

Executives and strategists have a long history of utilizing the SWOT framework to guide planning efforts. From the initial assessment and scanning activities to the later development of actions to better position the organization for the future, much of traditional planning hinges on the SWOT. But as we've seen, traditional planning is being stressed by our VUCA world – volatile, uncertain, complex, ambiguous – rife with forces that increasingly make our traditional tools far less potent. Luckily, yet not without significant effort, new tools continue to emerge that better respond to the changing conditions in our ecosystems. The SWOT has aged, and not necessarily gracefully. And if you rely on a SWOT for your organization's future choices, you are especially vulnerable.

It's time to upgrade your SWOT!

In this article, the authors review the history of the SWOT, describe its components and functions, then go on to discuss its usage in planning and organizational change efforts. Limitations of the traditional approach open Part Two along with a discussion of the context of the near-term future of our ecosystems. The authors build a case for improving the tool in Part Three. The article concludes with a number of specific suggestions and upgrades, especially the internal SWOT components of strengths and weaknesses using more expansive and robust tools. One such tool is introduced, a provocative new framework for organizational diagnosis, and methodologies are explored for assessment, organizational design, and intervention to strengthen organizational capabilities.

PART ONE: A Traditional Tool for Planning and Change

What is a SWOT? Any meaningful planning effort has to include at least three components: learning from the past, understanding the present, and driving into the future. Various tools, activities, and processes support each of the three components and this article focuses on one activity used to support planning, the SWOT analysis. SWOT is an acronym for strengths, weaknesses, opportunities, and threats. As further explained below, each term addresses one of the critical elements of an organization's recent performance as well as current status and near-term plans and actions.

Strengths and weaknesses tend to be viewed through an internal lens focused on the organization itself while opportunities and threats tend to be viewed as factors external to the organization. In this context an organization's strengths are the assets, both tangible and intangible, available to an organization as it readies to address its future. These assets can take many forms including financial and physical resources; successful programs, products, and services; and those less tangible such as reputation, human talent, location, etc. What they all share in common is their susceptibility to be leveraged for the betterment of the organization and the outcomes it produces. They can be viewed as enablers that can be deployed to take advantage of the organization's available opportunities, overcome its weaknesses, and respond to or mitigate threats the organization is facing.

It is common to see SWOT depicted as a four-box grid as shown below, where four quadrants are created, one for each component of the SWOT to house the results of the analysis.





Figure 1 showing the 4 SWOT quadrants in a grid.

Weaknesses are not necessarily the flipside of an organization's strengths but they do represent factors that can inhibit an organization's pursuit of successful efforts. Weaknesses can be both failings as well as capacities that simply have not been acquired or well developed so far in the organization's evolution. There also is the reality that a strength used to excess can turn into a weakness. It's a fine point, and for our discussion we are focused on strengths that are used appropriately toward establishing or enhancing organizational success. Examples of weaknesses we often see include a lack of focus and vision, an inability to collaborate effectively, unhealthy internal competition, poor communication, lack of needed talent, etc. Some of these – lack of focus or unhealthy competition – can be eliminated reasonably quickly with appropriate management awareness and corrective action. Others such as lack of collaboration skills or talent take time to address and require intentional intervention. Developing skills or adding resources of any type typically takes longer than eliminating counterproductive effort.

Opportunities are those potential areas of future endeavor, often found external to the organization that, when pursued and leveraged well, will lead to increased success. They differ from strengths as strengths fall within the direct control of the organization's control, while opportunities require the organization to engage with its environment to a high degree into areas not fully within its influence. These require partnership and collaboration. Opportunities take various forms including new lines of business, adjacent markets, agreements and relationships with partners, access to resources not fully realized, and on and on. The key characteristic of opportunities is their potential to take the organization in new directions to help build on or establish new successes.

