

# Swot analysis of tesco

Business



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At Tesco Plc, SWOT analysis is used in collaboration with other tools to measure future performance. Performance measurement tools such as balance scorecard; 360 degree feedback; Management by Objectives (MBO) and customer management techniques are used to assess the current performance and strategise the future performance of the staff of Tesco Plc. A record of the current key performance indicators (KPI) are kept for future performance reconciliations. This will enable remedial measures to be taken. Johnson, G, Kevan, S, and Whittington, R, (2008: 119) noted that SWOT analysis summarizes the key issues from the business environment and the strategic capability of an organization that are most likely to impact on strategy development.

An organization like Tesco Plc uses their SWOT analysis to streamline and strategize their performance targets to meet the objectives outlined in their corporate charter. The recruitment and selection of staff for Tesco must be strategically formulated to fit the overall corporate intent of Tesco Plc. The potential staff must be selected based on their ability to perform creditably and help to sustain the stability of Tesco Plc. SWOT enables a business venture or project remains focus on internal and external factors, conditions, characteristics and attributes that affect and/or favour the strategic pursuit and achievement of the objective and targets of the performance objectives. One of the important stakeholders in every organisation is their workforce. Tesco Plc has well skilled and capable workforce that have been well trained and motivated to help in the implementation of the corporate objectives of the organisation. According to Cummings (1999) a pilot programme revealed that some senior staff was performing at a lower level than their

competitors; the store managers' performance, for example, was 75 per cent below that of other retail managers.

Between them, Tesco and Verax (A specialist firm in change and performance management) designed a performance programme for all store managers and departmental managers in the stores. Included in the programme was a measure of their performance and the Stores performance. Cummings (1999) claimed that Tesco steamed ahead to rapidly overtake arch rival and former market leader Sainsbury. More recently, there has been a company-wide initiative, involving all departments.