

# SWOT (Strengths, Weaknesses, Opportunities, Threats)

The SWOT analysis is a simple tool suitable for many situations when it is necessary to assess the overall situation of, for example, the operations of your business, a plan or some aspect of your activity. The four boxes list the relevant strengths, weaknesses, opportunities and threats.

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<i>Strengths</i>	<i>Weaknesses</i>
<i>Opportunities</i>	<i>Threats</i>

Strengths and weaknesses are so-called internal qualities that are connected with the assessed topic from within the company.

Strengths could be, for example, sales skills or accommodation services that have received positive feedback. Ask yourself: What do we do well? What unique resources can we draw on? What do others see as our strengths?

Weaknesses could be, for example, poor use of social media in marketing or product portfolio deficiencies. Ask yourself: What could we improve? Where do we have fewer resources than others? What are others likely to see as weaknesses?

Opportunities and threats are external qualities, targeting the company from the outside. Opportunities could include, for example, the discovery of new market areas or expansion of operations. Ask yourself: What opportunities are open to us? What trends could we take advantage of? Threats could be, for example, changes in the market situation or the winter beginning fluctuations. Threats may already have been identified in practice, or they may be anticipated threats connected with future developments. Ask yourself: What threats could harm us? What is our competition doing? What threats do our weaknesses expose us to?

The SWOT table in itself already offers a chance to observe new aspects in the topic under assessment. The analysis can, if desired, be taken further with the TOWS analysis presented on the next page. There the SWOT analysis observations are used for pondering practical measures and strategies.

# TOWS

Create a table like in the example below, listing the Strengths, Threats, Opportunities and Threats from the SWOT analysis. The four boxes on the intersections of columns and rows are used for recording how the observations could improve the measures.

	<i>Opportunities</i> 1.	<i>Threats</i> 1.
<i>Strengths</i> 1.	(S+O)	(S+T)
<i>Weaknesses</i> 1.	(W+O)	(W+T)

The idea is not to mechanically combine the observations of the SWOT analysis in the TWOS table, also creativity is welcome. What can we do when we have such a strength and such an opportunity? The idea is to have all the findings gathered in one place, where they can be systematically compared and utilized when developing operations.

If there is a large number of observations, each of the four boxes can be made into a matrix like this.

	Opport. 1	Opport. 2	Opport. 3	Opport. 4
Strength 1				
Strength 2				
Strength 3				
Strength 4				

The first three of the four boxes focus on the measures to improve the business operations. The fourth box, weaknesses and threats (W+T), contains measures to minimise hindrances. They can be utilised to minimise losses; however, they cannot be used to generate profit and develop operations, like the other measures in the table.