



WHY SHOULD YOU DO A SWOT ANALYSIS When Things Are So Uncertain?

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About the SBDC

The SBDC offers educational programs
and consulting services
to entrepreneurs looking to
start or grow their small businesses.

SBDC consultants work with entrepreneurs in
confidential, one-on-one sessions, **at no cost**,
to help them with a range of business topics.

About the SBDC

SBDC Services

Consulting

Training

Information

Resources

Referrals



About the SBDC

We are part of the non-profit
Pennsylvania Small Business Development Center
network and are an accredited affiliate of the national
network of Small Business Development Centers.



About the SBDC

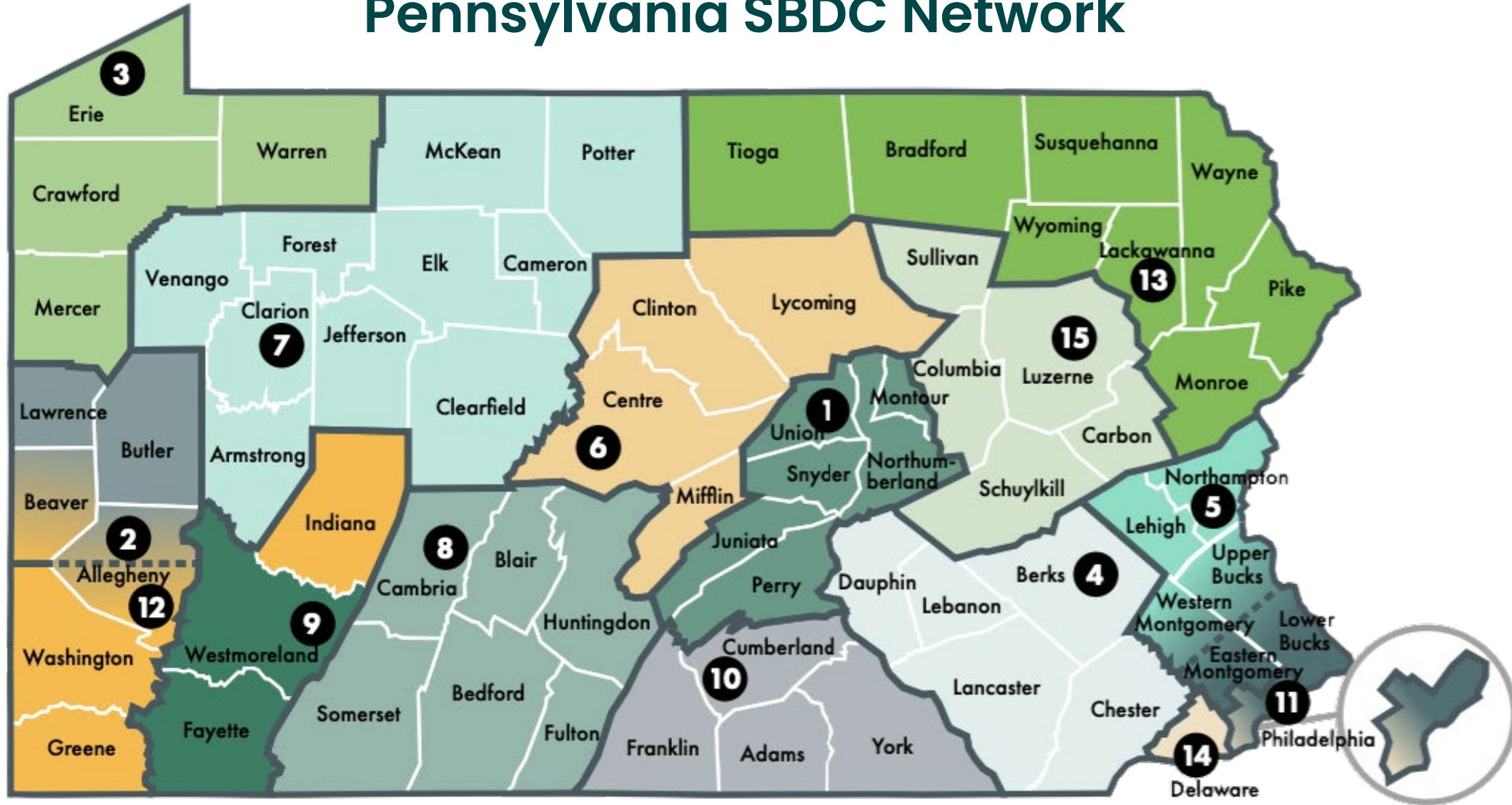
Funding support and resources are provided through cooperative agreement with the U.S. Small Business Administration, by the Commonwealth of Pennsylvania through the Department of Community & Economic Development, and by The University of Scranton.



