• Importance of SWOT analysis are :-

1) Logical framework of analysis : SWOT Analysis equips the management with an insightful framework for eliminating issues in a systematic manner, that can influence the condition of business, formulation of various strategies and their selection.

2) Presents a Comparative report : The analysis facilitates in presenting systematic information about the internal and external environment. This helps in making a comparison of external opportunities and threats with internal strengths and weaknesses, as well as reconciling the internal and external business environment, to help the managers in choosing the best strategy, by considering various patterns.

3) Strategy Identification : Every organization has its strengths weakness, opportunities and threats. So, the SWOT analysis acts as a guide to the strategist to reckon the exact position, i.e. where the business stands. So as to identify the primary objective of the strategy under consideration.

Ans 4 Concept of SWOT Analysis :-

SWOT Analysis is a strategic management tool that assists an enterprise in discerning their internal strengths, and weaknesses, and external Opportunities, and Threats, to determine its Competitive position in the market.

The SWOT Analysis helps in ascertaining the factors that influences the efficiency and effectiveness of any product, project, or business entity.

Strengths represent those skills in which a Company exceeds or the key assets of the firm. Examples of strengths are a group of highly skilled employees, cutting edge technology and high-quality products.

Weaknesses are those areas in which a firm does not perform well. The examples include continued conflict between functional areas, high production costs and a poor financial position.

Opportunities are those current future circumstances in the environment that might provide favourable Conditions for the firm. Examples of Opportunities include an increase in the market population, a decrease in Competition and a legislation that is favourable to the industry.

Threats are those Current or future circumstances in the environment, which might provide unfavorable Conditions for the firm. Examples of threats include increased supplier costs, a Competitor's new product-development process and a legislation that is unfavourable to the industry.