



APO

Asian Productivity Organization

P-Glossary



SWOT Analysis

A scan of the internal and external environment is an important part of the strategic planning process. Environmental factors internal to the firm usually can be classified as strengths (S) or weaknesses (W), and those external to the firm can be classified as opportunities (O) or threats (T). Such analysis of the strategic environment is referred to as SWOT analysis. SWOT analysis is a widely used strategic planning tool for a project or business venture, as well as for organizations and individuals, that require a decision-making. SWOT analysis provides information that is helpful in matching an enterprise's resources and capabilities to the competitive environment in which it operates. It is therefore instrumental in strategy formulation and selection and forms the first stage of planning to focus on key issues.
