



Business Management Toolkit

1. SWOT (SL&HL)

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1. SWOT - Objectives - Syllabus links

- It is recommended that it is introduced and taught to the students in Unit 1 (Recommended chapter 1.3.)
- SWOT analysis can be integrated in any Unit of the syllabus (1-5)
- SWOT can be used in many topics across the syllabus
- SWOT is about the current situation of a business



1. SWOT

SWOT analysis identifies and analyses the main internal strengths and weaknesses and external opportunities and threats that will influence the business decisions and its future direction.

<i>ONLY internal</i>	Strengths	Weaknesses
<i>ONLY external</i>	Opportunities	Threats

Activity: Discuss the advantages and disadvantages of a SWOT analysis



1. SWOT - What could it include?

Strengths High profitability, increased sales, motivated/ experienced employees, brand image, quality	Weaknesses Low employee morale, declining sales, old-fashioned design, dissatisfied customers, financial losses, inefficiencies, poor corporate image
Opportunities Increase in disposable income, a new consumers trend that benefits the product, technological advancements, new unsatisfied needs	Threats Increased competition, political instability, economic recession, high taxation, exchange rates, pandemics, natural disasters



EXAMPLE

1. SWOT

SWOT Analysis of Starbucks

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none">• Global Brand• Product Diversification• Profitable organization• Sound financial foundation• Customer loyalty• Favorable forex market	<ul style="list-style-type: none">• High rental or leasing cost• Intense competition• Known only for coffee• Company owned stores not feasible	<ul style="list-style-type: none">• Favorable government policies• Growing consumer product market• Rising affluent class	<ul style="list-style-type: none">• Rise in cost of coffee and dairy products• Rising real estate cost• Political opposition



Source:<https://enginyers.ad/2463-starbucks-swot>



1. SWOT analysis - How to create one

Exam tips!

1. SWOT is suitable for a business and not a product
2. It outlines the current situation of a business and the external environment



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1. SWOT analysis - Evaluation

Advantages	Disadvantages
<ul style="list-style-type: none">● Provides a picture of the current situation● Supports planning● Visual tool easy to understand and construct● Encourages examination of different strategic opportunities	<ul style="list-style-type: none">● Only snapshot of current situation not enough to make a decision● It may need to be revised often due to changes● May be biased as it is based on opinions, not only facts and figures

Exam tips! 1. SWOT is suitable for a business and not a product

2. It outlines the current situation



1. SWOT - Project

- In groups choose an organisation that you can find information about online. Create a SWOT analysis for the selected organisation.
- Use a table and bullet points
- Each bullet point should be referenced (link of the source you found the information from)
- **Remember:** Strengths & Weaknesses are internal and Opportunities & Threats are External
- Tip! You could also choose a social enterprise (preparation for Paper 3)
- Present your SWOT to the rest of the class



Are you ready for the quizz?

- Do the quiz in the ibGenius platform
- You need 70% to pass!
- Then you are ready to move on to the next Business Management Tool!



References

Books

Stimpson, Peter, and Alex Smith. *Business Management for the IB Diploma: Coursebook with Cambridge Elevate Enhanced Edition (2 Years)*. Cambridge University Press, 2018.

Hoang, Paul. *Business Management Study & Revision Guide: for the IB Diploma*. Hodder Education, 2016.

Muchena, Martin Mwenda, et al. *IB Business Management*. Oxford University Press, 2014.

Links

- <https://www.investopedia.com/terms/s/swot.asp>
- <https://enginvers.ad/2463-starbucks-swot>
- [Images: pexels.com](https://www.pexels.com)

