

Improving the learning and developmental potential of SWOT analysis: introducing the LISA framework

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What does LISA mean?

Generally, SWOT analysis is taken up from a developmental perspective, i.e. to learn something from the internal and external environments by understanding the four elements, and work towards improving the current situation. However, most discussions on SWOT analysis stop short of informing us how exactly the outcomes of this analysis can help an individual or an organization in its improvement or development. Most SWOT analysis exercises end up being “laundry lists” of bullet points put together under each of the four headings or quadrants. This is where the LISA framework, introduced in this article, attempts to make a purposeful contribution. It provides some suggestions regarding how to put the findings of the SWOT analysis to further use and thus enhance its learning and developmental potential. LISA stands for:

- “Leveraging” the *strengths*;
- “Improving” upon the *weaknesses*;
- “Seizing” the *opportunities*; and
- “Awareness” of the *threats*.

During the SWOT analysis, we generally look at the distinction between *SW* as internal and *OT* as external elements, i.e. we look at the elements vertically (Figure 1). The LISA framework helps to further fine-tune the relationships between the four elements and also look at them horizontally (Figure 2). Thus, *opportunities* arise from the macro or external environment and hence need to be “seized” (grabbed) by trying to constantly “leverage” the internal *strengths* to create a match. Since *threats* exist in the external environment, one needs to be “aware” of the same and try to “improve” upon the internal *weaknesses* so as to reduce the vulnerability to these threats.

Improving the learning and developmental potential of the SWOT analysis

Most discussions on SWOT framework will suggest that it is important to know each element of the SWOT, so that the weaknesses can be converted to strengths, and threats to opportunities. But these studies do not tell us “how” exactly this can be accomplished. Practically, this may also not be very feasible. Instead, as discussed above, it might be more useful to see through the linkages horizontally:

- between *strengths* and *opportunities* (“leverage” your strengths to “seize” the opportunities); and
- between *weaknesses* and *threats* (“improve” upon your weaknesses to reduce your vulnerability to the threats by being “aware” of them).

Figure 1 SWOT analysis – the traditional framework

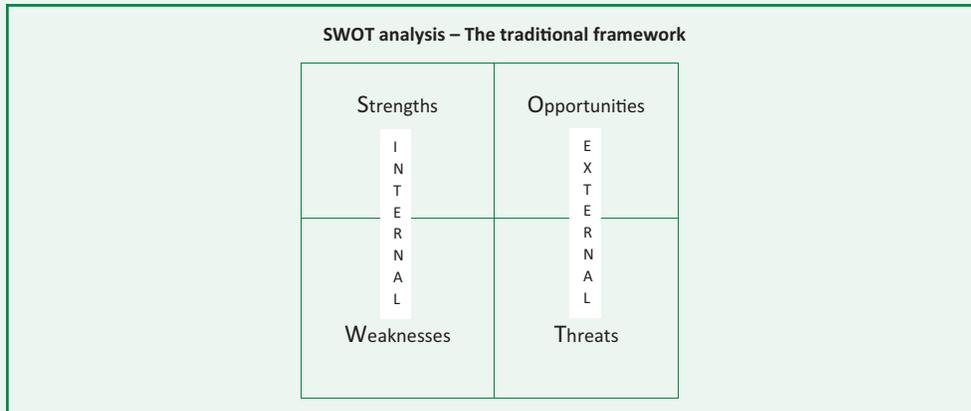
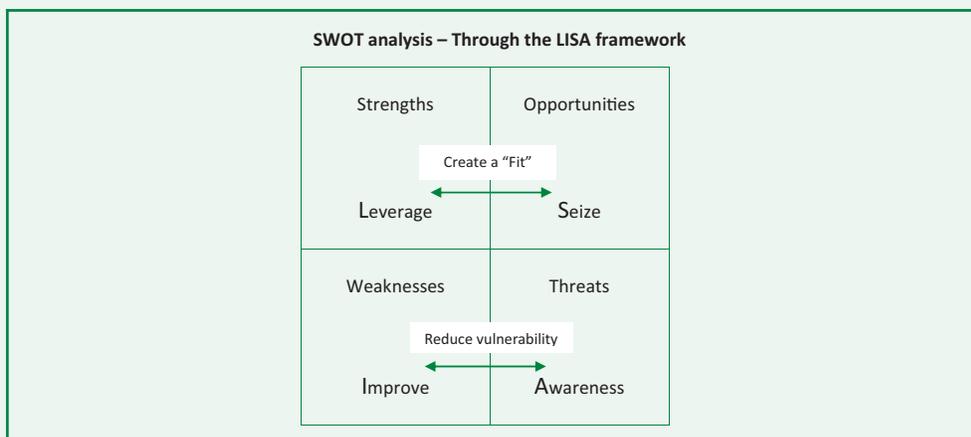


Figure 2 SWOT analysis – through the LISA framework



This fresh look at the linkages in the SWOT analysis elements through the LISA framework can save the SWOT analysis from being reduced to a “laundry list” or “bullet points” exercise. It will infuse new purpose to the SWOT analysis and help the entity (person, team or organization) learn more out of this exercise, and hence develop faster. In the case of organizations, it will also help them to improve their strategic positioning, performance and gain competitive advantage in today’s turbulent times.

Implications and limitations

The vision, mission, goals and values of an organization are a very important aspect of its existence, and they also determine the organization’s strategy, structure and processes. What is even more important is that the strategy, goals and values actually reflect the strengths, weaknesses, opportunities and threats of an organization, as they are generally decided after a detailed SWOT analysis. Thus, any improvements or refinement to the SWOT framework can be of immense help to any organization. It can probably help the firm make its strategy as well as its learning and development processes more effective and accurate. This paper provides one such possible approach through the LISA framework and its applicability to the SWOT analysis.

SWOT analysis is a tool used very widely not just by organizations, but by individuals, groups, project teams, etc. Thus, the applicability of the ideas discussed in this paper is quite large and wide. The individuals or teams can take the learning from their SWOT

analysis to the next level, by looking at the linkages suggested here, and make it more meaningful and actionable.

However, it is important to note that any tool or framework is meant to provide just a structure or guidelines for action. It cannot provide a strategic decision, which has to come from putting the tool or framework to the right use, by the right set of people, through their experience, intuition and tacit knowledge. Also, the four elements of the SWOT framework are not static but dynamic in nature. Hence, developing the strategies based on the SWOT analysis alone can sometimes make the exercise redundant very soon. But by using the LISA framework described here, one can hopefully remain ahead of the curve, by being prepared and knowing what to do with each element of the SWOT framework.

About the author

Saurabh Pandya is a Faculty Member in the area of Strategic Management at XLRI Xavier School of Management, Jamshedpur, India. He has a doctorate in Corporate Strategy and Policy from the Indian Institute of Management (IIM) Bangalore, and an MBA from the University of Mumbai. Before doing his PhD, he worked in diverse industries for five years with companies like Tata Motors and Go Airlines. He teaches courses on strategic management, corporate governance, strategy implementation, balanced scorecard and strategy process. His research interests include leadership development, top management teams, organizational learning and rapid growth organizations. Saurabh Pandya can be contacted at: saurabh@xlri.ac.in

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