Development SWOT Matrix for Strategic Planning in Media Organizations

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Abstract
In last decades that wonderful transformation in communication field have changed all human relations and at the age that increasing dominance of public opinions is known effective in the destiny of communities; the media organizations require new managerial instrument and views to substitute new and transformed methods for planning and controlling instead of traditional methods. To achieve this and with a strategic look for enhancing the accuracy in collecting the strategic in media organizations instead of using 4 zonal classical SWOT matrix, external environment of media organization is divided into 3 parts: industry or activity environment, close or public environment, and far or international environment. This new division leads to make 12 districts in SWOT matrix that causes increasing of accuracy in recognizing the environment challenges and choosing more suitable strategic for media organizations. Also as it follows, by using documents of Hamshahri newspaper as a media organizations, an applied example is analyzed and finally results show that new SWOT matrix with the 12 districts could play the role with the most accuracy in comparison with primary SWOT matrix.

Keywords: Strategic Management, SWOT Analysis, Media Organizations.

1. Introduction
The reign of media on current life of human beings on one hand, and the rapid, deep, and vast evolutions and variations in all aspects of human life on the other hand, have led to emergence of a wholly different strategic environment. These increasing economic, social, cultural, and so on rapid evolutions have affected all aspects and principles of organizations have created novel necessities and expectations for organizations. Meeting these expectations and necessities requires novel management tools and views which replace the traditional methods with new or evolved methods of planning and control. This
alteration and evolution has been so rapid, vast, and deep that past methods of managing organizations are no longer practical. Knowledge-base, customer-orientation, entrepreneurship, and evolutionism (evolution-center) are a new space that today leaders and organizations are seriously obliged to have a proper understanding of it, and it would be impossible for organizations to survive without considering the dominant environment and applying the necessary mechanisms.

Harvard’s business manager reported that today most companies decide without properly analyzing market and environmental conditions. He also stated that in order to improve organizations’ decision-making, identifying the environmental forces effective on business structure variations, analyzing all aspects of business, and applying a proper strategy could be profitable (Niekerk, 2007).

Also, the media organizations are not excepted form this rule. The complex conditions dominant on media organizations, which are currently considered as part of the democracy, have turned the use of this mechanism more important. Although the issue of susceptibility and influencing environment exist for all organizations, this issue is more intense and vast in media organizations and has increased media organizations’ complexity and also has brought out different conditions for management of such organizations comparing to other organizations. The authors of this paper attempt to suggest a model by developing a classic four-region SWOT matrix in order to increase accuracy in identifying the environmental challenges and adopting more proper strategies for media organizations. Therefore, in doing so, a new SWOT matrix model is presented for strategic planning in media organizations which by covering the primary model strengths, improves the method’s weaknesses and develops its benefits. Also, using information related to Hamshahri newspaper, a complete example of using this model is introduced which its implementation stages could be generalized for other media organizations.

2. Strategic Management
Strategic planning is the art and science of designing, implementing, and evaluating multiple functional decisions which enables an organization to achieve its long-term goals (Hunger & Wheelen, 2000; David, 1997). By “devising a strategy” it is meant (Merriam-Webster dictionary defines word strategy as a map and plan or a precise method especially in achieving a goal. But, totally, a brief or useful definition of this word is usually difficult and like many other terms which has been used in various disciplines for a long time, it would be useless to insist on any specific meaning for it) (Olve & Sjöstrand, 2002) Determining the assignment and outlook of the organization; identifying factors which externally threatening the organization or its opportunities; detecting its internal strengths and weaknesses; determining the organization’s goals; and finally considering the various strategies and to select the strategies specific to continue its activity (David, 1997) Therefore, the above stages could be counted as implementation components of a strategic planning. Indeed, using the SWOT analysis is one the most useful methods in implementing and executing the above stages.

3. SWOT analysis
SWOT analysis was first designed and introduced in 1960 by Stanford’s research institute and in early 1975 was generally used as an analytical framework for devising companies’ strategies, and though long time has passed from its introduction, it is still applied in current research applications (Hassanzadeh Amin & et. al., 2011; Celik & et. al., 2009; Yuksel & Dagdeviren, 2007; Gao & Peng, 2011; Lee & Walsh, 2011; Manteghi & Zohrabi, 2011; Boytsov & Van de Werf, 2011; Biancamaria & et. al., 2011; Wang & Hong, 2011; Liu & et. al., 2011; Mihaela & et. al., 2011; Misra & Murthy, 2011; Hauttekeete & et. al., 2011; Siddique-E-Akbor & et. al., 2011; Rizzi & et. al., 2011; Roed-Larsen & Stoop, 2011; Chen, 2011;
Hall & et. al., 2010; Grosseck & Holotescu, 2011; Sanagustin Fons & et. al., 2011; Markovska & et. al., 2009; Lee & Lin, 2008; Isgören & Ayla, 2009).

