

## Trends

What are the significant changes in technology, distribution, product innovation, markets, consumer, and social trends around the world that might impact your industry and organization?

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## Strengths/Core Competencies

What are the inherent strengths of the organization that have been the source of your success?

## Weaknesses

What are the inherent weaknesses of the organization that aren't likely to change?

# SWT And Strategic Planning

Strategic planning encompasses two specific activities: strategic thinking and execution planning. Strategic thinking is defining a few big-picture ideas. Execution planning is determining how to make them happen.

To do the right kind of strategic thinking, your senior leadership team needs to use the SWT Tool (1). What's different about it?

In the SWT, senior leaders face the brutal facts of their reality, as *Jim Collins puts it so well*. They call out *inherent weaknesses* that will likely never change — so they can say no to situations that would require the company to be strong in those areas.

At the same time, leaders must be crystal clear on the *inherent strengths* or core competencies of the company that have been the source of its success.

An organization has the same strengths and weaknesses as an individual's, which tend to be baked in. So, the process is less about changing them and more about playing the hand the firm is dealt.

Instead of sizing up a company's immediate opportunities and threats, as typically done in a SWOT, the senior team should rise above this and look at the *major trends* — significant changes in technology, distribution, product innovation, markets, consumers, and society around the world that might shake up not only your business but the entire industry.

Forget about the competitor down the street. Is there a company on the other side of the globe that's going to put you out of business? Is there a new technology coming onto the startup scene that could change the way all companies must do business overnight?

## A Different Perspective

To strengthen the strategic planning process, use different techniques to extract ideas from all levels of your company. From front-line employees, ask one simple question: "What should the organization start, stop, and keep doing?" From middle management, require a standard SWOT.

And demand that your senior team go deeper and broader using the SWT Tool. Knowing what trends are going to shake up your industry — and having a plan for dealing with them — will help you stay ahead of the competition.

All the best,  
**David Paul Carter**

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