STRATEGIC PLANNING - SWOT AND TOWS ANALYSES

Managers of early childhood services need to plan for the future (just as in any business) to ensure the service can continue to operate and be relevant to the needs of the community. SWOT and TOWS analyses are useful elements of the strategic planning process.

STEP 1: SWOT (STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS) ANALYSIS

This table provides an example of the information that might be included under the four areas in a SWOT analysis.

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| STRENGTHS (S)  What are the service’s strengths? What do we do well? What do we have or do that others don’t?  For example:  Convenient location? Interesting grounds? Bright, attractive rooms? Childcare options? Special interest sessions? Three-year-old groups? Flexible program? Long-day care sessions? Traditional sessions? Fabulous outdoor area? SunSmart accreditation? Caring staff? New building? Old and established building? Identified curriculum? High degree of parent participation? Administrative support for committees? Free Kinder? High fees and no fundraising?  Some time should be spent asking people what they believe the service does well. | WEAKNESSES (W)  Weaknesses should be understood so that resolution and/or compensation can be implemented. What do we do poorly? What could we do better? Are there any activities we should not do?  For example:  Short sessions? No financial reserves? Several kindergartens and childcare facilities nearby? Hard to access/poor parking? Hard to find? Old building? Limited parent support? Inflexible programs? Small playground? No shade? Uncertainty about long-term staffing needs? |
| OPPORTUNITIES (O)  The outside world always presents opportunities. Some time should be taken to brainstorm. What could we do? What do we know now that we didn’t earlier? Are there logical next steps?  For example:  Is the government changing regulations/policy? A connection with people in the community who could help? A new issue or approach that could interest the media? A new building or equipment development? Cultural diversity? Language opportunities? Redevelopment of the playground with a service club? Applying for community grants? Expansion or renovation? Program structure changes? | THREATS (T)  All the barriers that can be pinpointed that might restrict the success or viability of the service should be brainstormed. These might be long-term, such as changing demographics in the community, or immediate, such as the local school closing.  For example:  Is the government changing regulations/policy? Early childhood services are being developed in private schools, childcare services and community buildings? Funding changes? |

This table provides a template to help services complete their own SWOT analysis.

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| STRENGTHS (S) | WEAKNESSES (W) |
| OPPORTUNITIES (O) | THREATS (T) |

After completing the SWOT analysis, many services ask themselves: ‘How well is our service placed to take advantage of the current opportunities, or how well can we respond to potential threats?’

STEP 2: TOWS ANALYSIS

After the SWOT analysis has been completed, the committee will be in a better position to plan for the future.

A useful way to do this is by using the TOWS (Threats, Opportunities, Weaknesses, Strengths) analysis.

The purpose of the TOWS analysis is to take each ‘threat and/or opportunity’ and match these with service ‘weaknesses’ and strengths. This will allow services to identify how well they are placed to respond to both potential opportunities and potential threats.

This table provides guidelines on completing a TOWS analysis.

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|  | STRENGTH (S) | WEAKNESSES (W) |
| THREATS (T) | Where your service has limited capacity to maximise opportunities; for example, local childcare service or school is opening a kindergarten program in competition to your service.  **TIP** These areas are where you are well placed to respond to potential threats. | Where there are potential or real threats, but your service does not have the capacity to overcome threats, for example, substantial gap in financial resources.  **TIP** These areas could be your ‘Achilles heel’, or problem areas, in the future. That is, where there are potential or real threats, but you do not have the service capacity/resources to respond at this time. |
| OPPORTUNITIES (O) | Where your service is able to capitalise on opportunities, such as high level of interest by parents in flexible programs.  **TIP** Items in this box are your best chance of success – that is, you have the service strengths to maximise potential opportunities. | Where your service is unable to capitalise on opportunities, for example, lack of capacity or resources such as limited room size.  **TIP** Items in this box will require further allocation of resources or skills. That is, we don’t have the necessary skills/capacity to take advantage of opportunities. |

This table provides a template for services to complete their own TOWS analysis.

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|  | STRENGTHS (S) | WEAKNESSES (W) |
| THREATS (T) |  |  |
| OPPORTUNITIES (O) |  |  |