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SWOT ANALYSIS – A STRATEGIC PLANNING TOOL IN SERVICE PROVIDER COMPANIES

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Abstract: The paper analyzes the role of SWOT analysis as an essential tool of strategic planning in service provider companies. The method offers an integrated view of the organization's internal and external environment, facilitating the formulation and implementation of appropriate strategies. The study highlights the importance of the continuous adaptation of service companies to changes in the competitive environment and the use of SWOT as a mechanism for decision-making and strategic learning. In conclusion, SWOT analysis contributes to improving performance and strengthening the competitive advantage of service firms.

• Introduction

One of the defining characteristics of contemporary society is change, manifested in all areas of human activity. It directly affects the operations of economic organizations, which are forced to reorganize frequently and to continuously adapt in order to cope with internal and external transformations.

These changes are mainly driven by scientific and technological progress, intense national and global competition, changing consumer needs and preferences, as well as broader economic and social trends. Strategic management is one of the modern forms of leadership, focused on the changes and adjustments that must be made within an organization and in its interactions with the environment in which it operates, to avoid situations in which the goods and services it provides, its production and sales processes, and overall activities become outdated and misaligned with current developments

The concept of strategic planning in marketing management evolved from the interaction between marketing, strategy, and planning.

Material and method

The main objective of this research is to highlight the importance and applicability of SWOT analysis as an essential tool in the strategic planning process of service companies, and to demonstrate how it contributes to improving organizational performance. The study of strategic management involves the use of multiple scientific methods designed to ensure a rigorous and objective analysis of the phenomenon under investigation. In this paper, the bibliographic study method was chosen — a scientific documentation technique through which existing information from specialized literature is collected, analyzed, and synthesized.

• Results and discussions

In the context of the modern economy, characterized by fierce competition, accelerated innovation, and continuous changes in the external environment, organizations must adopt a strategic vision of their activities. Strategic management provides this framework, and SWOT analysis is one of its essential supporting tools. SWOT analysis is one of the best-known strategic diagnostic instruments. The term originates from the English acronyms: S – Strengths, W – Weaknesses, O – Opportunities, and T – Threats.

Types of strategies resulting from SWOT analysis
(TOWS model)

Type of Strategy	Description	Example
SO (Strengths–Opportunities)	Using strengths to capitalize on opportunities.	Expanding into new markets by leveraging the existing brand.
WO (Weaknesses–Opportunities)	Overcoming weaknesses to take advantage of opportunities.	Providing professional training for underqualified staff.
ST (Strengths–Threats)	Using strengths to counteract threats.	Diversifying products to reduce dependence on a single market segment.
WT (Weaknesses–Threats)	Reducing weaknesses and avoiding threats.	Cutting costs and optimizing internal processes.

Conclusions

SWOT analysis proves to be one of the most useful and versatile tools of modern strategic management, with particularly high applicability in service companies. In an economic environment marked by uncertainty, growing competition, and rapid technological change, an organization's ability to correctly understand both its internal resources and external conditions becomes essential for survival and development. SWOT provides this integrated perspective, serving as the starting point for the formulation, implementation, and evaluation of organizational strategies.