Maryland SWOT Analysis
Maryland Department of Health and Mental Hygiene
Office of Preparedness and Response

Introduction and Purpose

This document provides a short review of strategic planning tools or technics and processes for the evaluation of an organization's or program's value, effectiveness and benefit. The structured analysis and assessment of existing or proposed project activities permits an opportunity to develop strong project management objectives and milestones to accomplish the desired end result and or product.

Although this short review is written from the perspective of business, the principles outlined below are pertinent and applicable to subject areas outside business. For example, use of these tools can support development of project management plans for regional healthcare emergency preparedness planning and response.

Although there are many tools, only two are discussed in this document. These are:

- *SWOT Analysis:* Identification of Strengths, Weaknesses, Opportunities and Threats to identify favorable and unfavorable factors as well as to identify and prioritize solutions to achieve the desired objective.

- *PEST / PESTLE Analysis*: Supports the structured, deliberate and ordered identification of external environmental factors which could impact project success.

Applied together, both SWOT and PEST/PESTLE analysis permit an efficient, methodical and systematic method for project management and determination of success. This strategic planning process is not to be confused with Project Management. where project management is defined as the process by which the project is to be successfully accomplished. This is done through the setting of project goals, milestones and objectives in the setting of a timeline until completion of the goal.

"Corporate" / Project Planning

Organizations frequently use a systematic/rigorous process known as project or corporate planning as part of the development of strategies and plans to enable the organization to achieve its objectives. SWOT alongside PEST/PESTLE can be used as a basis for the analysis of business and environmental factors impacting the success of the proposed project and endeavors.

The planning process includes the following:

- **Set objectives** – defining objectives; what the organization is going to do

- **Environmental scanning**
    - Internal appraisals of the organization's SWOT, this needs to include an assessment of the present situation as well as a portfolio of products/services and an analysis of the product/service life cycle.

- **Analysis of existing strategies**, this should determine relevance from the results of an internal/external appraisal. This may include gap analysis which will look at environmental factors (PEST/PESTLE).

- **Strategic Issues** defined – key factors in the development of a corporate plan which needs to be addressed by the organization.

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- **Develop** new/revised strategies – revised analysis of strategic issues may mean the objectives need to change.

- **Establish** critical success factors – the achievement of objectives and strategy implementation.

- **Preparation** of operational, resource, projects plans for strategy implementation.

- **Monitoring** results – mapping against plans, taking corrective action which may mean amending objectives/strategies.

SWOT Analysis

To achieve our Goal and Objectives we will use the strategic planning tool known as a SWOT analysis.

It involves specifying the objective(s) of the project and identifying the internal and external factors that are favorable and unfavorable to achieving that objective.

Ideally a cross-functional team or a task force that represents a broad range of perspectives and stakeholders should carry out the SWOT analysis

SWOT Analysis System in Addressing Planning and Preparedness:

"S" strengths: *A listing or notation of the strengths of the system.*
Attributes of the organization that are helpful to achieving the objective.

"W" weaknesses: *What weaknesses in the system have been identified?*
Attributes of the organization that are harmful to achieving the objective.

"O" opportunities: *What opportunities exist to help achieve the strategic plan and goals?*
External conditions that are helpful to achieving the objective.

"T" threats: *What threats exist to prevent achievement of the stated goals?*
External conditions that are harmful to achieving the objective

Identification of SWOTs is essential because subsequent steps in the process of planning for achievement of the selected objective may be derived from the SWOTs analysis and assessment.

The SWOTs are used as inputs to the creative generation of possible strategies, by asking and answering each of the following four questions:

- How can we Use each Strength or do better?
- How can we Stop, improve, avoid or build upon each Weakness?
- How can we Exploit each Opportunity?
- How can we Defend against each Threat?

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SWOT analysis may be used in any decision-making situation when a desired end-state (objective) has been defined. SWOT analysis may also be used in pre-crisis planning and preventive crisis management. SWOT analysis may also be used in creating a recommendation during a viability study/survey.