The SWOT matrix properly analyzes the internal strengths and weaknesses as well as external threats and opportunities to guide the future expected strategies (Ralph, 2007). This matrix, as shown in figure 1, is a useful tool for strategic planning of environmental management and a fundamental basis for identifying conditions and planning future methods which are necessary for strategic observation (Nikolaou & Evangelinos, 2010). In this analysis, first the internal and external factors are evaluated which is called the input stage, and the information required for devising strategies is determined. During the second stage, which is called the comparison stage, all the possible strategies are considering through developing a SWOT matrix. The objective of this matrix is to determine all applicable strategies and the best strategy is not sought at this stage. Strategists could use this matrix to create and introduce four kinds of strategies (SO, WO, ST, and WT strategies), as shown in figure 1.

SO strategies: in terms of these strategies, using the internal strengths, the organization attempts to exploit the external opportunities and maximizes the opportunities.

WO strategies: the objective of these strategies is to use the present opportunities in the internal environment to improve weaknesses. In this case, the organization is not able to use the created opportunities due to internal weaknesses. Therefore, it is necessary to apply strategies, such as new technologies, to provide possibility of properly using opportunities through eliminating the weaknesses.

ST strategies: organizations and industries try to use their strengths in reducing or remove the effects of current threats by implementing these strategies.

WT strategies: organization which uses this strategy would have defensive state and the objective of this strategy is to reduce the internal weaknesses and preventing threats caused by the external environment. In fact, such a organization tries to decrease its activities to survive (contraction and submission strategies), merge with other companies, declare bankruptcy, and finally retreat (David, 1997).
3.1 Strategic Management in Media Organizations

All organizations with any kind of activity are susceptible to environmental conditions and in fact the external environment is the strategy’s starting point. Not only they are affected by the environment, but also affect their environment. There is no doubt that all organizations are susceptible to their environment, but media organizations have increasingly deeper and vaster influences on the environment than other organizations. They would be able to influence political, economic, and cultural conditions as well as their customers and audiences concept, and consequently affects the society’s and government’s view about various issues. This characteristic means that the level and kind of media’s influence on the environment has discriminated media organizations from the other organizations. There are evidences that media have a specific influence on audiences’ attention and concept (Van Dijk, 1998). Generally, there are several researches which show that media are extremely determining in sources validity and people’s mind (Bell, 1991; Parenti, 1993; Soley, 1992). Different studies on the effect of media indicate the tremendous impact of news on people and how they comprehend (Cohen, 1963; Dreier, 2005; Gerstl-Pepin, 2002; Jamieson, 2003; Valentino, 1999). Also, empirical observations obtained from researches conducted in late 1990’s and early 2000 by different researches prove that news group media extremely influence general understanding about the issues they present (Alderman, 1994; Druckman, 2005; Gilens, 1999; Gilliam et. al, 1996; Iyengar, & kinder 1987; Koch, 1994; Page & et. al, 1987 Valentino,1999).

Thus, determination, broadcast, and influences of events, even scientific, are related to how they are announced by media. Therefore, media in different political, economic, social, cultural, etc. aspects are counted as the creator of legitimacy. Also, the managers of media organizations like the other organizations should identify their environment by understanding their influencing power on environment and move in the direction of the dominant evolutions. They should overcome limitations (weaknesses) by using resources (strengths) and utilizing environmental opportunities, and remove environmental threats and turn them into opportunities whenever possible.

3.2 Strategic Management Approach Characteristics in Media Organizations

It should be noted that each strategic approach has three essential traits. These traits are:

*They have long-term time horizon:* Strategic approaches look at the future through a long-term time range, this look is varied in different organizations depending on culture, organization’s information system, structure, and goals. In most less-developed countries, organizations do not have strategic management in their management approaches since they could hardly collect information on future. Also, the correctness of available information could be a considerable problem, where usually, in such countries, information is in low and unacceptable level and is unreliable as well. Some of the reason for decreased information reliability and validity could be management’s education weakness and dominance of political element on other organizational elements. This makes managers and information collectors to manipulate information and turn them in their own or their top mangers’ favor. This leads to incorrect prediction of future and questions the correctness of strategic plans.

