

DOING A SWOT ANALYSIS

Action List

1. Involve **employees** from all the key areas of your business in your SWOT analysis (SWOT: strengths, weaknesses, opportunities, threats).
2. Consider involving key customers, suppliers or other sympathetic **outsiders** who know your market and can provide an objective view.
3. Ask participants to **collect and review information** on internal resources and external factors affecting the business.
4. Arrange a **brainstorming** session to identify your firm's strengths and weaknesses and the opportunities and threats facing it.
5. Decide whether you have the skills and objectivity to **chair** the session yourself, or should use an external facilitator.
6. Create an **open and honest** atmosphere; avoid judging or disagreeing with suggestions; try to draw out weaknesses and threats.
7. Review internal operations (such as finances, marketing, management and personnel, production) to identify **strengths and weaknesses**.
8. Review external organisations (eg competitors, customers and suppliers) and the business environment and market to identify **opportunities and threats**.
9. When there are no further suggestions, discuss the ideas that have been raised; **agree** the key strengths, weaknesses, opportunities and threats.
10. Identify any **additional information** you need to confirm your analysis; if necessary, carry out further market research.
11. Assess the **significance** of your SWOT analysis; identify areas where you have a competitive advantage (or disadvantage).
12. Create and execute an **action plan** to tackle weaknesses, capitalise on strengths and opportunities and deal with threats.
13. Use the analysis and action plan as a **review tool** before important decisions, so that your decisions fit what your analysis suggests.

Cardinal Rules

Do:

- involve a **team** which understands your business
- encourage **openness** and honesty in brainstorming
- assess issues **objectively**
- use your analysis to create an **action plan**

Don't:

- avoid **uncomfortable** home truths
- **criticise** or ignore suggestions made while brainstorming
- base your analysis on **inadequate information**

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