

Improvement Cymru Academy

Toolkit Guide



Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

Date: January 2024

Review Date: January 2026

Introduction

A SWOT analysis is a framework and a diagnostic tool that is used to help you understand the external and internal factors which can influence a project or an organisation. The name is an acronym for the four elements of a SWOT analysis which are:

1. **Strengths:** These are positive contributions that have happened during the timescale of an activity/project that should be celebrated. This would include any advantages to the organisation such as upskilling, reputation, resources etc...
2. **Weaknesses:** These are activities or areas that have been identified could be improved such as any gaps, inefficiencies etc...
3. **Opportunities:** These offer any opportunities for improvement that will contribute to strengthening your project or organisation that you could take advantage of.
4. **Threats:** These are external factors that can negatively affect the performance or survival of project. External means that they are usually outside of the departments or organisations control.

Strengths and Weaknesses are seen as intrinsic within a project or organisation whereas Opportunities and Threats are seen as extrinsic factors that occur outside of the organisations control. A SWOT analysis allows you to generate information so that you can evaluate the current situation, identifying areas to improve and grow and address any challenges in achieving goals that have been created for a project or organisation.

Rationale

A SWOT analysis is an opportunity for organisations to plan and make decisions to identify strengths to help achieve goals, identify weaknesses to improve, identify opportunities to create growth and to identify threats to manage the risk and minimise the impact. A SWOT analysis can help you to assess the current situation and help visualise where you want to get to in the future, it helps to generate ideas, seize opportunities and overcome challenges. It is a useful communication tool when engaging with stakeholders.

Background

The SWOT analysis was created in the 1960s at Stanford University by a research team led by Albert Humphrey. They used data from leading companies who were involved in long-term planning processes to create the framework. Originally, SWOT analysis was termed SOFT analysis which was an acronym for Satisfactory, Opportunity, Fault and Threat. The framework was later modified when 'Fault' was changed to 'Weakness' and then it was term 'SWOT' analysis. There have been variations of the acronym in some literature which include 'WOTS up' analysis and a 'TOWS' analysis. The letters within the acronym are the same but the order of the letters is the difference.

When to use a SWOT Analysis

A SWOT Analysis can be applied to many situations and can be used for problem solving, planning, evaluating a process or product, decision making, competitor evaluation, generating ideas and solutions and workshop sessions. Whilst a SWOT analysis is mainly used by organisations, it can also be used by individuals for personal development planning.

How to use a SWOT Analysis

Step One: Determine the objective of the SWOT analysis.

The objective of the SWOT analysis could be to analysis the Strengths, Weaknesses, Opportunities, Threats for a project, production, service, department, or organisation. You will need to have a specific and clear objective before you start the SWOT analysis. When you are facilitating a SWOT analysis session, it is important that this is defined before the session takes place and is circulated before the session begins.

Step Two: Identify Stakeholders that will need to be involved in this analysis.

One of the advantages of a SWOT analysis is that it is a quick and effective tool. However, whilst the framework may appear simple to apply, for a SWOT analysis to be meaningful it does require significant time and resource. Undertaking a SWOT

analysis is a team effort and cannot be done by one person. When you are facilitating a SWOT analysis session, you will need to invite the relevant stakeholders so they can participate with the analysis.

Step Three: Gather Information

You will need to gather data to support your analysis. Data could be in the form of quantitative data which is data that can be measured in numerical form and qualitative data which is data that is not in numerical form such as surveys. You should have a mixture of both qualitative and quantitative data, so you have a good understanding of your situation. When you are facilitating a SWOT analysis session, you will need to gather this information prior to the session so this can inform the information that will be used in the SWOT analysis.

Step Four: Complete the SWOT Analysis matrix.

When you are facilitating a SWOT analysis session, you will need to define the objective at the start of the session and establish ground rules for the session to ensure that everyone can agree on what is expected from each other within the facilitation session. The ground rules or ways of working can help you create a productive and respectful space where you can communicate effectively with each other.

With your stakeholders, brainstorm some information for each of the elements, Strengths, Weaknesses, Opportunities and Threats, for your objective. You should list as many factors as you can and prioritise them based on the importance and relevance in relation to your objective. There are several ways you could perform this in a facilitated session. It could be completed with the whole group, or you could divide the participants into four groups and using flip chart paper, pens and post-it notes, allocate one group to one of the elements and ask them to make notes during a certain timescale before moving onto the next element. The illustration below shows a template of what should be considered for each of the four elements.

.

Strengths

Positive contributions within your activity/project/process/service/organisation that should be celebrated and highlighted internal within the organisation.

- Knowledge, Skills and Development within teams
- Communication and Teamwork
- Culture and Values
- Resources e.g. equipment, technology
- Innovations
- Internal procedures and processes
- Quality and safety
- Why is this project/process/service/organisation unique?

Weaknesses

Areas that have been identified within a project/process/service/organisation that could be improved internal within the organisation.

- Knowledge, Skills and Development within teams
- Communication and Teamwork
- Culture and Values
- Resources e.g. equipment, technology
- Innovations
- Internal procedures and processes
- Staff turnover
- Staff morale
- Below recommended standards.
- Quality and safety
- Internal disruptions

Opportunities

Are there currently any opportunities for growth that you can take advantage of to grow? These are external opportunities.

- Partnerships to be made.
- Technology developments
- Training courses available
- Opportunities to promote culture and values.
- Opportunities to Scale and Spread to other areas.
- Advertising/Showcasing work at meetings/conferences.
- Potential to publish current work.