U.S. Small Business
Administration



Pennsylvania SBDC Network



To find an SBDC near you, visit www.pasbdc.org.

PASBDC Ag Center of Excellence

The Pennsylvania Small Business Development Centers (SBDCs) at **PennWest University Clarion**, **Penn State University**, and **The University of Scranton** established the Agriculture Center of Excellence (Ag COE) to assist Pennsylvania farmers, food producers, farmers markets, retail food establishments, restaurants, and all ag-related businesses



To learn about other PASBDC Centers of Excellence located at centers across the state visit www.pasbdc.org.

PASBDC

Ag Center of Excellence

PENNSYLVANIA
S B D C

AMERICA'S
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PROVIDING SERVICE

CONSULTING ABOUT LOCATIONS WEBINARS/SEMINARS

REQUEST CONSULTING

AGRICULTURE

No-cost, confidential consulting services and training for Pennsylvania agribusinesses and food processors.

AGRICULTURE CONSULTING SERVICES

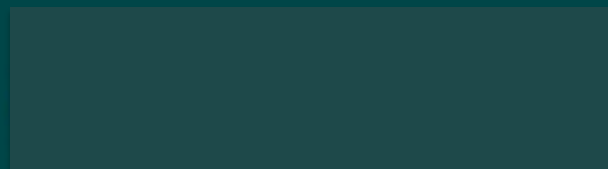
The Pennsylvania SBDC Agriculture Center of Excellence offers no-cost, confidential business assistance to PA farmers, food processors, farmers' markets, restaurants, retail and wholesale food entities, food trucks, agritourism, and ag-related support services. SBDC consultants with expertise in agribusiness can provide guidance on:

- Market and competitive research
- Business planning for growth and diversification
- Business and generational transition planning
- Assistance in financial projections and assumptions
- Demographic reports
- Grant research and review
- Ag tourism and entertainment
- Industry professional networking and referrals
- Business valuation guidance and succession planning assistance

<https://www.pasbdc.org/agriculture/>



WHY SHOULD YOU DO A SWOT ANALYSIS When Things Are So Uncertain?



Opportunities
- establishment of youth and financial institutions

Threats
- very hard to attract investment
- hard to attract investment

Weaknesses
- costs
- convinced & probably best to build
- strong competition



Small Business Development Center
The University of Scranton
Helping businesses start, grow, and prosper.

A New Way to Use SWOT

- Explore the balance between
 - Your current Strengths and Weaknesses
 - Ever-changing Opportunities and Threats
- Before, Strength and Weakness analysis was the focus
- Now, Opportunities and Threats lead the way to prepare for
 - Future short-term shocks
 - Longer term implications


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What's a SWOT analysis?

A SWOT analysis is a tool that helps you evaluate the Strengths, Weaknesses, Opportunities, and Threats (SWOT) involved in any business enterprise — including farms and ranches.

A SWOT analysis can help you gain insights into the past and think of possible solutions to existing or potential problems — either for an existing business or new venture. For a SWOT analysis to work well, every member of your team (your family and/or employees, lawyer, accountant, and insurance agent) should be involved in the process.

After you read this overview, you will find a description of a sample farm and have a chance to go through a SWOT analysis for it. This exercise should help prepare you for doing your own SWOT analysis.



you in this venture. You may lack qualified employees, or perhaps your business will not support full-time employees. If you identify these as weaknesses, don't worry because existing businesses may have similar weaknesses.

Opportunities

Opportunities are considered mostly external. What opportunities are available for your business? You may be able to take advantage of low interest loan packages for start-ups or grants for feasibility studies. You may have an idea that has not been tried in your area and know there is a demand for the product you plan to produce. Be aware that people with potential businesses tend to be much more optimistic than those with existing operations.

Strengths

Strengths are considered mostly internal. For example, what do you and your family, employees, and management team bring to the business? If you are planning to start a business, you or an employee or family member may have previous experience in that industry. If not, this may be viewed as a weakness. If you already know where to go to find the help you need, this would be considered a strength for this analysis.

