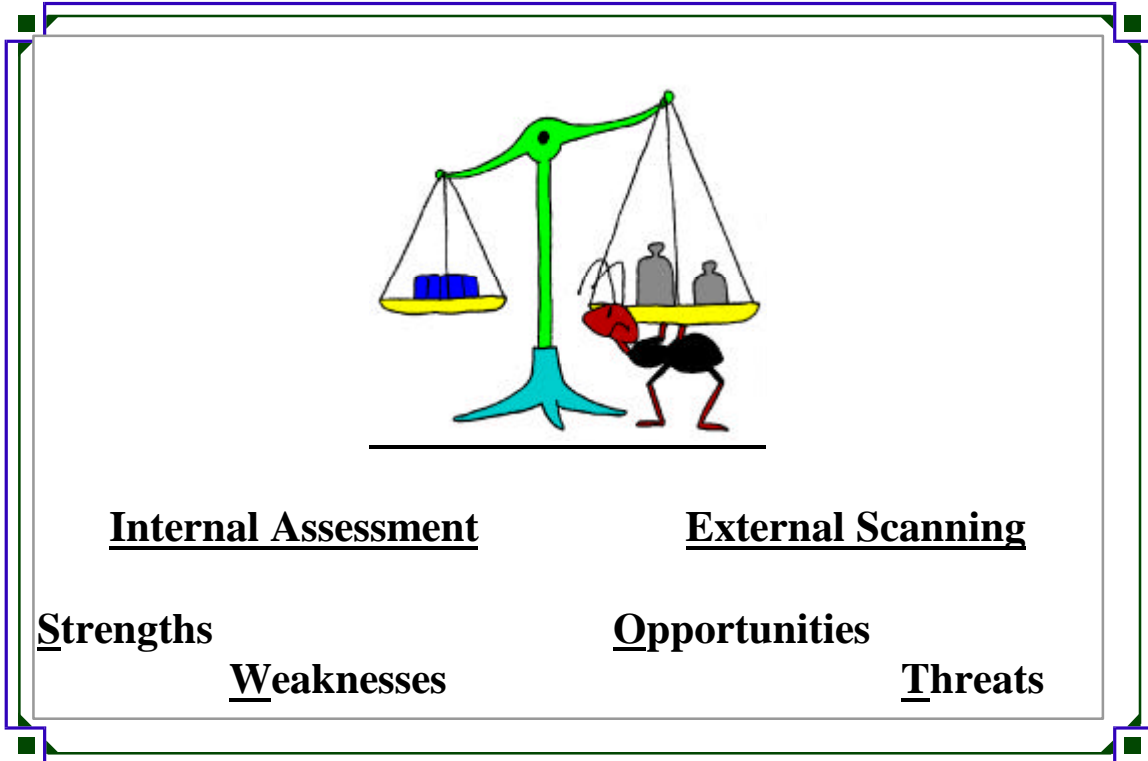
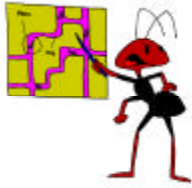


SWOT ANALYSIS



Purpose

The **SWOT Analysis** consists of an external scan and an internal assessment. The **External Scanning Process** is undertaken to identify the major threats and opportunities that face the organization in the foreseeable future. The **Internal Assessment Process** is conducted to examine the strengths and weaknesses of the organization and its ability to respond to threats and take advantage of opportunities.



Process

A SWOT analysis is simply a collection and review of information related to the external and internal environment of an organization. To begin the analysis some basic decisions need to be made concerning who will be involved, what needs to be assessed, what the deliverables will be, and when it needs to be done by. The Action Plan tool can be very helpful in doing this. Also, Brainstorming and Affinity can be used to identify the external search areas.

A large list of questions is provided to assist with the internal assessment? These questions can be revised to better support the purpose of the assessment and the time and resources available. Unrelated questions can be deleted and more appropriate ones can be added.

