Article

Name

Course

Tutor

Date

**SWOT Analysis for Strategic Planning**

**Article: David Parrish. (2017). *SWOT Analysis for Strategic Planning - David Parrish*. [online] Available at:** [**http://www.davidparrish.com/swot-analysis-strategic-planning/**](http://www.davidparrish.com/swot-analysis-strategic-planning/) **[Accessed 18 Apr. 2017].**

Many organisations and business uses the SWOT analysis tools in their strategic planning process. It is always important for an organization to effectively have knowledge and understanding of their own situation or conditions and the business world that surround them through an objective analysis and reality check. This entails an internal analysis of the various firms together with the external examination of the business world in which it operates.

The organization’s internal analysis can integrate the PRIMEFACT checklist to evaluate the firm’s features in a systematic and objective manner. The PRIMEFACT checklist can lead to the identification of the Strengths and Weaknesses of the business. The various elements included in the PRIMEFACT checklist to analyse the different characteristics, relative strengths and relative weaknesses are people, reputation or the business brand, intellectual property, market research and market information, ethos or the values and culture of the business, financial resources, agility, collaborators or alliances, partnerships and networks, and talents or skills. For instance the people analysis will entail the evaluation, performance management and performance appraisals of every employee in the organization to examine their skills, competencies and productivity (David Parrish, 2017).

The external analysis of the enterprise will need to explicitly understand the diverse and ever-changing business word in which the organization is operating at and the various factors that are at play and are easy to control by the management. Majority of the organization recommend the PEST analysis which is often used but an ICEDRIPS Analysis which is much more thorough. The external analysis of the organization will lead to the determination of the Opportunities and Threats of the organization. According to the ICEDRIPS Analysis, the following are the relative Opportunities we can utilise better than our competitors together with the relative threats the company can avoid better than its major rivals. The business innovation which may include the modern technology and the use of internet among other innovations relevant to the industry can be an opportunity. The increased competitors in the same industry can be significant threats through the provision of substitute products. The economic factors include the rate of inflation, currency exchange rates, downturns in the industry, and public expenditures among others. However, the demographic elements will include the analysis of the essential statistics of age, gender, geographical features, and social classes among others. Other notable features in the analysis of the external environment entails the regulatory, infrastructure, partners and social trends.

Surprisingly, some features of an organization could both be categorised as both strengths and weaknesses depending on the markets conditions in which the organization is operating in. another viable approach to the internal analysis of the strength and weaknesses is the utilisation of a more neutral term and enlisting of various features and of the business (David Parrish, 2017).

Moreover, the identification of the Opportunities and Threats largely depends on what the company is planning to do. The identified opportunities should enable the company to have a competitive advantages over it competitor.

The article is highly valuable because it provides an insight on the SWOT analysis which is integral in the strategic management process. The analysis of the firm’s strengths, weaknesses, opportunities and threats will enable the business gain competitive advantage over its competitors in the industry.