

Conducting a SWOT Analysis

A VISION Management Services Guide by Ruth Armstrong and Sandi Trillo

Scanning the environment is a strategic activity that organizations should engage in on an ongoing basis. In today's constantly changing environment it is important that Board and staff members pay attention to changes that may have implications for an organization's work. A structured SWOT analysis is a useful foundation for a strategic planning process as it helps everyone systematically reflect on the current environment and consider what the future may hold. The analysis can be done as part of a strategic planning session (in plenary or in small groups) or as more robust activity in advance of session with the results consolidated for the full group.

The SWOT Analysis involves reflecting on and identifying Internal Strengths and Weaknesses and External Opportunities and Threats.

Internal Considerations

When assessing the strengths and weaknesses in the internal environment, it can be helpful to look systematically at the following areas:

- **Programs and Services** – e.g. service mix, evidence of impact, contribution to mission
- **Human Resources** – e.g. competencies, workload, management style, team work
- **Supports and Tools** – e.g. education, supervision, technical support, information, administrative capacity
- **Structure** – e.g. organizational structure, facilities, organizational relationships
- **Communication** – e.g. technology, information dissemination – internal and external.

External Considerations - PESTE

To identify opportunities and threats in the external environment, it can be helpful to explore and consider the implications of what is happening in five distinct areas (PESTE):

- **Political** – e.g. political priorities; public policy and legislation; trends in the sector and possibly relationships
- **Economic** – e.g. the overall economy (local and/or global), funder priorities
- **Socio-demographic** – e.g. changes in demographics of population (average age, family composition, education levels); impact of some of the above issues on population's reality and needs
- **Technological** – e.g. trends in technology that may impact the organization, its clients, communication, etc.
- **Environmental** – e.g. environmental issues that may impact clients and/or the way organizations do business (e.g. attention to pollution; green building, etc.).

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Suggested Process

Use the blank version (page 3) of the chart below and complete each quadrant of the chart by responding to the *sample questions*. It may be helpful to refer to the internal and external considerations as you complete the chart.

<p><i>Internal</i> - Be realistic</p>	<p>1. <u>S</u>trengths... everything the organization does well</p> <ul style="list-style-type: none"> - <i>What are we really good at here?</i> - <i>What do we do well compared to similar organizations?</i> - <i>What do other people think we are good at?</i> 	<p>2. <u>W</u>eaknesses... areas needing improvement</p> <ul style="list-style-type: none"> - <i>What are we less good at?</i> - <i>What would others (i.e. clients, funders, or partners) criticize us for?</i> - <i>What aren't we able to do that we would like to be able to do?</i>
<p><i>External</i> - See PESTE on next page - Remember, threats are often opportunities</p>	<p>3. <u>O</u>pportunities... trends and possibilities that exist outside of the organization</p> <ul style="list-style-type: none"> - <i>What new possibilities are we seeing in our environment?</i> - <i>What changes and trends are happening that we like?</i> - <i>What new resources are we finding?</i> 	<p>4. <u>T</u>hreats... looming obstacles and risks</p> <ul style="list-style-type: none"> - <i>What obstacles are we facing?</i> - <i>What could make life more difficult for us?</i> - <i>What "storm clouds" are forming on the horizon?</i>

SWOT Analysis

<p>Internal</p> <p><i>Be realistic</i></p>	<p><u>S</u>trengths... everything the organization does well</p>	<p><u>W</u>eaknesses... areas needing improvement</p>
<p>External</p> <p><i>PESTE</i></p> <p><i>Remember, threats can be opportunities in disguise. How might they be reframed?</i></p>	<p><u>O</u>pportunities... possibilities that exist outside of the organization</p>	<p><u>T</u>hreats... looming obstacles and risks</p>