

Strategic Advantage Analysis

Strategic advantage analysis looks at the positive points that set our business apart from competitors. This could be a brand, premium private resource restricted to long-term contract with us, geographical location, intellectual property, etc.

The strategic feature analysis will look at the company's unique strengths, and whether this strength is likely to be sustainable, in the long run.

For example, ownership of more sophisticated equipment than competitors is not a strategic advantage, because competitors can purchase this equipment tomorrow.

While a unique brand message or patented technology is something that is difficult to replicate, it is therefore not only a competitive advantage in the short term, but also a strategic competitive advantage.

Strategic analysis is about looking at what is happening outside your organization now and in the future. He asks two questions:

- How can that affect you?
- What will your response to possible changes be?

It's called a strategic because it is high-level, long-term, and transforms your entire organization.

It is called analysis because it is about dividing a large and complex thing into more manageable parts.

The focus is external because factors outside your organization have a strong influence on it. Organizations increasingly appreciate that they can learn to manage their response to these impacts, rather than assume that there is nothing they can do.

It is part of the overall process of strategic planning. Strategic analysis enhances organizational effectiveness. Strategic analysis helps:

- Anticipate what might happen

- Assess the likelihood of this happening
- Prepare for that to happen

Strategic analysis will lead to clearer and more relevant goals, better quality decisions, and a safer future where you are better prepared for what will happen.

Known as "external environmental analysis" is a major step in strategic planning. This is the link between getting the right direction and making the right decisions. You will make better decisions if you understand the effects from the outside world that you may have to respond to in the future.

Many funders are reassured through strategic analysis because they know that organizations well prepared for their future are more likely to use grants, donations, and loans to maximize benefit and maximize the difference their organization makes.

The cost of not doing at least a small amount of strategic analysis means missed opportunities (some call it the "opportunity cost" - the cost of doing nothing). If you don't do a strategic analysis, you run the risk of being left out and losing opportunities to beneficiaries.