

Management by competencies

How we know what to do?

From last lesson

- ▶ Company environment
 - Outer
 - Macro x trade
 - Analysis – PESTE
 - Inner
 - Weak x Strong
 - Analysis – next time :o)

SWOT


	Positive	Negative
Internal	Strengths	Weaknesses
External	Opportunities	Threatens

- SWOT analysis
- Collects all important factors together
- Very popular in Internet business
- Can be used in any case that needs to be analyzed
 - New product
 - New project
 - New service
 - Analyze new workflow

Strengths

- ▶ Where is our advantage
- ▶ What is unique in our company
- ▶ Why we lead?
- ▶ Examples
 - Experienced management
 - Special know-how
 - IT services or IS


Weaknesses

- ▶ What do we do wrong?
 - ▶ Where we lost money or good-will because of our own mistake?
 - ▶ What was our last big inner problem?
 - ▶ Examples
 - Old technical equipment
 - Bad behavior of employees
 - Bad quality of IT services
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Opportunities

- ▶ What can be a new impulse for the company?
- ▶ Where we can find a new sources?
- ▶ How we can improve our company?
- ▶ Examples
 - Lower taxes
 - Donations (EU/government/other organizations)
 - New technologies

Threatens

- ▶ What can be dangerous for our improvement?
 - ▶ What kind of pressure we must cope with?
 - ▶ What do our competitors plan?
 - ▶ Examples
 - Higher taxes
 - Structure of unemployment
 - Entrance of the new competitor
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SWOT strategies

SWOT - analysis		Internal	
		Strengths	Weaknesses
E x t e r n a l	Opportunities	<i>S-O-Strategy.</i> Developing the new methods, suitable for improving the strengths of the company	<i>W-O-Strategy.</i> Removing the weaknesses to found the new opportunities
	Threatens	<i>S-T-Strategy.</i> Using the strengths to eliminate the threatens	<i>W-T-Strategy.</i> Developing strategies to eliminate the threatens, endangering our weaknesses.

S – O Strategy (maxi – maxi)

- ▶ Developing the new methods, suitable for improving the strengths of the company
- ▶ How we can use the opportunities to make our strengths stronger
- ▶ Examples:
 - Using donations from Czechinvest to teach the members of management
 - Using favorable (low) interest rate to develop new methods from our know-how

S – T Strategy (maxi – mini)

- ▶ Using the strengths to eliminate the threats
- ▶ How we can cope with the dangers from outside by our own?
- ▶ Examples
 - Use our management experiences to optimize our processes and save money to face the higher taxes.
 - Use IS with easy user interface to eliminate the number of training days for the new employees

W – O Strategy (mini – maxi)

- ▶ Removing the weaknesses to found the new opportunities
- ▶ How we can use opportunities to remove our weaknesses?
- ▶ Examples:
 - Using donations from EU to buy / upgrade information system (if it is weak)
 - Using favorable (low) interest rate to take bank loan to buy new machines (if they are too old)

W – T Strategy (mini – mini)

- ▶ Developing strategies to eliminate the threats, endangering our weaknesses.
- ▶ The hardest part of SWOT
- ▶ How we can eliminate our weaknesses in the way to not be endangered by threats?
- ▶ How we can use our threats as our benefit?
- ▶ Examples
 - Use the higher unemployment to motivate our employees to behave in a better way
 - Use the fact of the new competitor's entrance to increase the pressure on quality of our IT services

When to use SWOT

- ▶ Every time you need:
 - To analyze situation
 - To make important decision
 - To build the strategy
- ▶ SWOT can be use to make decision
 - In a company
 - In a project
 - In a private life

Personal SWOT

- ▶ Problem – where and how to find the best partner for life?
- ▶ What are your personal
 - Strengths – languages, behavior, fun, communication skills
 - Weaknesses – lazy, angry, jealous
 - Opportunities – new schools, new jobs opportunities, knowledge about clubs
 - Threatens– other people, diseases

What will be your strategy?



Summary

- ▶ SWOT analyses
 - Strengths
 - Weakness
 - Opportunities
 - Threatens
- ▶ Strategies
 - S – O, S – T
 - W – O, W – T

**Thank you for your
attention...**