Weaknesses

Weaknesses are also generally considered internal and are the factors you will need to address to run a successful business. For a start-up business, an example might be a lack of experience in the selected industry. Another example may be that your family members do not completely support

Threats

Threats are also considered mostly external. Threats from outside of your business will directly affect you, but you may have very little control over them. If you are starting a new business, there may be local regulations that negatively impact your business. Unforeseen competition (local or foreign), dissolution of markets, and adverse weather may also have a negative effect on your new business. Many of these threats will also negatively affect an existing business. Rising interest rates may have a greater impact on existing businesses than on start-ups.

Letting SWOT Frame Your Plan

- Business plans center on your organizational objectives



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- Take advantage of **Opportunities** for sustainability/resilience



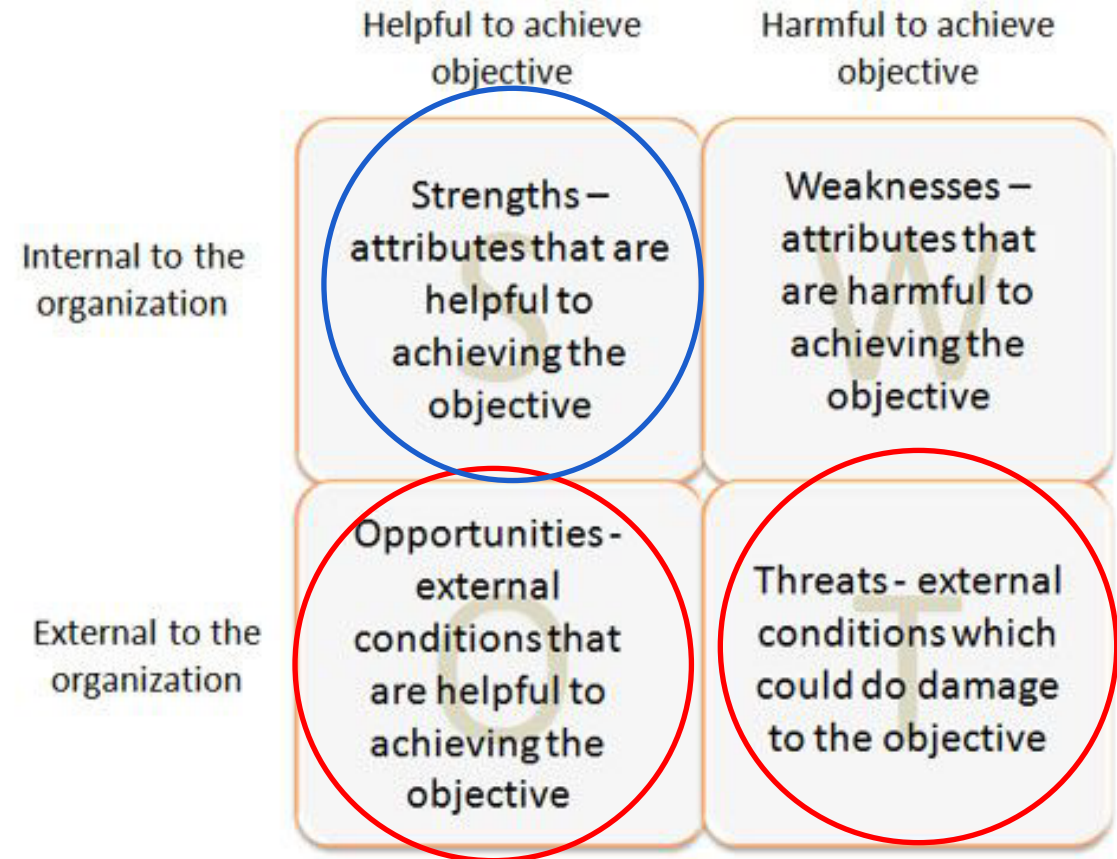
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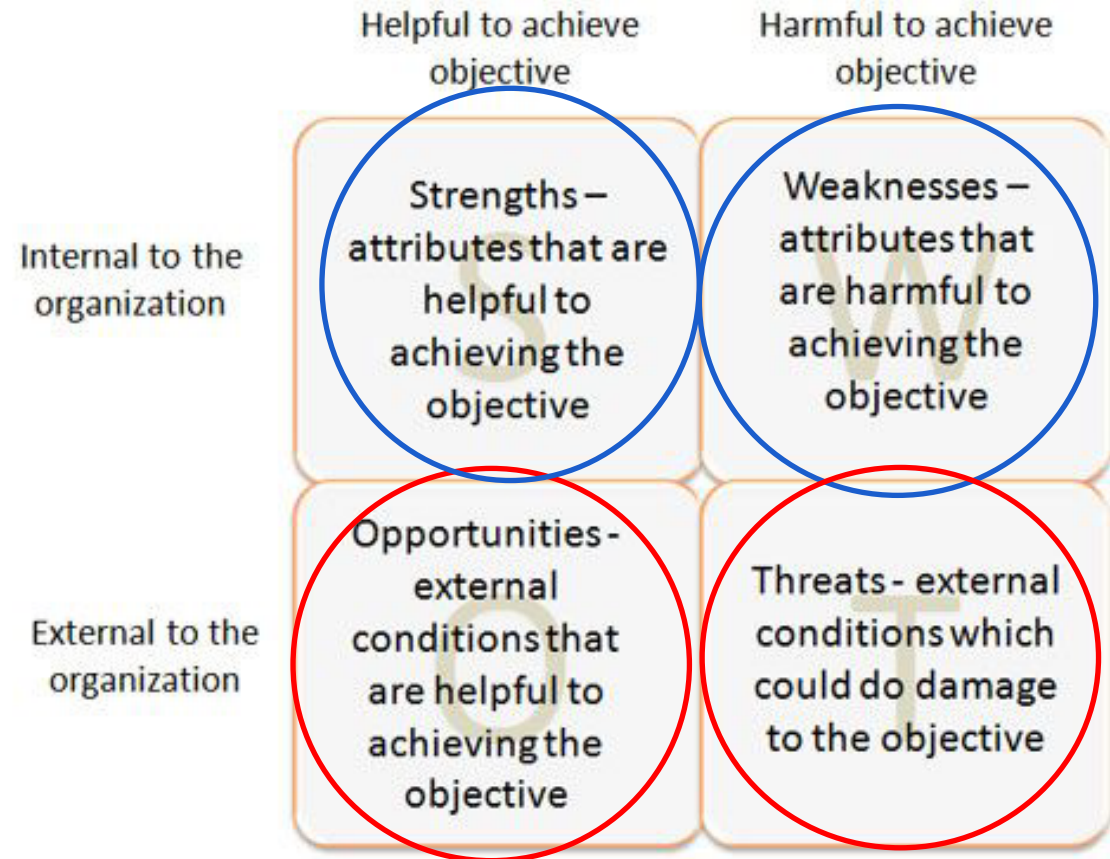
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- Use **Strengths** to achieve objectives