SWOT analysis is just one method of categorization and has its own weaknesses. For example, it may tend to persuade companies to compile lists rather than think about what is actually important in achieving objectives. It also presents the resulting lists uncritically and without clear prioritization so that, for example, weak opportunities may appear to balance strong threats.

It is prudent not to eliminate too quickly any candidate SWOT entry. The importance of individual SWOTs will be revealed by the value of the strategies it generates. A SWOT item that produces valuable strategies is important. A SWOT item that generates no strategies is not important.

One way of utilizing SWOT is *matching* and *converting*. Matching is used to find *competitive advantages* by matching the strengths to opportunities. Converting is to apply conversion strategies to convert weaknesses or threats into strengths or opportunities. If the threats or weaknesses cannot be converted an intervention or solution is to try to *minimize* or *avoid* them.

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PEST/PESTLE Analysis

PEST analysis stands for "**P**olitical, **E**conomic, **S**ocial, and **T**echnological analysis" and describes a framework of macro-environmental factors used in the environmental scanning component of strategic management.

Some analysts added **L**egal and rearranged the mnemonic to SLEPT; inserting **E**nvironmental factors expanded it to PESTEL or PESTLE.

The model has recently been further extended to STEEPLE and STEEPLED, adding Ethics and demographic factors. It is a part of the external analysis when conducting a strategic analysis or doing market research, and gives an overview of the different macro-environmental factors that must or should be taken into consideration.

- **Political** factors are how and to what degree a government intervenes in the economy. Specifically, political factors include areas such as tax policy, labour law, environmental law, trade restrictions, tariffs, and political stability. Political factors may also include goods and services which the government wants to provide or be provided (merit goods) and those that the government does not want to be provided (demerit goods or merit bads). Furthermore, governments have great influence on the health, education, and infrastructure of a nation.

- **Economic** factors include economic growth, interest rates, exchange rates and the inflation rate. These factors have major impacts on how businesses operate and make decisions. For example, interest rates affect a firm's cost of capital and therefore to what extent a business grows and expands. Exchange rates affect the costs of exporting goods and the supply and price of imported goods in an economy.

- **Social** factors include the cultural aspects and include health consciousness, population growth rate, age distribution, career attitudes and emphasis on safety. Trends in social factors affect the demand for a company's products and how that company operates. For example, an aging population may imply a smaller and less-willing workforce (thus increasing the cost of labor). Furthermore, companies may change various management strategies to adapt to these social trends (such as recruiting older workers).

- **Technological** factors include technological aspects such as R&D activity, automation, technology incentives and the rate of technological change. They can determine barriers to entry, minimum efficient production level and influence outsourcing decisions. Furthermore, technological shifts can affect costs, quality, and lead to innovation.

