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SWOT ANALYSIS: A SITUATION ANALYSIS TOOL FOR AGRIPRENUERSHIP

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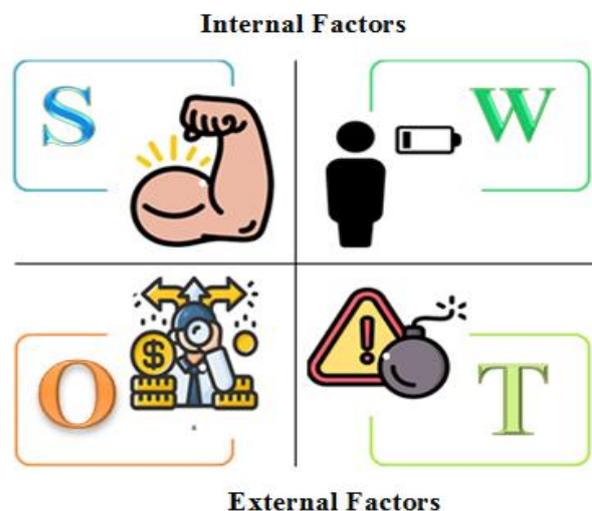
Everything in this world strives for growth. Be it an individual or an enterprise, everyone needs a strategic planning for obtaining goals which can contribute to their desired development and growth. SWOT Analysis is one such tool which can help in strategic planning. SWOT Analysis is a strategic management tool primarily used to analyze the situation which provide inputs to formulate strategies for a particular situation or context.

Development of the concept of SWOT Analysis is often credited to Mr. Albert Humphrey, an American management consultant, initially named as SOFT Analysis. It was developed around the 1960s – 1970s.

Components of SWOT

SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats. These four constitute the components.

Strengths and weaknesses are internal factors and attributes of the enterprise, opportunities and threats are external factors and attributes of the environment. SWOT Examination is regularly drawn out in a four-quadrant box that permits for a rundown that's organized according to the four area titles. The following table is a SWOT analysis with its four elements in a 2x2 matrix.



Source: Edited by Author

In SWOT Analysis, the strong and weak angles of an enterprise are recognized by looking at its internal environment whereas opportunities and threats are decided by looking at the external environment. It gives data that helps in coordinating the enterprise assets and capabilities to the competitive environment in which it operates.



Strength

Strength is an internal and helpful character that can help the enterprise to reach its full potential. These are variables for which the organization is recognized and which provides it an edge over its competitors. These are uncommon positive characteristics, such as a solid brand picture, a steadfast client base, or a one of a kind innovation that gives a clear advantage to the enterprise compared to rivals. A SWOT examination can be instrumental in recognizing an enterprise's unique suggestion that shapes the premise for the quality and keeps the commerce ahead of its competitors within the market.



Weakness

Weakness is an internal and harmful factor. It stays inside until mitigated or corrected. Recognizing these can offer us insights on zones where change is required. Doing this lets an enterprise plan measures to amend and control their frail focuses, which in turn makes a difference in the company growth. Like strengths, shortcomings such as low brand esteem, unused turnover, or need of capital are solid traits that affect and impact future course of action.



Opportunity

These are external variables that are open and should be utilized by the enterprise for its advantage. Enterprise must have a great eye to distinguish and analyze winning opportunities within the showcase to be able to proactively use them. Utilizing opportunities to draw growth strategy can help the enterprise to realize its future development trajectory.

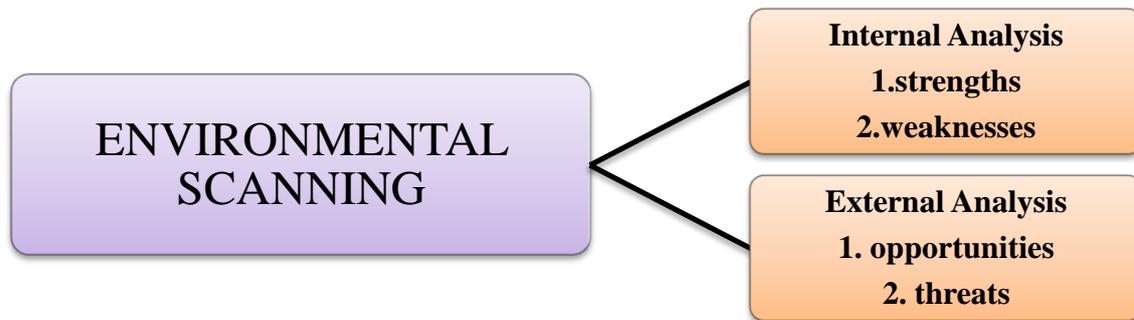


Threat

Like opportunities, these are outside or external components that adversely affect business. Dangers can come in numerous shapes — money related downturns, supply chain issues,