*Optimized application of resources inside organization is considered:* one of the objectives of strategic management is optimized application of resources inside an organization. For optimized use from these resources, the quadruple organizational elements are of utmost important including: a) human resources, b) body and asset tools and equipments, c) relationships and structures, and d) organizational culture. Each of these elements could be divided into several components and accurate and valid information should be collected in the strategic approach.
In each strategic approach, the environment has an undeniable impact: The strategic management success depends on the accurate, comprehensive, and correct evaluation of the organization’s environment. The environment itself could be divided into 3 major groups.

a. **Industry’s environment (activity environment):** The main role players in the industry’s or activity’s environment in media are: 1. Audiences or customers, 2. Competitors and suppliers, 3. Society and government, and 4. Organization, stockholders, and stakeholders.

b. **General environment (close environment):** the role players in this environment are: 1. Ecological conditions, 2. Economic conditions, 3. Political conditions, 4. Social conditions, 5. Legal conditions, 6. Cultural conditions, 7. Conditions dominant on office bureau, and 8. Technological evolutions and the dominant technology.

c. **International environment (far environment):** the effective sectors on this part include: 1. Globalization procedure, 2. Scientific and technological advances, 3. the fall of communist and dictatorship regimes and ideological conflicts, and 4. Environmental crisis.

The presented model in figure 2 is a strategic comprehensive model in media organizations with effective dimensions on media organizations’ goals. This model indicates that the media organizations have a two-way relationship with the external environment. That is, not only they are affected by the external environment, but also they affect it. It is noteworthy that each environmental factor could be divided and investigated into smaller components. Also, it should be remembered that if this strategy is to be implemented, then all the designed components should be in the same direction.

![Figure 2: Strategic comprehensive model in media organizations](image-url)
4. Research’s methodology

The current study is a document research in which for SWOT’s development theoretical principles, library references and various papers were used. In another part of the research which includes implementing the new presented model, the interview method (Hamshahri newspaper’s top managers) was used for designing strategies.

4.1 SWOT’s Matrix Development in Media Organizations

As mentioned in section 4, the external environment effective on media organizations could be divided into three groups of industry’s environment (activity environment), general environment (near environment), and international environment (far environment), which each of these triple environments could propose opportunities and threats for an organization. Therefore, by providing independency for each external environment, the SWOT’s model instead of creating 4 types of strategy (WT, ST, WO, and SO strategies), has the potential to provide 12 types of strategy (SOI, SOG, SOA, WOI, WOG, WOA, STI, STG, STA, STI, STG, STA, WTI, WTG, and WTG) which increase the accuracy of designing and evaluating strategies.

The strategies with the “I” index utilize the opportunities and threats from the international or far environment; the strategies with the “G” index use opportunities and threats of the general or near environment, and the strategies with the “A” index use opportunities and threats of the activity or industry’s environment. Figure (3) depicts a schematic of this model.

![Figure 3: SWOT matrix developed model for media organizations](image-url)
4.2 Analyzing Information in Hamshahri Newspaper as a Media Organization

Hamshahri newspaper as an Iranian written media organization has the following objectives:

Fast, accurate, and high-quality broadcast of news and information using the most advanced methods and technologies and the most desired human assets, in order to develop knowledge and awareness of audiences at national and international level for their enlightenment, commitment, and participation to enjoy a more richer and transcended life.

Based on this, the Hamshahri newspaper’s outlook for a five-year horizon was devised with the contributions of expert interviewed group as follows:

1. Hamshahri newspaper as the best Iranian written media, having a place among 5 first media of the middle east, and 20 first international newspapers with an Iranian-Islamic identity;
2. Holds a unique position among Iranian written media in creating grounds and infrastructures necessary for positive orientation to intellectual evolutions while considering the expectations and needs of audiences and the society;
3. Inspiring, active, and effective on internal, regional, and international changes with the help of devoted, expert, and capable labors and a consistent competitive advantage among the Iranian written media;
4. Possesses a strategic center to design the newspaper’s required plans and programs, to perform fundamental and applicable researches in media, commercialization of researches and designing media’s settlement and efficiency patterns;
5. Maintains a scientific and executive authority in media and communication sciences topics and is pioneer in creating and presenting new theories in media sciences using a dynamic, research-oriented, and realistic educational system;
6. Trusted as a news and information source by a large portion of the society relying on balance and rationality guidelines.
7. Possesses the most advanced available technologies in conformity with the international standards;
8. Keeps a productive and effective interaction with other national and international media based on balance in prudence, benefits, and needs topics;
9. Possesses the most comprehensive specialized database center (media sciences, images archive, etc.) in national and international levels;
10. Possesses the necessary qualitative development in all aspect such as content production, publication and distribution quality comparing to other competitors;
11. Owns the necessary flexibility in all aspects in order to match with national, regional, and international changes.