Once again, threats are not the direct inverse of opportunities. They are similar to weaknesses in one sense; they have the potential to impair the organization or prevent achievement of successful outcomes. The key distinction between threats and weaknesses is that the latter typically can be well identified and understood. This doesn't mean that they can be addressed easily but there can be less mystery about them. Similar to weaknesses, some threats can be easily identified and understood, but others emerge with little to no advance notice and can be difficult to anticipate. Examples of threats include the potential loss of access to a line of credit, political instability, introduction of regulations adverse to current or planned operations, raids on the organization's workforce by competitors, etc. Similar to opportunities, which are outside the control of the organization, threats tend to be beyond



the organization's direct influence, and as such, they lend themselves to mitigation rather than complete elimination.

Strengths and opportunities are generally considered helpful and weaknesses and threats harmful. In the grid, strengths and weaknesses are depicted as internal factors, while opportunities and threats are external.

helpful	harmful	
Strengths	Weaknesses	i n t e r n a l
Opportunities	Threats	e x t e r n a l

Figure 2 showing the four quadrants of a SWOT grid.

How Do Organizations Use a SWOT? Although our discussion so far focused on planning, and in our experience it has been seen as a planning tool, the SWOT also can be applied to problem solving, change and organizational development, or innovation processes. A key element of strategy and planning is the attainment of an improved state. No organization engages in planning to make things worse. In the same way in which planning is focused on improvement, change management and organizational development seek to alter the current state through intentional processes and efforts to achieve different results. The SWOT is a flexible tool that can be adapted to focus on parts of the organization, to specifics of the change being contemplated, or to the organization as a whole.

We often see the name SWOT followed by the word *analysis*, and it's safe to say that most applications of SWOT techniques tend to be analytical, seeking data that is later organized into the four SWOT categories. In its simplest form, we've seen SWOTs facilitated in a half day session. For example, a team leader or facilitator stands at a whiteboard or easel and asks the room, "share with us the things you consider our team/company's strengths and weaknesses", and they are written down. Once the ideas slow down, they are clustered and consolidated and written in their respective quadrant. The process repeats for "things acting on us from our environment" and they are then written down, clustered, and plotted. What results is a basic SWOT analysis based on what is on people's minds that day.

Most traditional planners and leaders take the next obvious step by forcing connections among the quadrants in their analysis. The simplest technique is to pair up the quadrants to create actionable



tactics and actions, thereby linking internal dynamics and plans to the organization's external circumstances and forces. The strengths-opportunities pairing leverages internal strengths to take advantage of opportunities in the external environment. The strengths-threats pairing utilizes strengths to mitigate threats. The weaknesses-opportunities pairing reveals areas for focused improvement in weaknesses to take advantage of opportunities. The weaknesses-threats pairing helps organizations to work to eliminate weaknesses to avoid threats. The figure below shows a depiction of how tactics and strategies are formed using a SWOT.

	Strengths (internal- helpful)	Weaknesses (internal- harmful)
, ,	Strength-Opportunity Tactics and Strategies	Weakness-Opportunity Tactics and Strategies
	How can your organization's internal strengths be used to leverage opportunities?	What actions minimize weaknesses and take advantage of external opportunities?
Threats (external- harmful)	Strength-Threat Tactics and Strategies How can you use your organization's strengths to mitigate external threats?	Weakness-Threat Tactics and Strategies How can you eliminate or minimize impact of your organization's weaknesses to avoid outside threats?

Figure 3 depicting how actions emerge from a SWOT analysis.

How Do Organizations Conduct a SWOT? A SWOT can be a useful tool in the hands of professionals, yet at the same time, we have often seen unskilled managers grab a marker and whiteboard and try to lead an organization through the construction of a SWOT framework. The results of a sloppy SWOT can be disastrous for an organization by generating faulty assumptions, incorrectly identifying and miscategorizing strengths and weaknesses, or being overly generous about opportunities and understated about the threats. We recommend hiring an expert to assist.

