

Q-4 Meaning and Importance of SWOT Analysis :-

One of most widely used strategic planning tools is a SWOT. (Strengths, Weaknesses, Opportunities and threats) analysis. Most companies use it in one form or another.

SWOT analysis is often used as basic guide for strategic planning.

The value of SWOT analysis cannot be overemphasised.

* Importance :-

(1) SWOT analysis brings do light whether the business is healthy or sick.

(2) An undertaking comes to know of both internal as well as external factors affecting its success or failure.

(3) It helps in the formation of a strategy so as to make preparations for the possible threats from the competitors.

(4) SWOT analysis evaluates the business environment in a detailed manner so as to take strategic decisions for the future course of action.