- **Environmental** factors include ecological and environmental aspects such as weather, climate, and climate change, which may especially affect industries such as tourism, farming, and insurance. Furthermore, growing awareness of the potential impacts of climate change is affecting how companies operate and the products they offer, both creating new markets and diminishing or destroying existing ones.
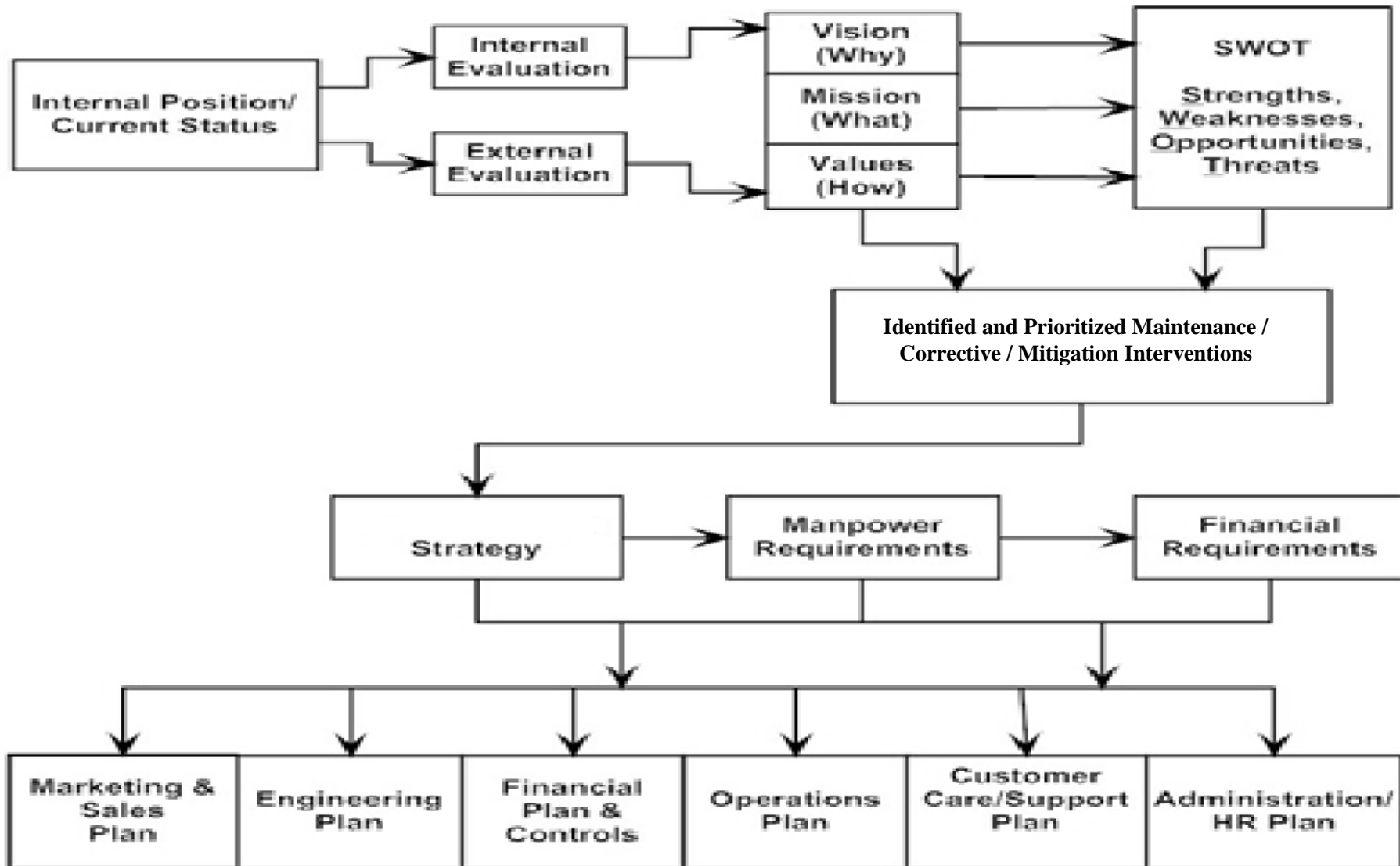
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- **Legal** factors include discrimination law, consumer law, antitrust law, employment law, and health and safety law. These factors can affect how a company operates, its costs, and the demand for its products.

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OPERATIONAL PLANNING PROCESS

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Internal Position/          Internal              Vision                SWOT
Current Status     ──────►  Evaluation  ──────►   (Why)      ──────►
                                                                        Strengths,
                            External               Mission              Weaknesses,
                   ──────►  Evaluation  ──────►    (What)     ──────►   Opportunities,
                                                                        Threats
                                                   Values      ──────►
                                                   (How)
```

**Identified and Prioritized Maintenance /
Corrective / Mitigation Interventions**

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Strategy  ──►  Manpower        ──►  Financial
               Requirements         Requirements
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Marketing & Sales Plan	Engineering Plan	Financial Plan & Controls	Operations Plan	Customer Care/Support Plan	Administration/ HR Plan

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Analysis Component	Identified Factors	Maintenance/Corrective/Mitigation Interventions
Strengths of the current preparedness activities		
Weaknesses in current planning and preparedness		
Opportunities for improvement		
Threats to planning and preparedness		

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Additional Notes: