

Session 3: Strategic Analysis – SWOT and Trend Monitoring (13:30–15:00)

Objective

Introduce and practice tools for analysing a business’s internal and external environment – primarily SWOT analysis – and integrate *trend monitoring* (scanning external trends via PESTEL or similar) into strategic planning. By the end, participants will be able to facilitate a SWOT analysis with a client, and guide them in identifying relevant external trends (opportunities/threats) that should inform their strategy. Participants will understand that analysis is a critical step before deciding on strategic actions.



Presentation & Demo: SWOT Analysis (20 min):

Begin by explaining the SWOT framework: Strengths, Weaknesses (internal factors), Opportunities, Threats (external factors). Many may have heard of it, but clarify how to do it effectively for an agroforestry business. Show an example SWOT matrix on a slide for a hypothetical farm enterprise. For instance:

- **Strengths:** e.g. *diverse farm products, strong local brand, young and motivated team;*
- **Weaknesses:** e.g. *limited capital for investment, lack of machinery for tree management, little marketing experience;*
- **Opportunities:** e.g. *growing consumer interest in sustainable products, new agroforestry subsidies (policy support), availability of training programs;*
- **Threats:** e.g. *increasing droughts (climate risk), volatility in crop prices, potential new regulations/land use rules.*

Explain that the goal of SWOT is to honestly assess where the business stands internally and what’s happening externally. Advisors can prompt clients with questions in each category (e.g., “*What do you think you’re really good at? What feedback have you gotten?*” – for Strengths; “*What keeps you up at night?*” – for Threats). Mention that after mission and vision are defined, evaluating internal/external environment is the next step. Research suggests using SWOT alongside considering broader forces (economic, social, etc.) to get a full picture.

Introduce the idea of **PESTEL analysis** (**P**olitical, **E**conomic, **S**ocial, **T**echnological, **E**nvironmental, **L**egal trends) as a tool advisors can use to brainstorm external factors that feed into SWOT’s Opportunities/Threats. For example, PESTEL would have them consider things like policy changes (CAP reforms), economic trends (market prices), social trends (consumer preferences for organic), tech (new agroforestry machinery), environmental (climate change patterns), legal (land tenure or zoning laws). Not every factor will apply, but it ensures they scan widely for trends.

Show a quick demo: Take one participant’s earlier example (maybe from Session 1 introductions where someone mentioned a strategy admiration) or a generic case, and as a whole group, populate a mini SWOT on flipchart. For instance, “*Let’s do a rapid SWOT for a hypothetical apple orchard with sheep farm adopting agroforestry.*” Ask the room for one example in each quadrant. This livens up the concept and shows how quick brainstorming can generate a useful SWOT draft.



Activity – SWOT for a Case (30 min):

Now participants will practice facilitating a SWOT in small groups. Distribute a detailed case study handout (or slide) for analysis. For example: “**Sunrise Farm**” – a hypothetical mid-size farm in Italy that recently started planting walnut trees in wheat fields (agroforestry). The hypothetical farm profile can be changed to suit the particular audience, region or country. Give some thought to the farm type as you will be returning to it later. Provide background: farm size, products, some info like yields, market, climate issues, any recent events (maybe

a drought last year). The task: each group (4–5 people) acts as an advisory team conducting a SWOT analysis for Sunrise Farm’s strategic planning. In 20 minutes, they should identify at least 3 points in each SWOT category. Encourage them to also think of broader trends affecting the farm (hint: use PESTEL categories for O/T). Provide flipchart paper divided into four quadrants or a printed SWOT worksheet. Facilitators (trainers) move around to assist, prompting deeper thinking (e.g., “The case mentioned a new local walnut processing facility – could that be an opportunity?”). After 20 min, have each group share one interesting point they came up with, especially in Opportunities or Threats, since those relate to trends. Compile a combined SWOT on the board, noting commonalities.