4.3 Internal Strengths, Weaknesses, External Opportunities and Threats to Hamshahri Newspaper

According to the studies and interviews carried out with managers of various domains, a summary of Hamshahri newspaper’s internal strengths and weaknesses and external opportunities and threats were devised as follows:

O1. Tehran Municipality support for this newspaper;
O2. Has a well-known brand (among the country’s 10 famous brands);
O3. Lack of similar competitors considering contents, circulation, and volume of advertisements;
O4. Expanding the academic education level in society;
O5. Emphasis on the fourth plan on developing information, and …;
T1. Presence of numerous strong and active competitors at the country’s press field (replacement commodities);
T2. The presence of newspapers which have the government and state support;
T3. Increasing development and use of people from modern media like internet and satellite to obtain news;
T4. Lack of newspaper reading culture in the country comparing to the region’s developed countries;
T5. The absence of a proper position for cultural products like newspaper in the country’s people consumption basket and etc.;
S1. Possesses agencies and administrative offices throughout all provinces;
S2. Holds an education and research center with the certificate of the Ministry of Culture and Islamic Guidance (the only newspaper holding such a center nationwide);
S3. The capability to educate and recreating labors;
S4. Possesses the largest independent country’s printing-house;
S5. Has the assets and credits for major economy and etc.;
W1. Reporters’ self-censorship;
W2. The dominance of news gate-keepers and signers on news broadcasting;
W3. Intermediated dependency to Tehran Municipality which affects the newspaper’s professional independence;
W4. Low motivation level (motivating factor) among the employees;
W5. Weakness due to lack of a devised strategic plan, etc.

4.4 Devised Strategies Using SWOT Developed Matrix
Considering the internal weaknesses and strengths and the environmental opportunities and threats as well as the SWOT developed matrix, the following strategies were developed for Hamshahri newspaper with the contribution of the expert group, where in figure (4) the position of each strategy in the proposed model is determined.
S1. Expanding the quantitative and qualitative production and delivery of contents in news and information, entertainment, education, and public opinion guidance and control areas in order to maintain the newspaper’s position as the country’s written information activities pole;
S2. Producing and delivering the newspaper to abroad audiences (both in Persian and English) in order to guide the public opinion, absorb new investments, and develop the brand based on the audiences’ needs and expectations.
S3. Creating an efficient and proper system to exchange the media contents with other world’s media organizations (news agencies, newspapers, and other information networks) in order to enrich the newspaper’s contents;
S4. Strengthening the public trust to the newspaper at the society’s level in the light of maintaining the newspaper’s independency against pressures from individuals, groups, tendencies, and political and social tastes and playing a non-partisan role in the country’s current political-competition-laden environment;

S5. Downward vertical integrity in order to supply requirements (paper, ink, and film) with the objective to decrease the dependency to national and international suppliers;

S6. Production and development of contents separately proportionate to needs and expectations, in different sections of the target market (women, youths, children and adults, intellectuals and elites, and elders) with the objective to increase newspaper’s penetration and guiding their opinions in order to maintain and strengthen the national benefits and social interests;

S7. Designing, developing, and applying the modern systems of performance evaluation and strategic planning, and also adopting efficient methods in order to promote and improve the organization’s productivity;

S8. Elevating service motivation and organizational belonging feeling among employees through reengineering of education, evaluation, compensations, and promotions system with emphasis on work valuation of units and individuals as well as developing organizational communications;

S9. Emphasis on newspaper’s human resources qualitative system education and development, and employing creative, talented, and professional workforce in different management and executive fields;

S10. Reinforcing agency offices in provinces and producing provincial-specific plans in every province of the country with the objective to develop the national market;

S11. Creating capacity and mechanisms to obtain replacement incomes in critical conditions (strengthening the negative entropy through heterogeneous diversity);

S12. Creating and establishing an effective and continuous relationship among research activities and the newspaper’s needs at strategic and applied levels with the objective to effectively use the researches’ results in content creation process and distribution in the national and international markets;

S13. Decreasing costs with the objective to decrease dependency to advertisements income in proportion to the total cost (increasing retail sale share in covering the costs).
Figure 4: The Hamshahri newspaper strategies separated by 12 regions using SWOT’s developed matrix model

Conclusions

The media organizations are under more intense environmental interactions rather than the other organizations. Not only they are affected by the external environment, but also they affect their own environment. This discrimination point between the media organizations and other organizations increases the importance of more accurate study of environment for such organizations. In doing so, the external environment of the media organizations are divided into three sections, namely industry’s or activity environment, general or near environment, and international or far environment, which leads to a new 12-regional model instead of the SWOT’s classic 4-regional model in devising strategies. This increases the accuracy in identifying the environmental challenges and adopting more proper strategies for the media organizations. This model is implemented in Hamshahri newspaper and its execution capability and practicality rather than the primary SWOT’s matrix is demonstrated.

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References


