

Project MedStrategy

Integrated strategy for sustainable development of
Mediterranean rural areas

Reference number: 2G-MED09-282

Guidelines for Implementing the SWOT Analysis

Component of the Project: C3 Territories and Institutions
(diagnosis and ex ante evaluation)

Phase of the Component: Ph3 SWOT Analysis



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1. INTRODUCTION TO THE SWOT ANALYSIS CONCEPT

1.1 Introduction to the SWOT analysis concept SWOT analysis as a basis for regional strategies

- The SWOT analysis approach (also referred to as the “design school model”; Mintzberg 1994, 36-39) seeks to address the question of strategy formation from a two-fold perspective: from an external appraisal (of threats and opportunities in an environment) and from an internal appraisal (of strengths and weaknesses in an organisation).
- The model originally stems from the business management literature, where such an analysis has a strategic goal, as it sheds light on outside opportunities and threats that can affect the future of a business. The internal analysis of a company’s strengths and weaknesses is in turn intended to highlight certain strategies that the company can exploit, in particular practices that the company needs to correct.
- Analogous to this business strategy, public institutions/ administrations may also use a similar method to outline the internal and external factors relevant to their strategic planning process.

1.2 Elements of a SWOT analysis

Strength = a resource or capacity the organisation can use effectively to achieve its objectives (build on strengths)

Weakness = a limitation, fault or defect in the organisation that will keep it from achieving its objectives (eliminate weaknesses)

Opportunity = any favourable situation in the organisation’s environment (exploit the opportunities arising from the local resources and from the

ability to engage the local enterprises in the innovative processes of development)

Threat = any unfavourable situation in the organisation's environment that is potentially damaging to its strategy (mitigate the effect of threats)

Note: Regional SWOT analysis concentrates on the territory in question, not on the organization undertaking the SWOT, as was originally intended in the management sphere.

1.3 SWOT analysis as part of a learning process

The process of strategy formation should be seen as a **continuous learning process**, i.e. as learning taking place within regions themselves and their institutional structures. The learning process can be analysed as a cycle with 4 stages:

A strategic planning process cannot simply consist of undertaking a SWOT analysis and then going on to implement it. Instead programming should be seen as a cyclic process consisting of analyses, re-assessments and evaluations, as well as implementation.

1.4 Stages of a SWOT analysis

- a. A scan of major trends and problems likely to affect the future of the territory through a consideration of a number of important economic, socio-demographic, environmental indicators. The aim here is to get an overall picture illustrating the key issues the territory in question will have to face (*DONE, territorial and institutional analyses performed*).
- b. Creation of an inventory of possible actions.
- c. *External* analysis of opportunities and threats: a list of parameters of the environment which are not under the direct control of the

public authorities, and which will strongly influence socio-economic development.

- d. *Internal* analysis of strengths and weaknesses: an inventory of the factors that may be or may not be under the control of the public authorities, and which may either promote or hinder socio-economic development.
- e. Classification of possible actions.
- f. Evaluation of a strategy, production a *portfolio of activities*, containing a set of interventions, to be placed along 2 axes: internal feasibility, strengths and weaknesses, and external environment, opportunities and threats.

2. SWOT ANALYSIS IN THE FRAMEWORK OF MEDSTRATEGY PROJECT

2.1 SWOT analysis within the context of strategic management

Today, both business and public authorities' organisations operate in an *increasingly multicultural environment* and face a need to replace at least parts of the nationally / locally differentiated decision-making processes with global ones.

If compared to private organisations, public ones are generally

- less adaptable to their environment,
- more constrained by regulations concerning their function, by the circumstances of their existence and resource bases, and sometimes even annual funding (!)
- to a great extent dependent on political or administrative relations.

In this pursuit of external resources and spheres of commitment, strategies and programming of public organisations' activities *are of vital importance*.

The SWOT analysis model proposed has been developed in relation to the documents produced during implementation of the analysis foreseen in the project MedStrategy

Text taken from MED-Strategy Application Form:

".. The Ps, considering the results of the Framework Document, will develop an auto-evaluation activity of their contexts through a "SWOT" methodology, aimed at singling out the factors encouraging or impeding the implementation of integrated development strategies.

This phase, which schedules occasions of comparison about the different institutional assets and specific issues, will allow each local reality to compare the results and the goals achieved in the 4 studied areas.

The final report (Diagnostic Report) will compare the territories' quality and the different governance systems. It will be drawn up on the basis of common criteria indicated by the Experts Board. The DR will be the reference document for the participation process".

2.2 Territorial SWOT analysis (*MedStrategy project*)

As foreseen in the Working Plan the final product will be represented by 1 Diagnostic report. To produce this Diagnostic Report, PP4 (CRES), responsible partner for the phase, will use the 4 territorial SWOT analyses prepared by the project partners (CRES itself will work together with Archanon-Asterousion Municipality PP to produce the territorial SWOT analysis for this Greek territory).

As it was the case with the integrated territorial analysis, the SWOT analysis will include 6 thematic areas and 2-3 key indicators per thematic area, the following ones:

- a. socio-demographic dimension (aspects)
 - o population structure and evolution,
 - o education and life style,
 - o employment and Gross Domestic Product.
- b. settlement system
 - o urban growth,
 - o quality of urban areas,
 - o transport infrastructures.
- c. system of environmental and historic-cultural resources
 - o protected natural areas and other sites of natural interest,
 - o archaeology, architectural and historic-cultural heritage,
 - o environmental resources (air, water, soil).
- d. economic and production dimension (aspects)
 - o industrial and traditional craft activities,
 - o agriculture and zootechnical activities and fishing,
 - o tourism / tourist activities.
- e. territorial services,
 - o public transport,
 - o school, social welfare, cultural and sporting facilities,
- f. environmental services
 - o waste management,
 - o protection and management of water resources,
 - o energy production and distribution.