Regardless of who facilitates the process, there are a number of universal steps along with an endless number of variations when conducting a SWOT. It's primarily an analytical process that includes hints of intuition. In more advanced applications, the concepts of forecasting are as essential to success as are wizened foresight. We do however recognize the following as core to any kind of SWOT. Step One – define the problem and set boundaries. Step Two – collect data and categorize the results into the grid quadrants. Step Three – consider the validity of the results and make adjustments. Step Four – move from analysis to action planning. Step Five – take action and monitor results.



PART TWO: Our Future Presents A Problem

Limitations of the Traditional SWOT. SWOT has widespread applicability and utility but it also has inherent limitations. From what we have seen in many instances, SWOT analysis leans toward the subjective and is burdened by the participating individuals' perspectives and biases. Although this can be limited to some degree by including large numbers of individuals from different parts of an organization, the outputs then need to be organized and analyzed by facilitators who themselves are burdened by their own biases. There are various mechanisms and approaches used to conduct a SWOT analysis, but a common challenge is to understand and appropriately weigh the forces. Most SWOTs weight strengths and weaknesses on the frequency with which individual responses occur. If 50 people participate in a single SWOT analysis activity, and 20 of them mention X with no other item being mentioned more than five times, it will be presumed that X is a legitimate example of a strength, weakness, opportunity, or threat – even though X may also show up in a competing category. Stated differently, it's not uncommon for some individuals to identify X as a strength while others view the same item as a weakness. We see many SWOTs run askew at this point.

A second failure point in the traditional process is that the activity itself does not result in any prioritization of actions. Even a vote cast by members of the leadership team can be helpful for confirming legitimacy but this kind of popularity contest does not always signify strategic importance. In other words, just because an individual item is mentioned often does not mean it should be viewed as the most important element. Compounding this is the possibility that large numbers of items may appear in the analysis with no data to back up their inclusion. Rarely does a SWOT include the feasibility testing required to move from idea to action.

In our experience, while your organization's managers and leaders know your organization well, they are not professionally trained in organizational diagnosis and produce biased assessments of your organization's strengths and weaknesses. Managers by nature defend their functional areas and their resource pools and have trouble collaborating around shared vision. Their organizational knowledge can become a liability when it creates blind spots that impede improvement. It can be particularly challenging to conduct an audit of the organization from the inside out because it is difficult for members within the organization to view it objectively and with various lenses that highlight its unique features.

All but the most astute organizations lack the capacity to conduct environmental scans that are deep and thorough enough to produce a good list of external forces, understand their relative magnitudes and vectors, and interpret the most important signals in all of the noise in our environments. It is human nature to maintain a particular perspective about our world view, but this limits one's ability to recognize unseen forces and to predict changes that will affect our organizations. SWOT provides a template for starting the conversation, however the template itself doesn't encourage users to question the results. In short, it does little to strengthen our understanding of the depth and breadth of our organization's unique make-up and potential.

But perhaps the biggest risk in applying the traditional SWOT is the turbulent nature of our organizations' environments, the ecosystems in which we are embedded.

What's in Store for Our Ecosystems? SWOT needs to adapt to the endlessly complex environments of the 21st Century, which presents different opportunities and threats than those we faced in the 20th Century. Addressing these external factors will place higher value on different kinds of organizational



capacities, competencies, and activities than have traditionally been the keys to success. New tools of organizational diagnosis and strategic thinking are emerging. The manner in which we will use 20^{th} Century planning tools like the SWOT to guide strategies, interventions, and initiatives is evolving. Let us describe a few of these new complexities then go on to recommend how we must upgrade the SWOT to respond.

New reality one: <u>we are using an old vocabulary that increasingly fails to describe our organizations</u>. The strengths and weaknesses organizations are accustomed to analyzing are more multifaceted than ever. Traditional, quality and excellence-based measures are declining in utility, whereas practical outcomes recognized by individual customers, employers, and society at large are coming into use. We need a much finer point for the terms and definitions we use day in and day out. Our words, especially those of our leaders, create the way our organizational members understand our organizations. By simply upgrading the vocabulary, we could help share a better understanding for the future.

New reality two: it is getting very personal. Like it or not, the last several generations of consumers and now managers see their world as interdependent. Everything must be personalized. Simply selling a sneaker won't cut it, and just selling a sneaker with a logo won't work either. Now we need to provide the opportunity to custom build a sneaker that represents our personal identity that also meets the needs that our activities demand. Individuals, while everso influenced by marketing messages, are now demanding they receive personal value from even the smallest investments they make. It's not just what's judged best, but what's best for me. Organizations must now consider user experiences and social media perception and this requires how innovative design practices can reinvent existing programs and create new ones that fulfill changing value propositions. Strategic thinking has endless new datasets to consider, deep and personal engagement is required, and leadership has been redefined. The SWOT never accounted for this worldview.

New reality three: the world is moving toward outcomes and value and away from inputs and assumed reputation. In one sense, we are getting to be more educated about the things we buy, the experiences we expect, and the value an organization or brand produces and represents to us. We trust old brands less and instead talk about new ones based on what they do for us or what kind of mindset a brand portrays that we wish to associate ourselves with. These alternative value propositions have implications on the learning organization's ability to attract and generate financial resources. The traditional approach of the exchange of dollars for products and services will need to be reinvented in order for organizations to achieve financial sustainability. Likewise, public and private support routes must be reconsidered and new business models created to incorporate additional revenue streams and added value. New collaborations and partnerships can attract expertise and funding needed to generate new net revenues.

New reality four: <u>organizations</u> are not machines, yet our management behavior still assumes they are. The impacts of the industrial age are ever present doing great harm to our future. Just look around. An educational system designed to produce farmers and factory workers. Governments designed to serve party politics not citizens. Environmental practices that support wealth accumulation and not the health of our planet. And, managers that try to fix organizations as if they are engines or assembly lines. The organization's ability to leverage its existing strengths to tackle the forces of the future depend upon its internal capacity to utilize resources and relationships effectively. In the recent past, executive leaders had to establish a vision and strategy, then mobilize human and other resources to fulfill the established mission. 21st Century leaders require additional expertise in refining organizational purpose, achieving defined value and impact, and establishing financial sustainability.



Required SWOT Upgrades. Future-oriented executives and planners must consider their organization's capacity to transform to meet the dynamic landscape of tomorrow. Conventional SWOT analysis relies on the skillsets and perspectives of those team members in the room with most of them looking to the past to understand their futures.

But how does a leader know if there are gaps in their team's skillsets and blind spots in their perspectives? Whose talents and voices are absent from the process? How can a leader be certain that the right problems are under discussion? SWOT analysis in its current form does not address these questions. A new framework is needed to upgrade SWOT and provide the insight executives need to lead the evolution of their organizations into the 21st Century.

Upgrade One: the SWOT's lens on organizational capabilities is limited to strengths and weaknesses – we need a more robust framework that has the **granularity** to help organizations transform and strengthen. We contend that all organizations seek to strengthen themselves, in mission, in service, in outcomes, in profitability or financial sustainability, and in many other ways that match their purpose. They need to transform and strengthen the organization by enhancing existing capacities and outcomes and transforming processes, products, services, and experiences through more aware analytics, better engagement, and relentless innovation. The traditional SWOT lens has insufficient detail to get to the things that matter most.

Upgrade Two: the SWOT is biased toward analysis, not action – we need to create change through collective effort and engaged action. Organizations need to continually be aware of their internal dynamics and external environment. They also need to translate that awareness into collective action that will strengthen and transform the organization. In order to move an entire organization, there needs to be collective organizational effort, motivating collaborative activity and synergy across the organization. The traditional SWOT does not naturally lead to collective effort and provides a limited analysis on which to hang future action. We have often seen organizations stymied by analysis paralysis.

