SWOT analysis

A SWOT analysis remains an excellent way to summarise what you have gleaned about your business and the options for taking it forward set against the big risks. Strictly, the strengths and weakness boxes relate to your current business or situation, while opportunities and threats are external factors affecting your outlook. However, the opportunities box is generally used to list the options to be examined in the following section.

The following is a hypothetical example showing the brevity required. To do your own, you simply need a blank sheet of paper.

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| **Strengths**  No hardcore debt.  Business worth £1.9m at current values.  Very low rental equivalent.  Significant off-farm income (wife’s business).  Good crop gross margins.  A significant SSSI. | **Weaknesses**  High cash needs owing to high machinery needs.  Profitability not covered realistic cash needs over past three years.  High fixed costs despite no rent and little interest.  Average / low sheep margins.  Middling suckler performance.  No succession plan in place. |
| **Opportunities**  Brexit (enhanced agri-environmental income).  Reduce flock / increase crops.  Son returning from college.  Neighbour offering a contract framing agreement.  Investing in wife’s off-farm business. | **Threats**  Brexit (lower area payments).  Slurry store needs replacing (potential pollution incident).  Dog worrying (close to housing estate). |