

**Mikumi Secondary School SWOT Analysis**



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**IB BUSINESS MANAGEMENT – PRE-RELEASED CASE STUDY NOV 2017: SWOT ANALYSIS**

The internal strengths and weaknesses, and the external opportunities and threats are analysed and used to evaluate the Utopia business model. A summary SWOT is provided in Table 1 below, and each point should then be comprehensively explained by the student.

**Strengths** (internal)

- Wealthy owner actively involved
- Residential boarding facilities
- Clear organisational structure
- Established organisation
- Government is supportive
- School receives charitable grants and gifts
- Varied extracurricular activities available for students
- Strong CSR
- Strong academic achievement of students
- Positive word-of-mouth endorsements
- Fees are 20% lower
- Computer equipment
- Building available for IT centre

**Weaknesses** (internal)

- Non-independent board/CEO
- Location limits numbers of potential students
- Recruiting teachers
- Retaining teachers
- High labour turnover of 30%
- Poor living conditions for teachers
- Teachers have difficulty teaching in English
- No possibility of teacher career development (flat organisational structure)
- No possibility for professional development
- No IT facilities

**Opportunities** (external)

- Poor secondary school opportunities
- Equal rights for women/girls in constitution
- Global humanitarian award
- Market development (Dodoma and neighbouring countries)
- Increased student numbers lead to economies of scale
- Few local schools have IT facilities

**Threats** (external)

- Low incomes of families
- Future governments may not be so supportive
- Supply of electricity is unreliable
- Students use Ki-Swahili
- No internet access

Figure 1: MSS summary SWOT analysis

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### Strengths (internal):

- **Wealthy owner actively involved:** Jacob has the personal funds to be able to guarantee any bank loan the school may use to finance its expansion. Being actively involved in all aspects of the school (finance, operations, strategic planning, human resources, etc.), Jacob has good institutional knowledge of the school.
- **Residential boarding facilities:** Allows the school to secure students who reside too far away to commute. Student numbers are higher than they would be without this facility, and this increases total revenue for the school.
- **Clear organisational structure:** The chain of command and channels of communication are established which makes for more efficient communication between personnel.
- **Established organisation:** The school has been operating for five years already so it obviously has the support of the community and has built up a good degree of trust with the organisations assisting with its finances (i.e., the government and charities).
- **Government is supportive:** Facilitates funding and staffing of the school, and this may reduce the amount of corruption the school has to contend with.
- **School receives charitable grants and gifts:** This helps with the financing of the school and reduces the amount spent on capital expenditure (e.g., purchasing computer equipment and library books).
- **Varied extracurricular activities available for students:** Students will be happier and engaged with their school, this will lead to better academic results and feed back into positive word-of-mouth promotion. Can be used effectively in the marketing mix.
- **Strong CSR:** This is expressed as strong ethics and ecological and economic sustainability. The goodwill of other stakeholder groups, resulting from socially responsible behaviour, could lead to better relations with employees, suppliers, customers and the local community.
- **Strong academic achievement of students:** The school meets performance targets and the strong external exam results can be used when marketing the school.
- **Positive word-of-mouth endorsements:** All things being equal, this will increase the number of students attending MSS.
- **Fees are 20% lower:** Lower fees should increase the demand for places at MSS.
- **Computer equipment:** MSS has computers and other schools in the area do not. This is a point of differentiation with other schools in the area and can be used in the school's marketing.
- **Building available for IT centre:** The school appears to have enough buildings (or even surplus buildings) which it can convert to an IT centre. This is less costly than building an IT centre from the ground up.

### Weaknesses (internal):

- **Non-independent board/CEO:** There are advantages to MSS of having an independent board of directors/trustees. Stakeholders in a business rarely act without bias. Even when driven by what they believe are the best interests of the organisation, their opinions are informed by personal agendas and value systems. An independent board member can take a fresh, objective look at business challenges and opportunities, and offer advice

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that synthesises the perspectives of all parties while enabling the organisation to pursue short- and long-term business objectives.

- **Location limits numbers of potential students:** The school is physically located in a remote rural region where the population density is low meaning that they have limited potential customers (students) who can travel to the school each day.
- **Recruiting teachers:** The remote rural location is perceived as being less desirable for potential recruits which limits the quantity and quality of new teachers – education may not be being provided as effectively as it could be.
- **Retaining teachers** (high labour turnover of 30%): High labour turnover increases the costs of recruiting and developing new teachers.
- **Poor living conditions for teachers:** Contributes to the high labour turnover of teachers at MSS.
- **Teachers have difficulty teaching in English:** Affects the ability of teachers to be able to perform their jobs effectively. This will also add to teacher stress and lower the quality of the education MSS provides.
- **No possibility of teacher career development (flat organisational structure):** Can lower teacher motivation and contribute to high labour turnover.
- **No possibility for professional development.** Can lower teacher motivation and contribute to high labour turnover. Without professional development teachers may be delivering education services at MSS at a lower quality than if they had access to good professional development.
- **No IT facilities:** There is likely to be strong demand for schools that have technology that can be integrated into teaching and learning programmes. This affects MSS in two ways; firstly, it is a marketing opportunity that has gone begging; and secondly, it would lower the quality of education to the girls.

### Opportunities (external):

- **Poor secondary school opportunities for girls in the area:** As MSS is a good girls' secondary school relative to other educational opportunities for girls in the area, it has a point of positive differentiation from other local schools.
- **Equal rights for women/girls in constitution:** The growing status of women in society will likely translate into increased demand for a quality education for girls.
- **Global humanitarian award:** The work that MSS does in developing education is being recognised by outside entities. Such an award can be used in the marketing of the school and as an opportunity to increase the involvement of charitable organisations (e.g., increased donations).
- **Market development:** New market segments (students in the city of Dodoma and from neighbouring countries) may enable new students to be found if effectively marketed to.
- Increased student numbers lead to **economies of scale:** If new students can be attracted and the school's roll expanded, then the average cost of providing schooling for each student falls. This will increase the surplus that the school earns which can then be reinvested into other projects (e.g., a building programme or teacher professional development).
- **Few local schools have IT facilities:** If MSS can obtain effective IT facilities, including a good internet connection then this would serve as a unique selling point as competing

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schools also do not have such facilities. Having good IT facilities will improve the quality of the education MSS provides to its students.

### Threats (external):

- **Low incomes of families:** Many families in the impoverished area where MSS is established cannot afford the fees or struggle to make payment of the fees the school charges. Agrarian incomes are very susceptible to natural events such as drought or flooding.
- **Future governments may not be so supportive:** A change in government may see a change in education policy that could negatively affect MSS. Further, the levels of corruption that MSS has to contend with could also increase under a less effective and/or more corrupt government.
- **Supply of electricity is unreliable:** Power outages do not just affect the ability of MSS to deliver its education services, but also because many of the girls and the teachers live on site, living standards are probably lower than they need to be.
- **Students use Ki-Swahili:** The low levels of English proficiency among MSS students, teachers and the wider community would likely mean that many students would not achieve a good level of success and drop out of school before their final year.
- **No internet access:** If other schools manage to obtain this before MSS then prospective students may choose these schools over MSS and current students may transfer. Urban schools are more likely to have internet connections which would make attracting students from Dodoma more difficult.

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