

## SWOT Analysis

A **SWOT Analysis** is a strategic planning tool used to evaluate the **Strengths, Weaknesses, Opportunities,** and **Threats** involved in a business project.

**Strengths** and **Weaknesses** are internal to an organization and are attributes that measure your internal capability.

**Opportunities** and **Threats** originate from outside the organization and refer to how the external environment affects your business.

**Strengths:** Define areas you excel in, such as the company's core competency and resource analysis

- . What does your company do well?
- . How strong is your company in the market?
- . Does your company have a clear strategic direction?
- . Does your company's culture produce a positive work environment?

**Weaknesses:** Evaluate your liabilities

- . What could be improved at your company?
- . What does your company do poorly?
- . What should be avoided?
- . Is your company unable to finance needed technology?
- . Do you have poor debt or cash flow?

**Opportunities:** Analyze your customers and market attractiveness

- . What favorable circumstances are you facing?
- . What are the interesting trends? Is your company positioned to take on those trends?
- . Is your company entering new markets?
- . Is your company advanced in technology?

**Threats:** Check out what your competitors are doing and assess other potential challenges

- . What obstacles do you face?
- . What is your competition doing?
- . Are the required specifications for your products or services changing?
- . Is changing technology threatening your position?
- . What policies are local and federal lawmakers backing? Do they affect your industry?