Upgrade Three: the SWOT forces us to think of our organizations as machines and to see our environmental forces as either opportunities or threats beyond our control. We need to view our organizations as living systems in continual dynamic interaction with our ecosystems. We need a new vocabulary and definitions to measure and improve our organizations. We've seen strategies that have emerged from SWOT analyses have a difficult time getting traction in the real world. Understanding that organizations are more organic than machine-like allows us to blur what is believed to be internal and what is believed to be external and better connect our organization's impacts on our world to its internal capabilities. The traditional SWOT uses a vocabulary better suited for the industrial past, not the VUCA present nor the interdependent future.

Part Three that follows offers a new framework to respond to the new realities and our recommended upgrades.



PART THREE: A Robust Solution

As organizational leaders, something has been percolating for a while, an intuition that we were doing something wrong. That our lenses were producing a worldview that was incomplete. That our tools didn't match the jobs we had before us. That our investments to strengthen our organizations weren't making us any better. Some have been oblivious to the change, like a frog slowly dying as the water boils around it. Yet our experts were delivering to us the same mindsets for strategy and organizational change that they had for the last fifty years. And honestly, we had to do something about it. Over the past several years we have been working to reformulate the lens we use to understand organizations, where their strengths and weaknesses lie in terms of their capabilities, and how a serious assessment of our organizations can help lead to actions to make us stronger. We would like to offer up a new framework for organizational assessment, design, and intervention that upgrades the SWOT with a deeper granularity, enhanced collective engagement, and a new vocabulary to better match what we need for the future.

We call the approach Transformational Lens Theory (TLT). It is a view of organizations that both gives a deep look into what exists now as well as what can be done to specifically build the capabilities to make us stronger and to change more easily to adapt to a complex and sometimes ambiguous future. TLT articulates dimensions that enable leaders to view their organization through nine unique yet interdependent lenses. Like the SWOT, this viewpoint highlights areas of strength and potential, yet unlike the SWOT, exposes specific opportunities for intervention and improvement. To support assessment and analysis, the complementary diagnostic tool further delineates each dimension into a developmental scale which can be combined with surveys and interviews from internal organizational individuals and teams. Coupled with analysis provided by organizational leadership experts, leaders come away with an indisputable, honest look at the current state of their organization, as well as a clear sense of next steps to move forward. When leaders have a precise representation of their teams' gaps and blind spots, only then can they be assured that their organizational analysis is accurate and useful for planning future endeavors.

Recall the four new realities:

- we are using an old vocabulary that increasingly fails to describe our organizations;
- it is getting very personal;
- the world is moving toward outcomes and value and away from inputs and reputation; and
- organizations are not machines, yet our management behaviors assume they are.

And the three SWOT upgrades:

- a more robust framework with granularity to help organizations transform and strengthen;
- to create change through collective effort; and
- new vocabulary to improve our organizations.



A Framework that Recognizes a More Complex World and Leads to Transformation. Transformational Lens Theory (TLT) offers new insights for leaders looking to change their organizations' futures.

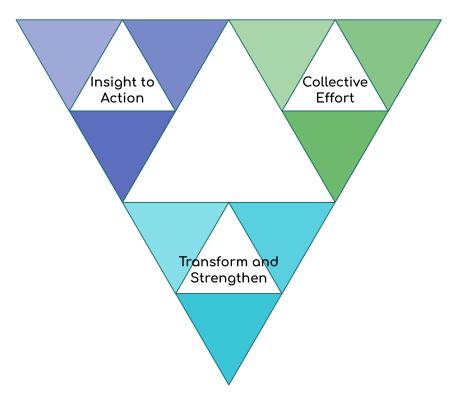


Figure 4 - the impact areas of the TLT framework.

