**SWOT VOCABULARY SHEET**

*Use this organizer to record the meaning of these SWOT specific words as we go through the lesson.*

|  |  |
| --- | --- |
| **SWOT-RELATED WORD** | **MEANING** |
| **SWOT (acronym)** | The letters stand for: Strength, Weakness, Opportunity, and Threat. |
| **SWOT Analysis** | This is a planning method for exploring the four major aspects of a business venture, i.e. the Strengths, Weaknesses, Opportunities and Threats. A SWOT analysis can help explore the critical aspects of an organization’s products, projects and even its reputation and goodwill. It is extremely popular for its simplicity. Project management practices make extensive use of SWOT analysis during planning and monitoring stages. |
| **Strength** | Strengths refer to those things that a company does well. In particular, strengths refer to sources of competitive advantage which are positive attributes that set one company apart from its competitors. This might include things like customer service, good products, a strong brand, and more. |
| **Weakness** | Weakness refers to those areas where a company is lacking in comparison to its competitors. These are often the opposite of strengths such as bad customer service, bad brand recognition, weak products, and more. |
| **Opportunity** | Opportunity refers to external, or environmental factors that can help the business. For example, independent of a company’s strengths or weaknesses, there might be opportunities for growth in the industry. There might be a shift in consumer preferences, or a change in industry regulation, all of which could benefit a company in the long run. |
| **Threat** | A threat is also an external factor, but one that may hurt a company’s prospects. The current economic downturn, for instance, might be a threat to companies that sell primarily luxury goods. |
| **Internal Factors** | The Strengths and Weaknesses of the subject of analysis are always internal factors. In a business context they may include financials, talent, machinery, equipment, systems, and intellectual property. Also, they can include intangibles as culture, leadership, and patents.  |
| **External Factors** | Threats and Opportunities are always external factors. These might include market behavior, demographics, partners, suppliers, global economy, political and environmental policies, and more.  |
| **Matrix** | A matrix is a simple tool to display information typically in a grid. |