

SWOT ANALYSIS

August 2009

Human Resources Strategic Services

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What is SWOT Analysis?

- A technique that enables a group or individual to move from everyday problems and traditional strategies to a fresh perspective.



SWOT is an acronym for:

- **S** – Strengths
- **W** – Weaknesses

Internal Environment

- **O** – Opportunities
- **T** – Threats

External Environment



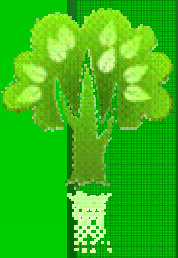
Strength

- Any existing or potential resources or capability within the organization that provides a competitive advantage in the market.

Example:

- *Strong distribution network*
- *Intense Staff commitment and loyalty*
- *Increasing profit margin*

Activity #1: Can you identify some of your organization's strengths?



Weakness

- Any existing or potential force which could serve as a barrier to maintaining or achieving a competitive advantage in the market.

Example:

- *Lack of a clear company strategy*
- *Lack of training opportunities for using a new software*

Activity #2: Can you think of some of your company's weaknesses?



Opportunity

- Any existing or potential force in the external environment that, if properly leveraged, could provide a competitive advantage.

Example:

- *Organization's geographic location*
- *New technology*

Activity #3: Can you think of some opportunities available to your company?



Threat

- Any existing or potential force in the external environment that could erode a competitive advantage.

Example:

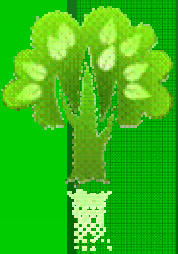
- *A new competitor entrant*
- *A recession, rising interest rates, or tight credit lines*

Activity #4: Can you think of some threats to your business?



Aim of SWOT Analysis

1. Take advantage of strengths and opportunities.
2. Minimize weaknesses and eliminate threats.



Who Needs SWOT Analysis?

A Company

- When revenue, cost and expense targets are not being achieved;
- Market share is dropping;
- Industry conditions are unfavourable;
- Want to launch a new business venture; etc.
- Want to internally launch a new department or service like Human Resources



Who Needs SWOT Analysis?

A Department/Business Unit

- When the team has not met its targets;
- Customer service can be better;
- A new business unit to pursue a new business;
- A new team leader is appointed; etc
- A new department introduced



Who Needs SWOT Analysis?

Job Holder

- When supervisor has issues with work output;
- Assigned to a new job;
- New financial year – fresh targets;
- Job holder seeks to improve performance on the job; etc.
- Issues regarding performance management, health & safety, union issues, recruiting, WSIB issues, training and development required.



How to do SWOT Analysis?

Step 1

**Analyze
Internal
& External
Environment**



Step 2

**Perform
SWOT
Analysis and
Document**



Step 3

**Prepare
Action
Plans**

A SWOT analysis is useful only when action plans and strategies are developed from the results.



Benefits of SWOT Analysis

- Solving problems
- Implementing change
- Developing strategies for achieving the organization's objectives and mission



Brainstorming

– key ingredient for SWOT

SWOT analysis will be useful if:

- You are thinking outside the box
- Availability of varied perspectives – group discussion
Implementing a new business unit or department
- Liberty to say your mind
- Willingness to break away from traditional methods
- Appetite for change



Some Brainstorming Rules

Build on the ideas of others use initial ideas as a jumping - off point for more ideas

Everyone must participate



No idea is stupid, everyone's contribution is valid and important



You don't have to agree with anyone else



Be open-minded



Always ask questions



Seek first to understand before being understood



Have Fun



Activity #5:

Sample Questions

Strength	Weakness
<ul style="list-style-type: none">■ Which strengths are unique to the team?■ What are we good at doing?■ What are the things that had gone well?	<ul style="list-style-type: none">■ What should be done better in the future?■ What knowledge do we lack?■ Which skills do we lack?■ What system do we need to change?



Activity #5:

Sample Questions

Opportunities	Threats
<ul style="list-style-type: none">■ What are the key success enablers?■ Which additional services can we offer?■ What new market should we investigate?	<ul style="list-style-type: none">■ Barriers to progress■ What are the possible impacts of what competitors are doing?■ Which regulatory issue might cause us concern?



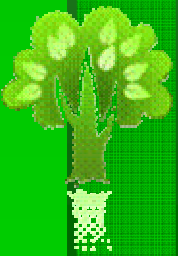
SWOT Worksheet

Strengths	Weaknesses
<ul style="list-style-type: none">■■■■	<ul style="list-style-type: none">■■■■



SWOT Worksheet

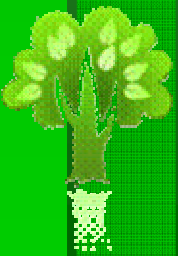
Opportunities	Threats
<ul style="list-style-type: none">■■■■	<ul style="list-style-type: none">■■■■



Activity #6:

Strategies & Action Plans

#	What	Who	When	\$
1				
2				
3				
4				



Debrief and Lessons Learned

- Activity #7: Comments from Participants

Please provide your SWOT Analysis input and feedback....thanks for your time and attention to detail.