TLT is a framework that helps leaders evaluate the levels of development their organization has attained in three impact areas: 1) *Insight to Action*, 2) *Collective Effort*, and 3) *Transform and Strengthen*. Imagine each impact area as a separate lens through which a leadership team can participate in meaningful discourse regarding the current state of their enterprise. The first impact area, *Insight to Action*, recognizes that organizational openness and flexibility are key for processing new data and information and keeps the organization poised to adapt to its changing environment. The second impact area, *Collective Effort*, stresses the need for collaboration across the organization that motivates teams, thus creating the necessary synergy to manage change. The third impact area, *Transform and Strengthen*, illuminates the importance of growing capacities and resources within an organization and the need for innovative design to elevate the processes, products, services, and experiences it provides – all realized through how an organizational can lead.

The entire Insight to Action system needs to be flexible and open to new data and information, thus allowing the organization to successfully adapt to, and manage change. Thinking Strategically is the ability to understand the various future-oriented time horizons in which strategy can unfold, to continually scan the environment for signals of change and new ideas, and to adapt to these changes in the external environment. The thinking strategically dimension is composed of three characteristics – how well an organization considers and acts on their horizons, scans for and applies signals from the environment, and responds flexibly with agility. Analyzing is the ability to track, store, manipulate, make sense of, and employ robust, complex data from the past, present, and future to support actions and decisions. The analyzing dimension is composed of three characteristics – how well an organization



employs technical analytic capabilities, developmental analytic capabilities, and transformative analytic capabilities. <u>Planning</u> is the capacity to generate plans on a variety of levels, achieve alignment across the organization, and manage the plans and activities. It is a process of organizational learning resulting in insights and eventually action. The planning dimension is composed of three characteristics – how well an organization generates plans, achieves alignment, and manages the process.

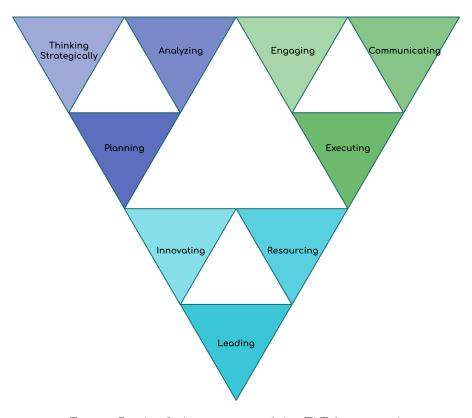


Figure 5 - the 9 dimensions of the TLT framework.

Collective effort eschews silos while encouraging collaboration across teams, jobs, and other boundaries. It seeks balanced communication using multiple channels to elevate shared knowledge across the organization. It favors the ability to get things done with a focus on what matters most while at the same time responding to changing conditions that arise. Finally, collective effort has a bias toward organizational learning. Engaging is the capacity for collaborative, social, and collective action measured by the fullness of engagement, social continuity, and evidence of influenced effort toward learning and transformation. Communicating is the ability to create shared awareness and understanding by sharing information through frequent, accurate, and transparent communication. The communicating dimension is composed of three characteristics – frequency and accuracy of communication, truth and transparency, and shared awareness. Executing is implementing plans or decisions, pursuing priorities, taking action, altering and correcting course when appropriate, and ensuring accountability and tracking of outcomes. It is synonymous with implementing. The executing dimension is composed of three characteristics – taking action to pursue priorities, altering and correcting course, and measurement, accountability, and decision making.



The degree to which any organization has success in strengthening and transforming depends on three critical abilities: the ability to be innovative, the ability to gather and employ resources, and the abilities of the leaders to develop a picture of the future and guide others toward realizing it. Innovating, most concisely defined as "ideas to valuable action" is the ability to generate new ideas, put them into action, and create value through the activities. The innovating dimension is composed of three characteristics – how well an organization generates ideas, moves to action, and creates value. Resourcing is the capacity to manage and leverage resources to help achieve strategic goals by freeing up and reallocating existing resources, acquiring new resources and generating new funds, and directing resources to fund priorities. The resourcing dimension is composed of three characteristics – how well an organization can free up and reallocate existing resources, acquire and generate new resources, and fund priorities. Leading is the broad organizational ability to guide an organization into the future by managing people and results, driving change and individual and organizational development, and employing a transformative mindset. Leading is a blend of good management and collective activity. The leading dimension is composed of three related characteristics.

