

# Strategy

*The real art of discovery consists not in finding new lands  
but in seeing with new eyes*

– Marcel Proust

## Trends or Patterns (Environmental Scan)

Trends, Environmental Scan is "a kind of radar to scan the world, systematically and signify the new, the unexpected, the major, and the minor" (Brown and Weiner cited in Morrison and Held, 1989).

Scan in the areas of funding, technology, political, physical space or facilities, economics, social and demographics. Others?

## Trend Types

### Trends

**Events** – one-time or non-repeatable phenomenon, usually visible or dramatic, which has a short-term effect on a system. An event focuses on an occurrence at one point in time (Friedel & Lapin, 1995). An event is a discrete, confirmable occurrence that makes the future different from the past (Morrison & Held 1989)

### Emerging Issues

An emerging issue is a potential controversy that arises out of a trend or event, which may require some sort of response (Morrison & Held 1989).

**Wildcards** – the what ifs; low probability of occurrence, but could have high impact (Rockfellow, 1994)

## Scenario Planning

Scenarios (Schwartz, 1991) are stories that pose alternative futures for the organization, based on assumptions about current trends and events. Usually a best-case scenario, worst case scenario, and a scenario somewhere in between are developed to map out the ranges of possible futures the organization might face, the threats and opportunities each future might pose, and what the "critical success factors" might be in addressing those futures (Leidecker and Bruno, 1984).

The main benefit of constructing scenarios is to promote learning to plausible, though perhaps unlikely, futures; and develop strategies better able to handle most eventualities (de Gues, 1988, Shwartz, 1991).

## Strength Weaknesses Opportunities and Threats (SWOT) Analysis

SWOT analysis is a general technique, involving the generation and recording of the strengths, weaknesses, opportunities. It is customary for the analysis to take account of internal resources and capabilities (strengths and weakness) and factors external to the organization (opportunities and threats). Benefits SWOT analysis can provide:

Though SWOT is practiced a lot, some feel the approach is not useful in today's diverse and unstable markets. They also suggest that it can be ineffective as a means of analysis because of the generation of long lists, may be a slow process when fast is important.

## SWOT

### **Strengths:**

- What are your advantages?
- What do you do well?
- What do other people see as your strengths?

Consider this from your own point of view and from the point of view of the people you work with. Don't be modest - be realistic and bold.

### **Weaknesses:**

- What could you improve?
- What do you do badly?
- What should you avoid?

Again, consider this from an internal and external basis - do other people seem to perceive weaknesses that you do not see? Are your competitors doing any better than you? Be realistic now. We often think we are better than we really are.

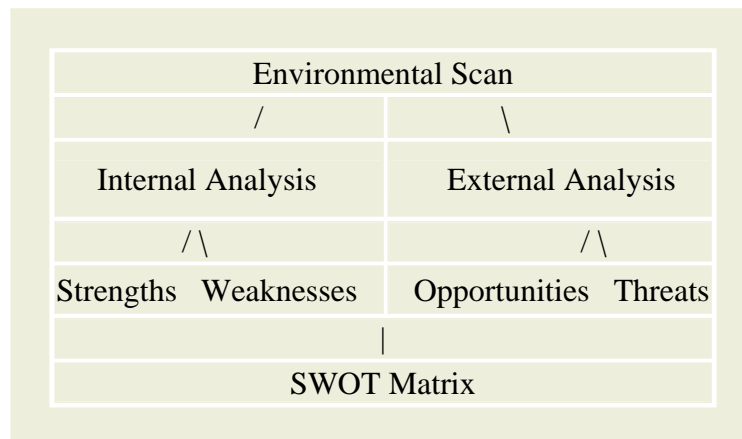
### **Opportunities:**

- Where are the good opportunities facing you?
- What are the interesting trends you are aware of?
- Opportunities can come from: Changes in technology and markets, changes in policy. Changes in social patterns, population profiles, lifestyle changes, etc.

### **Threats:**

- What obstacles do you face?
- What is your competition doing?
- Are the requirements for your service changing?
- Is changing technology threatening?
- Do you have funding problems?

## SWOT Analysis Framework



A SWOT analysis helps find the best match between environmental trends (opportunities and threats) and internal capabilities.

- A **strength** is a resource or capacity the organization can use effectively to achieve its objectives.
- A **weakness** is a limitation, fault, or defect in the organization that will keep it from achieving its objectives.
- An **opportunity** is any favorable situation in the organization's environment. It is usually a trend or change of some kind or an overlooked need that increases demand for a product or service and permits the firm to enhance its position by supplying it.
- A **threat** is any unfavorable situation in the organization's environment that is potentially damaging to its strategy. The threat may be a barrier, a constraint, or anything external that might cause problems, damage or injury.

The first part of any SWOT analysis is to collect a set of key facts about the organization and its environment. This will include facts about the organization's markets, competition, financial resources, facilities, employees, inventories, market; management, environmental setting (e.g. technology, political, social, and economic trends), history and reputation.

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