I. External Scanning:

A. Questions about conducting external scanning include:

1. Who should be involved in the analysis?
2. How will the analysis be organized? (project team?)
3. What is the timetable?
4. What is the desired output?
5. How will the output be used?
6. What are the major search areas to scan? (See Key Points at the end of this tool.)
7. What and where are the relevant sources of information on each area?

B. The external scanning process includes the following steps:

1. Collect information on the search area.
2. Identify mandates relative to each search area.
3. Identify forces and trends for each search area.
4. Identify opportunities and threats for each search area.
5. Analyze and interpret the information -- what are the possible scenarios that could occur?
6. Produce outputs useful for decision-making and planning.

II. Internal Assessment:

A. Questions about conducting the internal assessment process include:

1. Who should be involved in the analysis?
2. How will the analysis be organized? (project team?)
3. What is the timetable?
4. What is the desired output?
5. How will the output be used?
6. What and where are the relevant sources of information on each area?

B. The internal assessment seeks to answer the following general questions:

1. What is the organization's history?
2. Why does the organization exist?
3. What is its statutory authority?
4. What is its current mission or purpose?
5. What is the current level of performance and productivity?
6. What is the level of customer satisfaction with the organization? (primary and ultimate; current and trends)
7. What is the level of employee satisfaction? (current and trends)

C. The internal assessment should focus on the following broad areas:

Culture:

1. What is the organization's paradigm?
2. What are the governing values?
3. What is the predominant management style?
4. How does the decision-making process work?
5. What is the level of commitment to the organization? The customers?
6. To whom are the employees loyal?
7. How does the communication process work? Is it open or controlled?
8. What is the capacity of the organization to grow and respond?
9. Can it assimilate or embrace change?
10. Can it sustain change?

People:

1. How many staff are there?
2. How are they allocated?
3. How many are currently needed?
4. Are they appropriately classified and compensated?
5. What is the level of education and experience? Is it adequate? (current and trends)
6. What is the turnover rate? (current and trends)
7. What is the level of staff knowledge, skills, and abilities? Is it adequate?
8. How is the employee performance appraised?
9. What are the gaps in staffing related areas?
10. What is the grievance history? Trends?
11. What system of rewards is in place?

Structure:

1. How and on what basis is the agency formally organized?
2. What is the informal structure?
3. What are the reporting relationships?
4. What is the span-of-control?
5. How are roles defined?
6. Are the roles understood?
7. How many levels exist?

Systems and Processes:

1. How is planning carried out?
2. How is work directed?
3. How is work controlled?
4. How are programs evaluated?
5. How can the organization's policies and procedures be characterized?

Services, Funding and Outcomes:

1. What services are provided?
2. Which are mandated?
3. How are they funded?
4. What are the trends in services and funding?
5. What are the measures of efficiency?
6. What are the measures of effectiveness?
7. What are the outcomes of services? (current and trends)
8. What is the level of employee satisfaction? (current and trends)

9. What is the level of customer satisfaction? (current and trends)

Facilities and Technology:

1. What facilities does the organization currently have?
2. Are they adequate?
3. Is there a facilities plan in place?
4. What technology is currently available in the organization?
5. How is it utilized?
6. What are current needs?
7. Is there a technology plan in place?
8. What is the state of the art?
9. What are the gaps between what is available and what is needed?



Key Points

1. **Other guidelines** are available to assist an organization to conduct a self-assessment. A very popular tool is the Baldrige Performance Excellence Criteria. These Criteria address both the internal and external operational environments. A warning is that these Criteria are very comprehensive and can be overwhelming. However, if they are approached in an organized piecemeal fashion, their degree of complication can be greatly reduced. The Criteria have been adapted for Public Sector use by the North Carolina Quality Leadership Foundation. Copies are available from that organization.
2. External Scanning Search Areas might include:
 - Population characteristics such as migrations and demographics
 - Economic trends
 - Growth or other changes to the industrial base
 - Relative technology changes
 - Changes in travel/transportation habits
 - Changes in customer requirements
 - Political agendas
 - Privatization and outsourcing trends
 - Revenue forecasts
 - Innovations in other state government agencies or like activities within and outside of North Carolina

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