How to use SWOT analysis

Teacher's notes

Level: Upper-Intermediate/Advanced

Timing: 60 minutes - This lesson can be adapted into two 45-minute lessons or one 60-minute lesson depending on the level and needs of the students.

Material and sources:
- PowerPoint presentation
- Flipchart
- Large sheets of paper (one per group), highlighters
- Students’ worksheets
- Handout

Aims:
- To recognize and identify four basic elements of SWOT analysis (Strengths, Weaknesses, Opportunities and Threats).
- To use the vocabulary necessary to describe each of the elements.
- To present and discuss SWOT analyses using critical thinking skills.

Tasks:
- Discuss and categorize different factors affecting a business and pertaining to SWOT analysis.
- Find the antonyms of the given words.
- Match sentence halves.
- Analyse the statements.
- Create a SWOT analysis diagram.
- Analyse the case in order to transform weaknesses into strengths and opportunities into threats.
- Present the SWOT diagrams.

Lead-in (10 minutes)
Learners work in pairs and discuss their favorite coffee shop or a restaurant. They focus on what they like about the place and what can be improved. They share their ideas in open class.

Learners get a second set of questions written on the flipchart. Ask them to discuss the questions and decide how the events described in the questions can affect the business they have just described. They share ideas in open class.

Note:
Suggestions of some events are:
- The price of electricity goes down.
- A local newspaper carries a report that the food in the café / restaurant is expensive compared to other places
- Another café / restaurant opens up in the same street.
- A local company asks if the café / restaurant could deliver morning and afternoon snacks to their offices for 20 people on a daily basis.
Tell learners that the questions they have answered could be part of a SWOT analysis, a tool often used in business so that an organization can be aware of what they are good at (strengths), what they are not so successful at (weaknesses), how changes (threats) may affect them, and what they can do to make their position stronger (opportunities).

Use the PowerPoint slides to make your explanation clearer.

Ask learners to decide whether the events mentioned in the second set of questions could be strengths, weaknesses, opportunities or threats.

**Vocabulary (20 minutes)**

Explain that the strengths and weaknesses are usually seen as internal factors, and the opportunities and threats as external factors. Use the PowerPoint slides as a visual reminder for the learners.

1. Learners work in pairs. Each pair gets a handout with two tables. Table 1 shows some of the internal features (Strengths and Weaknesses) which organizations think about in a SWOT analysis.

   Some expressions are missing – ask learners to write the opposites of the words on the same line. Tell your learners to match the expressions with the correct categories.

   **Missing words - key:** a. weak, b. unskilled, c. low quality, d. out-of-date, e. retail, f. understaffed, g. well trained

   **Key – Table 1:** 1-d, 2-g, 3-f, 4-a, 5-b, 6-c, 7-e.

   **(10 minutes)**

   Learners focus on Table 2 which shows the external features (Opportunities/Threats). Ask them to match up the different elements with the SWOT features. The first one has been done for them.

   **Key – Table 2:** 1-f, 2-g, 3-e, 4-b, 5-h, 6-a, 7-c, 8-d.

   **(8 minutes)**

2. **Analysing task** – Learners analyse the following statements. In pairs they decide whether they are strengths, weaknesses, opportunities or threats. They share ideas with the class.

   **Suggested answers:** 1 – strength, 2 – weakness, 3 – weakness, 4 – threat/opportunity.

   **(2 minutes)**
Speaking practice: a SWOT analysis in the soft drinks industry (30 minutes)

Learners work in groups of three. Learners get a case study with the task described and the relevant information supplied in the students’ worksheets.

Tell learners they have to create a SWOT analysis diagram for an international soft drinks company on a large sheet of paper. They have 15 minutes to analyse the case study and prepare a SWOT presentation diagram. Appoint a time monitor.

Next, learners brainstorm the ways that the company could use to change weaknesses into strengths and opportunities into threats.

Learners present their SWOT analysis to another group. Following the presentations, the whole group decides together what the company could do.

Note:

Timing depends on the number of learners and groups.

Follow-up
Learners find the website of a company they know on the Internet. They look for the strengths, weaknesses, opportunities and threats to create a SWOT analysis. They present their SWOT analysis to the others in the next lesson.
How to use a SWOT Analysis / Students’ worksheet / Tatjana Jancić

Aims:

- To recognize and identify four basic elements of SWOT analysis (Strengths, Weaknesses, Opportunities and Threats).
- To use the vocabulary necessary to describe each of the elements.
- To present and discuss SWOT analyses, using critical thinking skills

Lead-in

1 Think of your favourite café or a restaurant that you like to eat at. Tell a partner about it and as you do, answer the following questions about it:

- What do you like about this place?
- What could the staff do to make it even more attractive?
- How could it make more profit but still be attractive to customers?
- What event could cause the numbers of customers to drop?

Are you hopeful about the future of this business? Why / Why not?

2 How could the following events affect the business that you have described above?

- The price of electricity goes down.
- A local newspaper carries a report that the food in the café / restaurant is expensive compared to other places
- Another café / restaurant opens up in the same street.
- A local company asks if the café / restaurant could deliver morning and afternoon snacks to their offices for 20 people on a daily basis.

3 The questions above could be part of a SWOT analysis, a tool often used in business so that an organization can be aware of what they are good at (strengths), what they are not so successful at (weaknesses), how changes (threats) may affect them, and what they can do to make their position stronger (opportunities). With a partner, decide whether the events mentioned in question 2 could be strengths, weaknesses, opportunities or threats.
Vocabulary

The strengths and weaknesses are usually seen as internal factors, and the opportunities and threats are external.