Letting SWOT Frame Your Plan

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- Take advantage of **Opportunities** for sustainability/resilience
- Recognize **Threats** early for proactive counter-actions
- Use **Strengths** to achieve objectives
- Recognize **Weaknesses** that may limit success



Your Assignment

- Review the SWOT Guide
- Do the practice SWOT analysis
- Check the “answer sheet”
- Bring questions to the live session (February 13th)
- Prepare to conduct a SWOT for your farm



Meet the Ryans

- Small dairy operation
- 3 Generations
 - Jean
 - Paul & Margaret
 - Jane, Hal, & Susan
- New enterprise
- Ties to current production
- Branching out in new directions

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Exercise: Sample SWOT Analysis

Here is an example of a small farm that needs to diversify in order to remain sustainable. This farm family needs to conduct a SWOT analysis. Read the example and conduct your own SWOT analysis for the Ryan family. When you are done, you can check your answers against the answers prepared by experienced users of the SWOT analysis tool. Those answers are on the page after your fill-in-the-blanks page. If your answers are close to the experts' answers, you are ready to do your own SWOT analysis.

Meet the Ryan Family

The Ryan family has operated a dairy farm for over 50 years. Paul Ryan, age 48, took over the dairy from his father 20 years ago. The dairy is average-sized for the area: the Ryans milk 60 cows, grow most of their own forage and grain, and raise their own heifers. The family withdraws about \$30,000 from the farm business each year for living expenses. The dairy is located in a rural area, but urban and suburban areas are close by. The nearest city has a population of 100,000.

Margaret Ryan, 42, is Paul's wife. They have three children: Jane, Hal, and Susan. Margaret used to work on the farm, but for the last 8 years she has been working full-time as a clerk-typist in the school district office. Take-home pay from this job is \$18,000, plus health, dental, and other benefits that extend to the whole family. At this point, Margaret oversees the finances with Paul, occasionally milks, and manages the household.

Jane Ryan, 21, has just received her bachelor's degree in culinary arts from the local community college. During the summers, Jane works full-time on the farm with the milking. She is considering farming as an occupation, but would like to continue her work in value-added food production.

Hal Ryan, 16, is in high school and works with his father part-time during the school year, and full-time during the summer. He is not interested in the dairy or in any type of farming and would rather attend a university and study science, engineering, or economics.

