Knowledge Worker

Rethinking SWOT Analysis

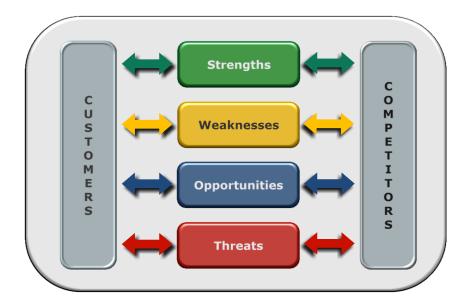
(January 2021)

A widely accepted and widely used tool with respect to strategic planning is a SWOT Analysis. SWOT stands for Strengths, Weaknesses, Threats and Opportunities and all are often dealt with in the course of conducting strategic planning. Basically, it's a matter of identifying Strengths the organization has going for it, any Weaknesses it needs to shore up, Opportunities it might exploit and any Threats it must confront.

It occurred to me recently that there might be considerable value in rethinking how that tool is used. I've come up with three different approaches to conducting a SWOT analysis. The first two involve refocusing the SWOT framework. The third is simply to reframe the questions. Let's begin with refocusing the analysis.

Focus on Customers & Competitors

Ordinarily, a SWOT analysis focuses on the organization in question. Strengths and Weaknesses come from looking inward and Opportunities and Threats tie to looking outward. But consider what happens if you position the SWOT framework between the organization and its customers and competitors. The diagram below offers just such a view.



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The questions are then asked in both directions (e.g., What strengths do we have in relation to our competitors? And What strengths do our competitors have with respect to our organization?). The same is done for Weaknesses, Opportunities, and Threats and with respect to customers, too. I used the diagram above to create one of the many tools in the Knowledge Workers' Tool Room and it can be accessed by clicking here. It has a link to the 16 questions that are implicit in the diagram.

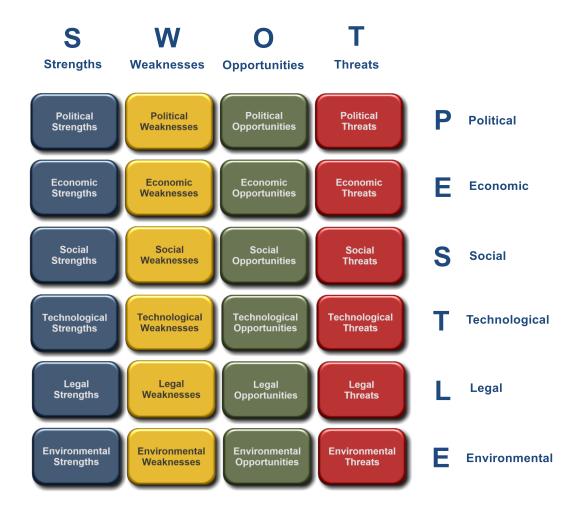
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Marry SWOT with PESTLE

In addition to SWOT, many organizations make use of the PESTLE framework which looks at key aspects of the organization's environment (Political, Economic, Social, Technological, Legal and Environmental). The two frameworks can be married to create a matrix (see the diagram below).



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This 24-cell matrix leads to 24 questions (e.g., What are our political strengths? What are our economic weaknesses? What are our technological opportunities? What environmental threats confront us?). This diagram was also used to create a tool in the Knowledge Workers' Tool Room, and it can be accessed by clicking here. Like the previous tool, it too has a link to a full set of questions.

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Third, there is the simple approach of sticking with just the SWOT framework but reframing or asking the questions in a different way.

Reframe the SWOT Questions

Instead of asking the traditional questions, what if you asked these instead?

- What are the strengths you want, need, or wish you had?
- What are the weaknesses you think you don't have and don't want to befall you?
- What are the opportunities you ignore, deem irrelevant or fail to see?
- What are the threats you ignore, discount, or dismiss?

Asked from this perspective, the questions channel thinking along very different yet perhaps equally productive lines. Once you have answers to the basic questions, consider the follow-on questions below.

- What keeps you from developing them?
- What blinds you to them?
- How would you know they are upon you?
- What is the worst that could happen?
- What do you need to do differently?

In short, asking the SWOT questions from this perspective leads you down a course of developing the organization and its ability to cope instead of simply exploiting or fending off what already exists. So, there you have it: three new and different ways of viewing and using the SWOT framework.

I am available for consultation if you'd like to discuss how to make use of these tools in your organization. Click <u>here</u> to contact me via email.

About the Author

Fred Nickols is a master problem solver, a toolmaker, a knowledge worker, a consultant, a writer, and a former executive who spent 20 years in the U.S. Navy, retiring as a decorated Chief Petty Officer. In the private sector, he worked as a consultant and then held executive positions with two former clients, including a stint as head of Strategic Planning at ETS. Currently, Fred is *Chief Toolmaker* and *Lead Solution Engineer* at <u>Distance Consulting LLC</u>. His web site is home to the award-winning <u>Knowledge Workers' Tool Room</u> and more than 200 free articles, book chapters and papers and more than 80 tools in the Tool Room. Fred writes this column on a monthly basis. All previous Knowledge Worker columns are accessible by clicking here.