a highly regarded brand?

# Identify your weaknesses

What are the weaknesses in your organisation or project? Questions include:

- What could you do better?
- What should you avoid?
- What are you criticised for?
- What do you receive complaints about?
- Where are you vulnerable? Eg. do you have inadequate funds, too few staff, lack of essential training or does your project have a poor location?

### Identify your opportunities

Opportunities are potential external factors in the community, market or environment that you hope to benefit from. They will not necessarily be definite, you are unlikely to have control over them and they may change. Questions include:

- What opportunities do you know about but have not addressed?
- Are there positive perceptions of your organisation or the work you do in the community?
- What are the emerging trends in your community and can you capitalise on them?
- · How will your project fill a gap in the community?
- Is a potential change of government policy going to put a spotlight on your area of need?

### Identify the threats to your organisation

Look at what external factors could be a threat or cause a problem for your organisation. Questions include:

- What changes are happening that are likely to make your organisation vulnerable?
- What is happening in the economy that may impede your progress: eg. rising unemployment, decreasing economy, stagnation of community services funding?
- What significant changes are occurring in your sector that may affect your ability to succeed: eg increased regulation and expectations about formal qualifications for staff, increased accountability and compliance requirements?
- What is happening in the local, state and federal political environments?

### Prioritise

Once you have listed all of your points, prioritise them from most important to least and discard the irrelevant points.

## Strategise

Now look at your four lists and ask yourself:

- · How can you use your strengths to get the most out of your opportunities?
- How can your strengths help you to overcome threats?
- · How can you minimise your weaknesses to take advantage of your opportunities?
- How can you minimise your weaknesses to overcome threats?

### Disadvantages

There are some disadvantages to a SWOT analysis

- The tool doesn't prioritise the points identified. Different elements will have more or less impact, but the SWOT doesn't sort them out for you – you will need to do that
- · The tool doesn't provide solutions or offer alternatives but you can do that
- · You may generate too much information or ideas which don't fit into a SWOT analysis so try not to overthink everything
- There is no guarantee the information you generate will be useful but it will help you and your team to understand more about your organisation and the environment in which it operates.

#### References

Here is a link to the Workforce Development Project's Review your Workforce Tool which outlines five key domains to assess and support

#### **Referenced links**

- Sample SWOT Analysis
- How to do a PEST analysis