**SWOT ANALYSIS**

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**What is SWOT Analysis?**

SWOT Analysis is a strategic planning technique used to help a person or an organisation identifying strengths, weaknesses, opportunities and threats related to business competition or project planning.

* S- STRENGTHS
* W- WEAKNESSES
* O- OPPORTUNITIES
* T- THREATS

 SWOT can be divided into further two parts:

1. INTERNAL FACTORS
2. EXTERNAL FACTORS
* **Internal Factors:** Strengths & Weaknesses
* **External Factors:** Opportunities & Threats

**How to show a SWOT Analysis?**

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| --- | --- | --- |
|  | **STRENGTHS** | **WEAKNESSES** |
|  | **OPPORTUNITIES** | **THREATS** |
|  |  |  |

**Meaning of these factors:**

* **Strengths**: Those characteristics of the business, which gives you an advantage over others. Strengths are other internal, positive attributes of the company. These are things within control of an organisation just like: Strong Brand Image, Strong Financial Position, etc.
* **Weaknesses**: Those characteristics of business that place the business at a disadvantage. Weaknesses are the negative factors that detract the strengths of an organisation. These are things that you might need to improve on to be competitive. For eg: Low quality of product, Poor financial Position, etc.
* **Opportunities**: Opportunities are a combination of different circumstances at a given time that offer a positive outcome, if taken advantage of. Opportunities are external factors in your business environment that are likely to contribute to your success. For eg: Acquire market share through branding, Hire More Talent, etc.
* **Threats**: Elements of environment that could cause trouble for the business. Threats are external factors that you have no control over. You may want to consider putting in place a contingency plan for dealing with them if they occur. For eg: May lose talent, price war, etc.

 **SWOT Analysis**

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| *INTERNAL**FACTORS* | **STRENGTHS*** Strong Capital position
* Low debt
* Defensible intellectual property
* Best Salespeople
 | **WEAKNESSES*** Branding could be better
* Products not differentiated enough.
* Recent scandal from product failure.
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| *EXTERNAL FACTORS* | **OPPORTUNITIES*** Use Strong Financial position to make acquisition
* Acquire market share through branding.
* Hire More Talent.
 | **THREATS*** Competitors could leverage brand strength.
* Lack of differentiation could lead to price war.
* May lose talent.
 |
|  | *POSITIVE* | *NEGATIVE* |

**How to use a SWOT Analysis:**

Once you have examined the four aspects of SWOT, you will likely be faced with a long list of potential action to take. You will want to build on your strengths, boost your weaker areas, head off any threats, and exploit every opportunity.

**Conclusion:**

SWOT Analysis is a very popular tool in strategic planning. It can be carried out for any company, product, place, person and non-profit organizations, etc.