



Excerpted from
FastTrac® TechVenture™



TAKE CHARGE OF YOUR BUSINESS®

A program of the Kauffman Foundation

SWOT Analysis

Outcome

To conduct a SWOT analysis on your competitors and on your own organization.

Overview

An important early step in the planning process is to examine the internal and external environment. A SWOT analysis can help you identify Strengths and Weaknesses, and examine the Opportunities and Threats you or your competitors may face. Remember, knowledge is power. Learning more about your competition will help you gain greater insight into the market.

Instructions

Step 1: Complete the SWOT analysis for your competitors and for yourself.

You won't be able to answer all these questions about your competition, but try to answer as many as possible. You will want to save a blank copy of this template, as you will use it to perform SWOT analyses for all your competitors and yourself.

Step 2: In the chart "SWOT Analysis Comparisons," measure your Strengths, Weaknesses, Opportunities, and Threats against those of your competitors.

This is where you can begin to document your competitive advantage. It is important to compare your organization with others in your market. If, for example, a strength is providing high-quality products, yet everyone in the field produces high-quality products, then it is not a strength. It is a necessity.

Guidelines

Before carrying out a SWOT analysis, consider the following guidelines:

- Be realistic about strengths and weaknesses. When performing a SWOT analysis on your business, be neither modest nor overly optimistic.
- Consider answers from the company's point of view and from the point of view of customers, vendors, distributors, and others who do business with them.
- Distinguish between where the organization is today and where it could be in the future.
- Note that the SWOT is subjective. No two people will come up with the same SWOT.



SWOT Analysis (Strengths and Weaknesses)

	Strengths	Weaknesses
Advantages? Disadvantages?		
Capabilities?		
Product – price, value, quality, innovation?		
Resources – assets, people, expertise?		
Financials? Financial reserves, likely returns? Cash flow, start-up cash-drain?		
Marketing – reach, distribution, awareness?		
Distribution channels – continuity, supply chain robustness? Timescales, deadlines, and pressures?		
Location and geographical?		
Processes, systems, IT, communications?		
Morale, commitment, leadership? Cultural, attitudinal, behavioral?		
Management cover, succession?		



SWOT Analysis (Opportunities and Threats)

	Opportunities	Threats
Competitors' vulnerabilities?		
Political or legislative effects?		
Industry trends?		
Environmental effects?		
Seasonality, weather effects?		
Technology development and innovation?		
New markets, vertical, horizontal?		
Changes in sociocultural environment?		
Partnerships, agencies, distribution?		
Economy – home, abroad?		



SWOT Analysis Comparisons

Your Company	Competitor A	Competitor B
Strengths	Strengths	Strengths
Weaknesses	Weaknesses	Weaknesses
Opportunities	Opportunities	Opportunities
Threats	Threats	Threats