Threats

These are external factors that can negatively affect the performance or survival of project. External means that they are usually outside of the departments or organisations control.

- Regulatory Changes
- Legal Changes
- Changes in policies
- Natural disasters e.g. pandemics
- Economic downturns: Funding, recession
- Innovations in technology

Example: Healthcare Improvement Project that aims to implement a telehealth system in a rural area

Strength

High demand and high satisfaction rates amongst patients and healthcare staff

Improved access to services

Enhanced efficiency and productivity for staff

Staff acquired new skill set working with technology

Weaknesses

High cost to purchase and high maintenance cost.

Regulatory and legal issues related to confidentiality and data security.

Opportunities

Adoption, scale and spread telehealth technology.

Collaboration and integration with other telehealth networks

Threats

What happens if the company supplying the technology and doing the maintenance and updates comes off the market?

Changes in data policies

Changes in telehealth policies

Step Five: Analyse and Interpret your SWOT Analysis

You will now need to analyse and interpret your results. You will need to cross analyse each of the elements to gain insight into the objective by asking the following questions:

Strengths and Opportunities: How can you use the strengths identified to take advantages of any opportunities you have identified?

Weakness and Opportunities: How can you overcome the weaknesses you have identified by exploiting opportunities?

Strengths and Threats: How can you use your strengths to counter the threats?

Weakness and Threats: How can you maximise your weaknesses to avoid the threats?

Step Six: Create an Action Plan

Based on your SWOT analysis, you will need to develop a plan to action to improve the objective from the first step. You will also need to think about how you will monitor and evaluate the progress and performance. When you are facilitating a SWOT analysis session to develop the action plan, make sure that you circulate the completed action plan with those involved in the session.

Limitations of a SWOT Analysis

There are many advantages to a SWOT analysis as outlined in the rationale section of this guide however there are also limitations of a SWOT analysis to consider. The SWOT analysis is subjective and biased because it includes stakeholders that are involved in the item or process that is being analysed. Whilst you need stakeholder to be involved in this analysis, it is important to use data to inform your thinking. Other limitations that have been observed are that the SWOT is oversimplified and vague, static and simply and does not address projects or organisations that are dynamic. It also has a one-dimensional perspective that ignores the overlap between elements. A strength could also be perceived as a weakness and an opportunity could also be perceived as a threat.

What next?

Is there anything within your organisation or any projects that you are undertaking that could benefit from a SWOT analysis? Start with choosing a process, service, product, or project that you are involved with and involving all stakeholders to perform a SWOT analysis. Use the information within this toolkit guide and the SWOT template to assist you with this.

Helpful tips

Collaboration is key! – When analysing a process or organisation it is important to include as many stakeholders as are relevant in the process (See our [Involving Others Toolkit Guide here](#) for more Information). This way, multiple perspectives will be considered leading to a more effective and comprehensive analysis.

There are other templates that can be used in conjunction with a SWOT analysis:

- A PESTLE analysis which is an acronym for Political, Economic, Sociological, Technological, Legal and Environmental factors that externally influence an organisation. This can be used in conjunction with the Threat element of a SWOT analysis.
- Lewin's Force Field Analysis is a technique that is used for planning and managing change. It helps to identify forces that support or oppose the change and prioritise them to find the best way to achieve the outcome.

Additional Resources

If you are interested in learning more about how improvement practices can benefit your workplace, we offer a range of training courses. Visit our website for more information: improvementcymru.net/academy or email us improvementcymruacademy@wales.nhs.uk to find about the improvement courses we offer.

Further reading

Business Documents. (No date). How do I run a SWOT Analysis workshop?
Available at: <https://business-docs.co.uk/scenario/how-do-i-run-a-swot-analysis-workshop/> (Accessed 9 Jan 2024)

CIPD. (2023). PESTLE Analysis. Available at:
https://www.cipd.org/uk/knowledge/factsheets/pestle-analysis-factsheet/?_gl=1*_xtjt80*_ga*MTA5NzQ3NDcwOS4xNjg0ODQ3Mjk2*_ga_D9HN5GYHYY*MTcwNDgxODE1NS4xMi4wLjE3MDQ4MTgxNTUuNjAuMC4w (Accessed 9 Jan 2024)

CIPD. (2023). SWOT Analysis. Available at:
<https://www.cipd.org/uk/knowledge/factsheets/swot-analysis-factsheet/> (Accessed 9 Jan 2024)

Mark Connelly. (2023). Force Field Analysis - Kurt Lewin. Available at: <https://www.change-management-coach.com/force-field-analysis.html> (Accessed 9 Jan 2024)

Minsky, L., Aron, D. (2021). Are you doing the SWOT Analysis Backwards? Available at: <https://hbr.org/2021/02/are-you-doing-the-swot-analysis-backwards> (Accessed 12 Jan 2024)

Strongitharm, J. (2022). What is a SWOT Analysis in Healthcare and why you need it? Available at: <https://venngage.com/blog/swot-analysis-in-healthcare/> (Accessed 9 Jan 2024)

White, J., Botorff, C. (2022). What is a SWOT Analysis? Available at: <https://www.forbes.com/advisor/business/what-is-swot-analysis/> (Accessed 9 Jan 2024)

Template: SWOT Analysis

Internal Factors

Strengths

Weaknesses

External Factors

Opportunities

Threats