

SWOT Analysis

SWOT stands for a firm's **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats. It is often the preliminary tool used by strategists.

In order to develop a systematic understanding of the important issues a company faces; we must look to the pros and cons of all potential forces that might impact a chosen strategy. A SWOT analysis focuses on both internal and external factors:

- **Internal factors:** Strengths (Pros) and Weaknesses (Cons)
- **External factors:** Opportunities (Pros) and Threats (Cons)

Internal Factors	
STRENGTHS (+)	WEAKNESSES (-)
<i>What is the basis for our competitive advantage today and in the future?</i>	<i>What could we do to improve our operations?</i>

External Factors	
OPPORTUNITIES (+)	THREATS (-)
<i>What changes in technology and markets are we aware of?</i>	<i>What obstacles do we face due to changes in technology?</i>