rigid government directions or shifts in showcase prerequisites, etc. which are outside the control of an enterprise. Hence, it is significant to expect dangers in development and take essential safeguards to maintain a strategic distance from falling casualty to such outside occasions

SWOT Framework



Source: Edited by Author

Strength, Weakness, Opportunity and Threat are the 4 quadrants. In each quadrant, we put the various factors to be analyzed. For selecting the factors, we have to start with scanning our environment. After internal analysis, we get our Strengths and Weaknesses and analysis of external environment gives Opportunities and Threats. While putting the factors, we have to be very vigilant and keep the context in mind as depending on the context the same factor can be put under any of the quadrants.

The next important thing is the 2 axes: 1. Control axis (Y- axis)

2. Impact axis (X- axis)

As we move from top to bottom on control axis, our control on the factors decrease and as we move from left to right on impact axis, the factors go from becoming more helpful to more harmful.



Source-
<https://www.presentationgo.com/presentation/>

Advantages and Disadvantages of SWOT Analysis

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • It is easy to use • As it in Pictorial form, it is more attractive and can be communicated easily • It has a general perspective and presents general solutions • SWOT Analysis can be applied at different analytical levels - individual level, organizational level etc • It has low cost 	<ul style="list-style-type: none"> • It doesnt provide solutions or offer alternative decisions • It is more of a subjective analysis • It can generate too many ideas but not help choose the best one

Application

SWOT Analysis is mostly used in the field of business and commerce. As in this article we are focussing on agriculture, SWOT Analysis can help our farmer entrepreneurs in the following ways:

- In deciding which enterprise or crop to take up
- For strategic planning
- To set up clear goals and direction
- To tap available opportunities and mitigate any looming threat
- To choose profitable markets
- To select new arenas while expanding the farm business
- Can use SWOT Analysis before any big investment, especially to check any risks associated with it
- Can use it to keep focus on important areas and remove unnecessary diversions

Case Study

Mushroom also known as "Vegetarian's meat", a conspicuous umbrella, shaped fleshy fruiting body of some certain fungi, are one of those most loved food in Northeast Indian region not only for its exotic taste but also for the various benefits it brings in with it. It is

usually consumed in different forms like fresh, pickled, dried, powdered, canned etc. in this region. In recent years Mushroom cultivation has picked up a rapid growth among many agricultural entrepreneurs for its medicinal and nutritional benefits and low cost input with high output. The SWOT analysis of Mushroom cultivation in the NEH region is discussed below-

Strength	Weakness
<ul style="list-style-type: none"> • The climatic condition of Northeast India is favourable for mushroom cultivation • Cheap manpower • Short growing cycle • Develop self-reliance to rural woman 	<ul style="list-style-type: none"> • Less availability of packing material • Poor quality of raw materials • Mushroom is a highly perishable product • Prone to diseases and pests
Opportunity	Threat
<ul style="list-style-type: none"> • Well adapted modern techniques for production • Increasing awareness among customers about nutrition in domestic market • It generates employment for rural people 	<ul style="list-style-type: none"> • High cost of mushroom spawn • Irregular supply of spawn • Mushroom supply from other regions of the country

Conclusion

SWOT has been an important analytical tool for strategy development over the years. It helps us to make use of what we have to generate the highest possible profit by tapping into suitable opportunities. It makes us aware of our lacunas and hence nudges us to find solutions to fill them up; otherwise we may get fatal blows which can make our survival in the market very difficult. Before starting and while conducting a SWOT Analysis, we have to keep the context in mind. At last, SWOT is not alone a sufficient tool to develop strategies but can be a starting point.

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