Debrief: Discuss how different groups sometimes spot different factors – showing the value of diverse perspectives. Emphasize that in a real advisory situation, the advisor’s role is to *facilitate the client’s thinking*, maybe by asking questions or providing information about external trends they might not know. If a group missed a known threat (say, a pending regulation on water use), an advisor could bring that up. Discuss prioritization: SWOT lists can get long, but not all points are equal. Advisors can help clients focus on the most **strategic** items (e.g., high-impact weaknesses or highly likely threats).

Tip for Success: Ensure that during the exercise, one group do not get stuck only on internal factors or only external. Remind them to use both sides of the SWOT. Watch for any confusion between Strengths vs Opportunities, etc., and clarify. *Strengths and weaknesses are present-day/internal, opportunities and threats are future/external.*



Activity- Trend Monitoring Discussion (10 min):

Dive a bit deeper into how to keep an eye on **trends** as part of strategic planning. Ask participants: “*What big trends do you think agroforestry businesses should watch over the next 5-10 years?*” Possible answers: climate change impacts, carbon markets, evolving EU agricultural policy, consumer demand for sustainable products, technological innovations (like remote sensing for tree growth), etc. Jot these on a flipchart. This is essentially practicing PESTEL thinking. Point out that good strategic advisors continuously monitor such trends and share relevant insights with their clients. Introduce the idea of doing a *simple trends report* or *opportunity/threat radar* annually for a business. Some advisors create summaries of key changes (for example: new grant opportunities = Opportunity, or emerging pest = Threat) and discuss them with clients. This can be an ongoing service offering. It helps businesses not to be surprised. Tie back to SWOT: these trend insights feed into updating the SWOT and strategy regularly.

Optionally mention tools: you can use online resources to stay updated (like EURAF news for policy, market price trackers, climate outlooks from meteorological services). Encourage participants to share any sources they use to keep up with agricultural or forestry trends. Share a case that shows how analysis could inform strategy.



Example – SWOT Leads to New Opportunities (Ireland)

In Ireland, a small agroforestry enterprise (a fruit orchard with poultry grazing) was looking to expand income. With an advisor, they performed a SWOT analysis. Key findings:

Strengths: high-quality organic fruit, diversified income from eggs, strong local community support.

Weaknesses: limited processing facilities, no online presence.

Opportunities: growing local tourism trend, government grant for farm diversification, rising consumer interest in “*agroforestry experiences*.”

Threats: cheap imported fruit undercutting prices, frequent extreme wet weather affecting yields.

Through this analysis, the advisor helped the farmer realize they could leverage their strengths and opportunities by opening a small farm café and farm tour (agritourism) – turning the local tourism trend into an income source. They also decided to apply for the diversification grant to build a fruit drying facility (to process surplus fruit into chips and teas, addressing the weakness of no processing). These strategic initiatives



came directly from the SWOT insights. Two years later, the farm's revenue increased by 40%, partially thanks to agritourism and value-added products. Importantly, by monitoring policy and market trends, the advisor kept the farmer informed (e.g., alerting them when a new rural tourism marketing program started, which they joined to attract visitors).

Key Takeaway:

A thorough analysis can reveal “hidden” opportunities, and advisors help connect the dots from analysis to action.

Session 3 wrap-up (5 min)

Ask participants how they felt doing the SWOT as a group – what was easy or hard? Often, identifying weaknesses or threats can be uncomfortable. Emphasize advisors should create a safe, non-judgmental environment for clients in this process (for example: reassure that every business has weaknesses and that identifying them is a strength, not an embarrassment). End with the note: *“Now that we know how to analyse the situation, the next step is to consider risk more deeply, and then move towards deciding on actions.”*

Methods Used: Presentation with example, large group brainstorming, small group case analysis exercise (SWOT), trend brainstorming. **Interactive element:** high – group work and discussions ensure participants actively use the tools.

Tip for Success: *“Good strategy rests on good analysis.”* SWOT and trend analysis help businesses understand their context before jumping to decisions. As advisors, being systematic and bringing in external info is a big value-add. *Part of the analysis that's especially critical is identifying and assessing risks.*