

SWOT Analysis

NUMBER OF PARTICIPANTS	FACILITATORS	CATEGORY	DURATION	LEVEL OF DIFFICULTY
5-10	1 Moderator, 1 Notetaker	Test Phase	60-90min	Simple

Description

The SWOT analysis consists of the four words: Strengths, Weaknesses, Opportunities and Threats. It is a strategic planning tool that gives an overview of the current situation and possible future events that need to be reacted to. The goal is to evaluate a product and identify its strengths, weaknesses, threats and opportunities that may occur, in order to derive strategies and facilitate decision making. The SWOT analysis is easy to use, has a clear structure and is applied internationally. Through SWOT analysis we can improve our understanding of the product, influencing factors etc. It can also be combined with several methods.

Materials

- ▶ Whiteboard
- ▶ Markers
- ▶ Laptop, PC, Tablet

Preparation

Finding participants and acquiring the necessary material.

Step-by-Step Instructions

1. Formulation of a clear objective. What is to be achieved with the SWOT analysis?
2. Create a SWOT analysis: First do an internal analysis (strengths, weaknesses) and then the external analysis (opportunities, threats).

Internal factors (Strength & Weaknesses) are under control of the organization, such as price, quality and marketing of a product. In order to maintain strengths

you can ask yourself for example: What are our core competencies? Which important resources do we have? It represents the positive characteristics of the product. The weaknesses in turn show the negative characteristics. Example questions to preserve the weaknesses can be: What resources are we lacking? What problems do we have and what are the reasons?

The external factors (Opportunities & Threats) are not or little under the control of the organization, such as new technologies, demand and politics. Opportunities, are external influencers that have a positive influence on the target. This could be: new technology, trends or a changing market. Threats are external aspects that negatively influence the target, such as negative trends, competitors.

It should be noted that: Go through the individual aspects in a structured way so that nothing is forgotten: e.g. value chain, 4 - 10 elements per category, clear formulation of the points, limit to the most important and influential factors, be realistic and if necessary use further literature.

3. Develop a SWOT matrix. Compare individual categories (SO, ST, WO, WT), package suitable individual results and develop strategies. Strength & Opportunities strategy (SO): Building on strengths and opportunities. Strengths & Threats strategy (ST): Prevent risks through strength. Weaknesses & Opportunities strategy (WO): Overcoming weaknesses through opportunities and Weaknesses & Threats strategy (WT): Prevent risks and minimize weaknesses.

4. Choose strategies that are important to implement and consider when and how to implement them.

Remarks, Tips, Limitations

Tips:

- Best done in a heterogeneous group and not alone
- Method to generate facts/ ideas: e.g. Active Listening, Brainstorming, Brainwriting
- If necessary, conduct a literature and information search

Benefits:

- Easy to use, with a simple and clear structure
- Is applied internationally
- Improved understanding of e.g. product, influencing factors, individual points of view
- Analyses both external and internal factors
- Helps to absorb or minimize weaknesses
- Can be combined with other methods

Limitations:

- Factors may not fit into one categories
- Factors may fit into multiple categories
- Can quickly become subjective and unrealistic
- No consideration of the time dimensions
- Easier to find strengths than weaknesses
- Not enough knowledge (e.g. new technologies - broad area/ do not understand them)

Strengths: Easy to use with a simple and clear structure. It improves understanding of the product and influential factors. Helps to minimise weaknesses and can be combined with other models.

Weaknesses: Factors may not fit into one category. Can quickly become subjective and unrealistic. Time dimensions aren't considered. Weaknesses are harder to find than strengths. May be limited by knowledge.

References

- Arslandere, Murat and Yasin Öcal. 2016. "SWOT analysis as a tool for strategic management and an implementation in a firm in machine industry". International Academic Research Congress 1 (1): 3438-3445.
- Coman, Alex, and Boaz Ronen. 2009. "Focused SWOT: Diagnosing critical strengths and weaknesses." International Journal of Production Research 47 (20): 5677–5689.
- Ghazinoory, Sepehr, Mansoureh Abdi, and Mandana Azadegan-Mehr. 2011. "Swot methodology: A state-of-the-art review for the past, a framework for the future." Journal of Business Economics and Management 12 (1): 24–48.
- Hussey, David. 2002. "Company Analysis: Determining Strategic Capability." Strategic Change 11 (1): 43–52.
- Pickton, David W., and Sheila Wright. 1998. "What's swot in strategic analysis?" Strategic Change 7 (2): 101–9.
- Salzburgresearch. "SWOT-Analyse".2020. <https://methodenpool.salzburgresearch.at/methode/swot-analyse/>.

Wehrich, Heinz. 1982. "The TOWS matrix - A tool for situational analysis." Long Range Planning 15 (2): 54-66.

fablab-siegen.de

usability-siegen.de