Granular Assessment Features. TLT provides a potent lens to uncover and illuminate key dimensions of an organization's potential. Imagine a prism. What we believe to be simple white light when passed through this special kind of lens gets broken into its component parts. As a result, each wavelength becomes visible. The lens has the power to create a new way of seeing things by making the invisible, visible. In order to obtain this multidimensional perspective, leadership teams engage in a diagnostic protocol that includes organizational experts surveying and interviewing key members of the organization. The assessment includes an evaluation of the three impact areas across nine distinct dimensions, all supported by a deep rubric. Trained and calibrated evaluators compare the results from surveys and interviews to the TLT rubrics that describe stages of development for all nine dimensions. The granularity is complete enough to allow for any one of the nine dimensions to be assessed independently, if required. Evaluators also use their unique expertise in various dimensions to bring additional insight to the process. This assessment provides a critical analysis of each dimension from the unique perspectives of those within the organization, thus providing leaders with an internal vantage point as well as external expertise. Leaders identify areas for potential transformation, and a direction for implementing interventions and managing sustainable change.

More Adaptable Organizational Design. Like Alice through the looking glass, change and transformation require us to see things differently. They allow us to make the necessary shifts in mindsets, perspectives, and habits to create sustainable change. TLT identifies numerous levers for change and unpacks the characteristics of each into observable and manageable development pathways, or vectors, for transformation. When we are serious about change, we hope to pass through the looking glass and return more capable than before. The results of the evaluation are presented in part in a visual format that is easy to understand and communicate to stakeholders. A (spider) web diagram includes scores from each of the nine dimensions plotted to depict areas of strength and opportunities for improvement. Unlike SWOT, which relies on the perspectives of individual contributors' experience in the organization, TLT provides an objective and validated evaluation of the many facets of an organization. This includes the viewpoints of multiple stakeholders so that the results are representative of the organization's vertical and horizontal realities. With reliable results in hand and assistance from organizational experts, leaders can more easily determine interventions that have the greatest potential for transformational success and can recognize those areas that are of highest priority for change.



Close Gaps in Core Capabilities. Interventions in organizational systems require yet a third lens to peer into the dynamics of the forces that hold us in old and less desirable patterns. The TLT framework illuminates core organizational functions in such a way that the need for intervention becomes clear. Using proven tools for organizational development and change, organizations and their members can be guided along a developmental pathway to achieve enhanced performance and outcomes as well as longer-term impacts toward an improved culture. If we upgrade our SWOT analysis and replace it with the transformational lenses, we begin to see the capacities our organization must possess in order to successfully transform. In order to design and build upon a recognized brand of proven value an organization must be competent at scanning the horizon to envision the future (Thinking Strategically; Analyzing) while influencing the message to communicate impact (Engaging; Communicating). To meet current and future demands for personalized experiences and value, organizations need to create new programs, products, and services to create new value (Innovating; Planning) and implement those successfully (Resourcing; Executing). Organizations in the 21st Century will require new business models and additional revenue streams (Thinking Strategically; Innovating) and creative partnerships to attract expertise and increase value (Engaging, Communicating), thus requiring distinct skill sets from their members. And to mobilize these efforts toward core values and a defined purpose executives must align the team toward a united vision (Leading; Communicating) and rely on select indicators to measure impact over time (Analyzing).

CONCLUSION

We reviewed the history of the SWOT, described its components and functions, then discussed its usage in planning and organizational change efforts. We exposed the limitations of the traditional approach and built a case for improving the tool. In response, we offered up a new tool, a provocative new framework for organizational diagnosis, along with methodologies for assessment, organizational design, and intervention to transform and strengthen organizational capabilities. Our goal is to help executives and planners to take actions to better position their organization for the future. But if you find yourself stuck in the old ways... remember, it's time to upgrade your SWOT!