Susan Ryan, 12, is a middle school student who really enjoys the farm. She takes care of the calves after school, belongs to 4-H, and has just begun to show an interest in helping with the crops, although she is too young to drive the tractor.

Jean Miller, 64, is Margaret's mother. Since the death of her husband 5 years ago, Jean has lived with the Ryans. She shares an interest in cooking with her granddaughter, Jane.



SWOT Exercise Introduction

Prior to class on February 13, please read the SWOT Analysis case study found here:

<https://www.horizonfc.com/agbiz-masters-year-one>

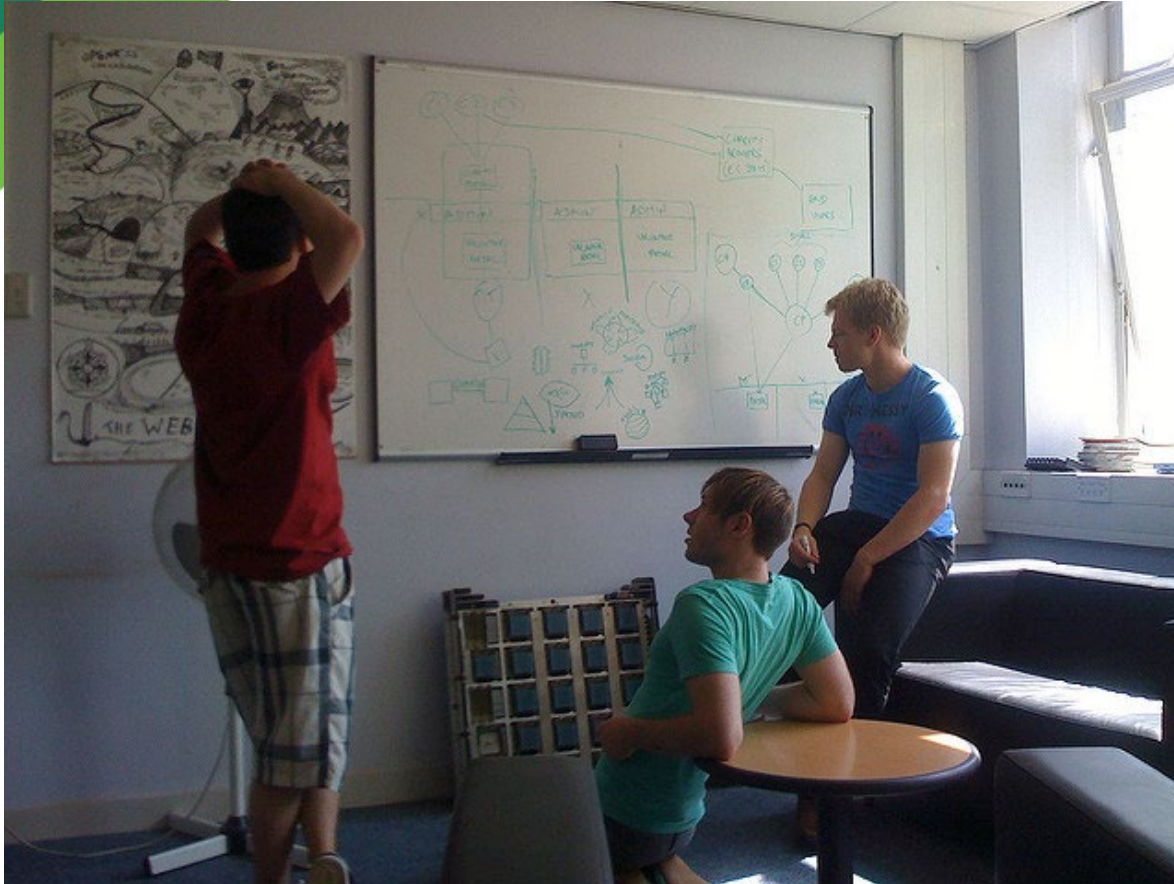
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Using Your SWOT Analysis Homework

Come prepared to the class on February 13 to discuss the Ryan Families Strengths, Weaknesses, Opportunities, and Threats

On your own time, reflect and draft a SWOT Analysis for your own farm.

SWOT is Still a “Team” Activity



“Brainstorming” by Paul Downey on flickr.com CC BY 2.0

- Gather stakeholders
- Solicit honest opinions
- Get everything “on the table”
- Collect all thoughts, then sort into categories, assign, and PLAN

Thank you!

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