SWOT Analysis in Project Management

By Michelle Symonds

SWOT is an acronym of Strengths, Weaknesses, Opportunities and Threats and as these titles suggest it is not purely a method used for controlling areas of planning and risk, but it is also used to highlight areas of the project that could be maximised to the benefit of the whole project or individual areas where some competitive advantage may be gained. It is used to evaluate particular activities of the project in order to optimise their potential as well as to evaluate risks in order to determine the most appropriate way of mitigating those risks.

SWOT analysis is normally performed during the initial project start-up phase so that the elements of the analysis can form the basis of the project plan, but it can also be used later in the project if the project is running into difficulties with scheduling, deliverables or budget and needs to be brought back on track.

For example, if a certain key activity in the project requires new software, a SWOT Analysis can be used to assess the risks and the opportunities of purchasing the software and training staff in its use in order to help with the resource planning.

Performing a SWOT Analysis

A SWOT analysis session should always have a clear objective and it is the Project Manager's responsibility to communicate that objective to all those present at the session. A typical session will include all stakeholders, where possible, and key members of the project team. If the analysis is being performed at the start of a project, the objective is likely to be fully identifying all required activities and potential risks so that a proper plan can be put in place. However, if it is being conducted during an ongoing project, the objective may be to re-assess the budget or schedule.

Because the objectives of a SWOT Analysis can vary so too can the questions used to elicit the required information. For this reason there is not a standard set of pre-defined questions that will meet every situation, but every session must have a set of questions written down before the session to ensure the attendees remained focussed. This, again, is the project manager's responsibility. Depending on the urgency of completing the analysis and starting the project planning phase, it may be necessary to send out the questions in advance to allow attendees the opportunity of gathering any relevant information in advance.

Typical questions for each part of the SWOT Analysis are listed below:

Strengths

- Does the company have the necessary skills in-house?
- Has a budget been assigned to the project?
- What are the business benefits of completing the project?
- Will the project require new technology or equipment?
- How experienced is the project team on similar projects?

Weakness

- Is there a reliable estimate of costs available?
- Does the company have the budget to provide contingency funding?
- What are the drawbacks of the project?
- Will parts of the project need to be outsourced?
- Is the proposed schedule realistic?

Opportunities

- Can a local project be leveraged nationally or internationally?
- Do the competitors have any weaknesses?
- What are the latest industry trends?
- Are there any new, or imminent, technology developments?

Threats

- Is there well-established competition already in the marketplace?
- Are experienced staff difficult to replace?
- Has new technology been fully tested?
- Could national or global economic conditions affect the project?

The list of questions to use in a SWOT analysis could, obviously, be much longer than the basic questions listed above, but using these in your own particular project will provide a good starting point. Performing a thorough SWOT analysis at the beginning, or any stage, of a project will provide you with detailed information to help you in the planning and decision-making processes of a project.

Michelle Symonds is a qualified PRINCE2 Project Manager and believes that the right project management training can transform a good project manager into a great one and is essential for a successful outcome to any project. There is a wide range of formal and informal project management courses now available that include online learning and podcasts as well as more traditional classroom courses.