

S.W.O.T. ANALYSIS

In this two-part activity, students will complete a S.W.O.T. Analysis for a business. A S.W.O.T. Analysis (Strengths, Weaknesses, Opportunities and Threats) is a common business tool used by entrepreneurs, as well as companies like Ford, Coca-Cola, and Google, to identify internal and external factors that will affect the company's performance either currently or in the future. Conducting a S.W.O.T. Analysis can be a valuable exercise not only for companies, but for individuals as well. Both companies and individuals can reflect on their competitive advantage in the market.

PREPARATION

- Cut up names or logos of a variety of businesses and place them in a bag or container for students to draw from.
- Decide whether to take students on a community walkabout to examine a local business or to use an episode of The Profit.
- Recommended episodes of The Profit for having students practice S.W.O.T. Analysis are: Artistic Stitch Season 2 Episode 10, and Shuler's BBQ Season 2 Episode 15

INTRODUCTION

- Businesses typically conduct a S.W.O.T. Analysis as a strategic planning tool that can help the business with the following:
 - Driving the decision-making process (Sound Judgment) as the business reflects on where it is now and where it wants to go in the future.
 - Reflecting on what the business's real strengths and weaknesses are (Knowledge) as opposed to its perceived ones.
 - Relate strengths and weaknesses to critical keys for success. Are we using our resources (human, physical, financial...) in a way that drives the most benefit?
 - Compare our strengths and weaknesses to the competitive market.
 - Based on our strengths and weaknesses, what opportunities exist in the market for us to prosper?
 - What threats exist in the market that we must be aware of and respond to in order to succeed?
- During this activity, students will examine a business and its environment using a common business tool called a S.W.O.T. Analysis. In examining businesses using a S.W.O.T. Analysis, we will look at factors both external and internal to the business. We will use a S.W.O.T. Analysis as a method of helping to define a business' competitive advantage in the market, potential opportunities in the market to create value, and potential threats that might interfere with the business's ability to succeed in the market.

ACTIVITY TIME	90 Minutes
FOUNDATIONAL PRINCIPLES	
Knowledge	Sound Judgment
Opportunity	
KEY CONCEPTS	
<ul style="list-style-type: none"> • Competitive Advantage • Proprietary • Market Signals • Rule of Law • Opportunity Costs • Innovation 	
MATERIALS NEEDED	
<ul style="list-style-type: none"> • Poster board • Scratch paper – 1 per student • Markers or Sharpies • Names or logos of a variety of businesses of high interest to students on a piece of paper for students to draw out of a hat. <ul style="list-style-type: none"> ◦ Examples of high-interest businesses might be Frito-Lay, Nike, McDonald's, or businesses in your community. • Hat or container for students to draw out of. • SWOT Analysis Overview • Empowered Currency – Printed or Virtual • Empowered Bonds 	

ACTIVITY STEPS

1. Have each pair of students draw a S.W.O.T. Analysis template on a sheet of paper. Walk students through each of the four blocks of the S.W.O.T. template, as the teacher models an example of an existing business.
 - a. **Pro-tip:** You may wish to address Foundational Principles while walking students through the example business. Are Foundational Principles a strength or weakness of the existing business? What opportunities are there to add value to the market through Foundational Principles?
2. Watch an episode of The Profit or take students on a community walkabout to a neighborhood business.
 - a. If unable to use The Profit or do a community walkabout, you can substitute a virtual walkabout. Show pictures of a business in the community. While examining the business, have students discuss and complete a S.W.O.T. Analysis for the business.

3. Conduct class discussion so students can knowledge share their group's point-of-view of how they saw the business's strengths, weaknesses, opportunities, and threats.
4. Move students into teams of 3 or 4. Give each team a large piece of paper or poster board and markers or sharpies. Teams will draw a S.W.O.T. template on their large paper or poster board.
5. Have each team draw a business out of a hat.
6. Tell teams they will have 20-25 minutes to share knowledge amongst their team members, conduct web-based research, and complete a S.W.O.T. Analysis of their business.
7. While teams are working, give each student two Empowered bonds (have them write their name on each bond).
8. When time is up, teams will have 3 minutes to prepare their teams 90 second "S.W.O.T. pitch" for the class. Have each team give their S.W.O.T. pitch to the class, while other teams listen and consider which teams' pitches created the most value for the class by sharing the best presentation of knowledge of the S.W.O.T. Analysis for their business.
9. After all pitches are completed, have teams place their S.W.O.T. Analysis face up on a table and allow students to invest their Empowered bonds in other teams' pitches. They may invest both of their bonds in the same pitch or choose to invest one bond in two different pitches. Students may not invest in their own team's pitch.
10. Exchange each group's Empowered bonds for Empowered dollars. The teacher decides the exchange rate of bonds to dollars for the activity.

ACTIVITY DEBRIEF

PRINCIPLES + MARKETS

- What is the connection between Knowledge and conducting a S.W.O.T. Analysis?
- What is the connection between Sound Judgment and conducting a S.W.O.T. Analysis?
- What is the connection between Opportunity and conducting a S.W.O.T. Analysis?
- Do you believe conducting a S.W.O.T. Analysis can be of value to a business owner, or its employees? (to you personally?) Explain.
- What does you or your company do better than competitors or others? Better than overall industry? (Competitive Advantage)
- Are any of your strengths proprietary? Scalable?
- What situations (threats) should the company avoid? How might the company be proactive in lowering or removing some of the risks of the threats?
- Did you identify Innovation as one of your strengths, weaknesses, or opportunities? How important is innovation to your success? How important is innovation to the success of others in the market? Can you identify any companies that are innovation leaders in the space/industry? Discuss. Does innovation create value for ourselves and others? (Win-Win)
- How important is it to weigh the opportunity costs involved in identifying and selecting what opportunities you will pursue?
- Are there any legal or compliance issues that you identified as weaknesses or threats? What is the connection between the rule of law (current legal and compliance landscape – system) and the weaknesses or threats you have identified (or should identify)?

MINDSET

- How might humility play a role in the effectiveness of a company's creation of its S.W.O.T. Analysis?
- As a result of a S.W.O.T. Analysis, what opportunities for improvement are there for the company?
- Can any of (your) the companies' weaknesses be turned into strengths or an opportunity that creates a Win-Win?
- What market signals support the opportunities you have identified? What market signals (feedback) have you received that leads you to believe the strengths you have identified are accurate?



To access **SWOT ANALYSIS** online:

- Tap [HERE](#) from any online device OR

Scan this QR Code with your mobile device:

