

SWOT analysis – Hewden

One of Hewden's main aims is to maintain its market leading position. It achieves this by analysing factors affecting the internal and external environment and using this data to plan how to improve efficiencies and processes. These plans are called strategies. A key method used by Hewden to audit its internal and external environment is a SWOT analysis. This looks at the internal strengths and weaknesses of the business and its external opportunities and threats. A key outcome of a SWOT analysis is to prepare the business for the future.



By identifying the business' strengths, Hewden built on its core competencies to remain competitive. Hewden's key strengths include its:

- strong brand and reputation
- market leading training and development opportunities
- flat organisational structure
- dedicated workforce and high number of long-serving professionals
- core fleet guarantee. This guarantee means that any core plant equipment ordered before midday is delivered to the customer the next day. This is a unique selling proposition (USP) for Hewden which creates a competitive advantage.

To plan for the future Hewden sought ways to build on its key strengths. Workforce planning is a key tactic to ensure a future pipeline of skilled employees to uphold Hewden's reputation in the industry. One of the ways that this is achieved is through its graduate scheme.

Any business needs to know where its weaknesses are so that it can improve and manage them. Weaknesses are negative factors that detract from the achievement of objectives. Hewden's SWOT analysis identified potential weaknesses that needed addressing. Firstly, its operating system needed updating. The previous system did not offer the transparency and operating data required by each depot to run efficiently. Secondly, it needed a change in culture to accept the new system and processes as well as new graduate members of the workforce.

Opportunities occur in the marketplace outside the business. A business uses its strengths to take advantage of them. One such opportunity that Hewden identified was the use of social media to improve its communication channels, helping to raise the company's profile amongst key stakeholders. Hewden uses LinkedIn, a social media site for business professionals. Other uses of new media include a Hewden Smartphone app designed to make plant hire easier.

Threats occur from external factors outside of the business. Like any business, the actions of competitors create a threat to Hewden. Other threats include a range of economic factors. The recent recession posed another threat that Hewden's strategies needed to take into account.

Questions

1. What does SWOT analysis mean?

2. Describe the reasons for performing a SWOT analysis.

3. Analyse Hewden's SWOT analysis. To what extent do you think this analysis has helped the business remain a market leader?

4. Evaluate the usefulness of a SWOT analysis.

Task

Write a SWOT analysis for an organisation that you are familiar with, listing at least 5 strengths, weaknesses, opportunities and threats.

What have you learned?

Ready, steady, GO...write down as many things as you can think of about SWOT analysis in 60 seconds.