A relevant template is given at the end of the document.

2.3 Institutional SWOT analysis (*MedStrategy project*)

As foreseen in the Working Plan the final product will be represented by 1 Diagnostic report. To produce this Diagnostic Report, PP4 (CRES), responsible partner for the phase, will use the 4 institutional SWOT analyses prepared by the rest project partners.

The aim of the institutional SWOT analyses is to investigate the capacities of local authorities to:

1. cooperate with the different levels of government for the territorial management,
2. foster growth & innovation in a competent, efficient and effective way,
3. develop policies, programs and government actions for sustainable development, and
4. promote a shared vision of sustainable development through participatory processes.
5. promote and support innovative local development processes in accord with the local enterprises

To correctly evaluate the abovementioned capacities, partners should answer to relevant questions, such as:

- What plans or programs have been elaborated and/or adopted by the Local Authorities in relation to those foreseen by the Legislative System for the territory under study (Region, Province, Country etc...)?
- What sustainable management activities (by sector) have been activated by the Local Authorities?
- What strategic and/or regional marketing plans or programs have been elaborated and/or adopted in collaboration with other

Institutions/Authorities and in accord with the local private enterprises (specify the year)?

- Which and how many resources from EU funds have been used by Local Authorities in the last 5 years?
- Which and how many resources from EU funds have been used for the construction of infrastructures, facilities and/or equipment? / for the drafting of plans and strategic programs?
- How many local resources have been devoted to programs and activities aimed at the valorization of cultural and environmental heritage in the last 3 y?
- How many participatory processes / channels have been activated in the last 5y: - towards citizenship in the last 5 years?
- towards institutions/association/communities?

A relevant template is given at the end of the document.

3. TIMETABLE OF THE PHASE

Date	Activity	Partner in charge
15/09/2011	Deliver of territorial SWOT analyses to the responsible partner (CRES). Deliver of institutional SWOT analyses to the responsible partner (CRES).	All partners
15/10/2011	Deliver of first draft of comparative SWOT analyses to Partners, Steering Committee and Expert Board	PP4 (CRES)
22/10/2011	Comments / remarks on the SWOT analyses	All partners, SC, EB
31/10/2011	Deliver of final version of comparative SWOT analyses to Partners, Steering Committee and Expert Board	PP4

3.1 ANNEX I – template

TERRITORIAL SWOT ANALYSIS OF X TERRITORY

Thematic area: Socio-demographic dimension

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Population structure and evolution			
Education and life style			
Employment & Gross Domestic Product			

Thematic area: Settlement System

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Urban growth	Urban growth	Urban growth	Urban growth
Quality of urban areas			
Transport Infrastructures	Transport Infrastructures	Transport Infrastructures	Transport Infrastructures

Thematic area: System of environmental and historic-cultural resources

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Protected natural areas and other sites of natural interest	Protected natural areas and other sites of natural interest	Protected natural areas and other sites of natural interest	Protected natural areas and other sites of natural interest
Archaeology, architectural and historic-cultural heritage			
Environmental resources	Environmental resources	Environmental resources	Environmental resources

Thematic area: Economic and production dimension

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Industrial and traditional craft activities			
Agriculture and zootechnical activities and fishing			
Tourism / Tourist activities			

Thematic area: Territorial Services

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Public transport	Public transport	Public transport	Public transport
School, social welfare, cultural and sporting facilities			

Thematic area: Environmental Services

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Waste management	Waste management	Waste management	Waste management
Protection & management of water resources			
Energy production and distribution			

INSTITUTIONAL SWOT ANALYSIS OF X TERRITORY

Thematic area: Institutional System

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
The capacity to cooperate with the different levels of government for the territorial management	The capacity to cooperate with the different levels of government for the territorial management	The capacity to cooperate with the different levels of government for the territorial management	The capacity to cooperate with the different levels of government for the territorial management
The ability of the Local Authorities in fostering growth and innovation in a competent, efficient and effective manner	The ability of the Local Authorities in fostering growth and innovation in a competent, efficient and effective manner	The ability of the Local Authorities in fostering growth and innovation in a competent, efficient and effective manner	The ability of the Local Authorities in fostering growth and innovation in a competent, efficient and effective manner
The capacity of the Local Authorities to develop policies, programs and government actions oriented at the sustainable development	The capacity of the Local Authorities to develop policies, programs and government actions oriented at the sustainable development	The capacity of the Local Authorities to develop policies, programs and government actions oriented at the sustainable development	The capacity of the Local Authorities to develop policies, programs and government actions oriented at the sustainable development
The capacity of the Local Authorities to promote a shared (common) "Vision" of the sustainable development through the activation of participative processes	The capacity of the Local Authorities to promote a shared (common) "Vision" of the sustainable development through the activation of participative processes	The capacity of the Local Authorities to promote a shared (common) "Vision" of the sustainable development through the activation of participative processes	The capacity of the Local Authorities to promote a shared (common) "Vision" of the sustainable development through the activation of participative processes
The capacity of the Local Authorities to promote and support innovative local development processes in accord with the local enterprises	The capacity of the Local Authorities to promote and support innovative local development processes in accord with the local enterprises	The capacity of the Local Authorities to promote and support innovative local development processes in accord with the local enterprises	The capacity of the Local Authorities to promote and support innovative local development processes in accord with the local enterprise

