

SWOT Analysis Questions to Consider Business Attraction Toolkit for B.C. Communities

There are a number of questions to consider when undertaking a SWOT analysis and examples have been provided to assist you in identifying your community's strengths, weaknesses, opportunities and threats.

Strengths

Your community's strengths demonstrate an economic advantage over an alternate location and present an opportunity for which you can build upon and leverage.

Questions to consider:

- What does your community have to offer?
- What does your community do well in comparison to other communities?
- What unique and helpful resources are available to businesses and industries?
- Are there specific competitive advantages for businesses resulting from a location in your community?
- What do local businesses and those outside the community see as your community's strengths?

Examples of strengths:

Community Assets/Characteristics:

- Strategic location relative to resources and markets (e.g. rail connecting to product distribution)
- Easy access to abundant natural resources for forestry, mining and energy
- Diversified economic base
- Attractive tax rates and incentives (local, provincial, federal)
- Strong energy capacity, availability, rate, and reliability
- Well-conceived, up to date, and effective Official Plan and Zoning Bylaw
- Success and growth prospects of existing major employers
- Skilled and well-educated labour force
- High quality, reasonably priced housing
- Significant presence of innovative, entrepreneurial companies
- Good supply of zoned and serviced commercial/industrial lands and properties
- Community commitment to economic development
- Well-established and effective economic development organization(s) in place
- Strong local chamber of commerce and/or Business Improvement Association (BIA)
- Presence of strong post-secondary educational institutions
- Community amenities (e.g. education and health care, recreation)
- Ethnicity and language

Strengths in Strategic Sectors (community needs to identify specific strengths relevant to each sector):

- Natural resource sectors – Forestry, Mining, Natural Gas, Agri-foods
- Knowledge-based sectors – Technology/Clean technology/Green Economy and Tourism
- Infrastructure sectors – Transportation (incl. Ports, Marine, Aerospace) and International Education
- Businesses/sectors unique to your community including local retail and service businesses

Weaknesses

Weaknesses are economic development characteristics that place your community at a disadvantage relative to other communities. It is important to recognize and understand any weaknesses that exist within your community and identify actions for mitigation.

Questions to consider:

- What are the risks that can limit economic development and investment success?
- Where are there fewer resources than others?
- What are others likely to see as weaknesses in the community?
- What cannot be changed and what could the community improve?

Examples of weaknesses:

Community Assets/Characteristics:

- Located some distance from key resources and markets
- Economic base overly dependent on one or two key sectors, industries or companies
- Lack of up to date and effective Official Community Plan and Zoning Bylaw
- Declining prosperity of existing major employers
- Labour force relatively unskilled with low educational levels
- Low quality and/or high priced housing
- Limited local/regional resource extraction/processing potential
- Lack of zoned and serviced commercial/industrial lands and properties
- Community not really committed to economic development
- No economic development organization/office
- Lack of a strong local chamber of commerce and/or Business Improvement Association
- No post secondary educational institutions in community
- Lack of community amenities

Weaknesses in strategic sectors (such as a weak presence or no activity in the following):

- Natural resource sectors – Forestry, Mining, Natural Gas, Agri-foods
- Knowledge-based sectors – Technology/Clean tech/Green Economy and Tourism
- Infrastructure sectors – Transportation (incl. Ports, Marine, Aerospace) and International Education
- Local retail and service businesses inadequate

When considering strengths and weaknesses for specific strategic sectors, it is most helpful to convene a small roundtable of business representatives in your community from each sector to undertake a SWOT analysis discussion for their specific sector or industry. As a result of ongoing changes in most sectors of the economy, the strengths and weaknesses for any individual community relative to a specific sector are subject to change. Therefore, a current perspective is essential.

Opportunities

Opportunities are economic development related assets or circumstances which demonstrate a potential for growth, improvement or support of other economic development related activities. Opportunities may provide the community with a competitive advantage and should be explored to determine the level of potential.

Questions to consider:

- What opportunities exist for enhancing or supporting existing strengths that have been identified?
- What improvements or support could some of the weaknesses you identified benefit from?
- What business and economic development trends could your community take advantage of?
- Which opportunities may be impossible to take advantage of (perhaps dismiss these)?

Examples of opportunities

General

- Expansion and diversification of existing businesses, especially those in growth sectors
- Manufacturing of value-added products associated with existing resource industry activities
- Strengthening of the tourism attractions base to attract more visitors and tourism spending
- Additional retail and service business opportunities
- Downtown revitalization
- Enhance existing infrastructure to facilitate development – including roads, services, telecommunications
- Access funding to facilitate development of new community amenities (e.g. community centre, sportsplex, cultural facilities)
- Establish an economic development function and office with qualified staff and suitable budget
- Undertake investment attraction activities to attract new business and investment, especially in strategic sectors (noted below)

Specific Opportunities by Strategic Sector (identify these in consultation with sector participants)

- Natural resource sectors – Forestry, Mining, Natural Gas, Agri-foods
- Knowledge-based sectors – Technology/Clean tech/Green Economy and Tourism
- Infrastructure sectors – Transportation (incl. Ports, Marine, Aerospace) and International Education
- Businesses/sectors unique to your community including local retail and service businesses

Threats

Threats refer to internal and external forces with the potential to threaten the local area's resources, opportunities, or values. It may not be possible to resolve all identified threats, however, there are often actions and strategy's to mitigate the impacts. Threats are typically categorized as political, economic, competitive, and technological. The focus of this section is to identify potential threats and plan for the prevention, mitigation, or minimization of their impacts.

- What political, economic or technological trends could harm the community?
- What threats are facing other communities?
- What threatens the key strengths you identified?
- What threats do the community's weaknesses expose it to?
- What threatens the opportunities you identified?

Examples of threats:

Overall

- Competition from other communities and regions in BC and elsewhere
- Highway redevelopment bypasses community
- Impacts of economic recession
- Decline in the tourism market (especially U.S. visitors)

Sector Specific

- Depletion of forest or mineral resources upon which local businesses depend
- Low commodity prices/demand affecting viability of resource extraction/processing activities
- Overall sector decline and/or restructuring
- Changes to the regulatory environment that negatively affect specific industries