The table below shows some of the internal features which organizations think about in a SWOT analysis. Some expressions are missing – they are the opposites of the words on the same line. Write them in. Then match them to the correct categories.

<table>
<thead>
<tr>
<th>Strengths and weaknesses</th>
<th>Category(s)</th>
</tr>
</thead>
</table>
| 1. Technology                             | a. - strong / …………………  
- large market share / small market share |
| 2. Customer support/service               | b. - professional/unprofessional  
- polite/impolite  
- skilled / …………………… |
| 3. Resources (people / materials / finances) | c. - good / bad  
- high quality / …………………  
- reliable / unreliable  
- expensive / cheap |
| 4. Brands                                 | d. - up-to-date / ………………  
- advanced IT skills / lack of IT skills  
- digitalized  
- web-optimized company |
| 5. Staff                                   | e. - easily accessible / hard-to-access  
- wholesale / ……………..  
- Internet shop / bricks and mortar shop |
| 6. Products                                | f. - scarce / ample (finances)  
- fully staffed / …………………  
- reliable supply chain / unreliable supply chain |
| 7. Distribution channels                  | g. -available 24/7 / limited office hours  
- ………………………. / poorly trained  
- good listeners / poor listeners  
- thorough / careless |
Now look at the table below which shows the external features. Match up the different elements with the SWOT features. The first one has been done for you.

<table>
<thead>
<tr>
<th>Opportunities and threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Customers’ lifestyle change</td>
</tr>
<tr>
<td>2. Demographics changes</td>
</tr>
<tr>
<td>3. Government (political) changes</td>
</tr>
<tr>
<td>4. Economy</td>
</tr>
<tr>
<td>5. Government monetary and fiscal policies</td>
</tr>
<tr>
<td>6. Competition</td>
</tr>
<tr>
<td>7. Press coverage</td>
</tr>
<tr>
<td>8. Technology</td>
</tr>
</tbody>
</table>
3 Where in a SWOT analysis would you put these events? Are they strengths, weaknesses, opportunities or threats? Discuss this with a partner. Share your ideas with the class.

- Your company has been voted the ‘Best Employer of the Region’ by your staff in a local competition.
- Industry figures show that two of your products were market leaders last year.
- The head of your R&D (Research and Development) department is retiring at the end of this year.
- You rely solely on trucks for the transport of goods.
- The government has changed the corporate tax laws affecting SMEs (small and medium-sized enterprises) of which you are one.

Speaking practice: a SWOT analysis in the soft drinks industry

A new organic drink called NOD is being launched on the market for people preferring a healthy lifestyle. It is made of mostly natural ingredients and there has been a report in a sports magazine that emphasised its healthy effects. It is tasty, similar to a milkshake, and does not use artificial sweeteners. In addition, the company launching the drink has a well-developed ethics policy and proposes a number of projects that help the local people whose land, water and labour they are using.

An international soft drinks company (HOLA!) which is currently one of the two market leaders, has asked you to carry out a SWOT analysis about the launch and their position in the market. HOLA! is concerned that they may lose customers because of the new organic drink, particularly since they have had negative press about some of the ingredients they use as well as the working conditions of their employees.

1 Work in groups of three. Create a SWOT analysis diagram on a large sheet of paper.
2 Discuss together how the company could change the weaknesses into strengths and if they could change the threats into opportunities.
3 Present your SWOT to another group. When both presentations have been made, decide together what HOLA! could do.

Follow-up
Find the website of a company you know on the Internet. Look for the strengths, weaknesses, opportunities and threats. Create a SWOT analysis and bring it to class to present to the others.
SWOT ANALYSIS – CASE STUDY

A new organic drink called NOD is being launched on the market for people preferring a healthy lifestyle. It is made of mostly natural ingredients and there has been a report in a sports magazine that emphasised its healthy effects. It is tasty, similar to a milkshake, and does not use artificial sweeteners. In addition, the company launching the drink has a well-developed ethics policy and proposes a number of projects that help the local people whose land, water and labour they are using.

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<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The strongest global brand</td>
<td>1. Lack of labour-protection projects.</td>
</tr>
<tr>
<td>2. High-quality products</td>
<td>2. Management problems</td>
</tr>
<tr>
<td>3. Technology – present on 7 social networks</td>
<td>3. Negative press coverage</td>
</tr>
<tr>
<td>4. Top notch resources</td>
<td>4. Use of toxins in drinks</td>
</tr>
<tr>
<td>5. Impressive marketing campaign</td>
<td>5. Human rights violation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Change the ethics policy.</td>
<td>1. Lifestyle change: People turn to healthy lifestyle – no room for fizzy drinks with unreleased toxins in them.</td>
</tr>
<tr>
<td>2. Invest more money in developing healthier drinks.</td>
<td>2. Political changes – governments may restrict HOLA!’s access to developing countries’ cheap labour.</td>
</tr>
<tr>
<td>3. Redesign social responsibility agenda.</td>
<td>3. Human rights group may organize global boycott of HOLA!’s leading brands which may result in sale decrease.</td>
</tr>
<tr>
<td>4. Reorganize company beliefs.</td>
<td></td>
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<tr>
<td>5. Find reliable distributors.</td>
<td></td>
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</tbody>
</table>
2. Suggested options:

**Weaknesses ➔ Strengths**
- Create feasible projects that will help the employees from developing countries with preserving their land and water.
- Re-establish good connections with the press.
- Redesign manufacturing policy: switching to natural ingredients.
- Create and implement appropriate pay and benefits scheme for the labour.

**Threats ➔ Opportunities**
- Redesign human rights policy and promote it with various accompanying projects.
- Promoting healthy lifestyle.
- Organise different actions that target specific vulnerable groups.
- Establish productive relationship with local unions.