

The Role of SWOT Analysis in Corporate Strategic Decision-Making

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ABSTRACT This study aims to analyze the role of SWOT analysis and the strategy matrix in the process of corporate strategic decision-making. This research uses a literature review approach with a conceptual study design, in which data were obtained from various literature sources in the form of textbooks and scientific journal articles relevant to the topics of strategic management and decision-making. The results of the study indicate that SWOT analysis functions as an analytical framework that helps companies identify internal factors, namely strengths and weaknesses, as well as external factors, namely opportunities and threats, that influence strategic decision-making. In addition, the SWOT matrix serves as an integrative tool that transforms the results of SWOT analysis into structured strategic alternatives through SO, WO, ST, and WT strategies. The findings of this study show that SWOT analysis and the strategy matrix not only function as tools for mapping strategies but also as an analytical framework that supports systematic strategic decision-making. This research provides a conceptual contribution in strengthening the understanding of the role of SWOT analysis in strategic management.

Keywords: *SWOT Analysis, Strategy Matrix, Strategic Decision-Making, Strategic Management.*

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INTRODUCTION

Strategic management is one of the fundamental foundations for ensuring the sustainability and long-term success of a company. In an increasingly competitive and dynamic business environment, rapid market changes, intense competition, and uncertainty in external conditions require companies to formulate and implement appropriate strategic decisions. Organizations that fail to respond effectively to environmental changes often experience declining performance and reduced competitiveness. Therefore, strategic decision-making becomes a key factor in determining organizational survival and growth in the long term. Strategic decisions are not only related to short-term operational activities but also involve long-term planning that determines the direction and future of the company. Many companies experience strategic failure because their decisions are not based on comprehensive analysis of internal and external conditions. Strategic decisions that rely solely on intuition or limited information often result in ineffective strategies and poor organizational performance. Without systematic analysis, companies may adopt strategies that are not aligned with their internal capabilities or the external challenges they face. As a result, the use of analytical frameworks in strategic decision-making becomes essential to ensure that strategies are formulated based on accurate and relevant information. In this

context, strategic decision-making becomes a critical component in maintaining organizational competitiveness and sustainability.

Strategic decision-making is at the core of strategic management. Decision-making can be understood as a process of selecting the best alternative from several available options to achieve desired objectives (Lunenburg, 2016). This process typically begins with identifying organizational goals and defining complex problems, followed by collecting and analyzing relevant internal and external data. After that, decision-makers evaluate various strategic alternatives before selecting and implementing the most appropriate course of action. Strategic management itself encompasses the formulation, implementation, and evaluation of cross-functional decisions that enable organizations to achieve their objectives effectively (David & David, 2017). Therefore, strategic decision-making is not a single activity but a continuous and systematic process that requires careful analysis and evaluation.

One of the most commonly used tools in strategic management is SWOT analysis. SWOT analysis is a strategic planning method used to evaluate strengths, weaknesses, opportunities, and threats associated with a business or project (Gürel & Tat, 2017). This method enables organizations to identify internal factors, such as strengths and weaknesses, as well as external factors, such as opportunities and threats, that influence organizational performance and strategic direction. By systematically analyzing these factors, companies can better understand their strategic position and develop strategies that align with their capabilities and environmental conditions. SWOT analysis is widely used because of its simplicity and flexibility, making it applicable across various industries and organizational contexts. The results of SWOT analysis are often organized into a SWOT matrix, which functions as an integrative tool for formulating strategic alternatives. The SWOT matrix combines internal and external factors to generate four types of strategies: Strengths Opportunities (SO), Weaknesses Opportunities (WO), Strengths Threats (ST), and Weaknesses Threats (WT) (Benzaghta et al., 2021). SO strategies aim to use organizational strengths to take advantage of external opportunities, while WO strategies focus on overcoming internal weaknesses by leveraging external opportunities. ST strategies use organizational strengths to minimize or avoid external threats, whereas WT strategies are defensive strategies designed to minimize weaknesses and avoid threats. Through this structured approach, the SWOT matrix helps organizations translate analytical findings into practical strategic alternatives.

Various studies have shown that SWOT analysis is widely used in strategic decision-making across different sectors. SWOT analysis has been applied in business planning, organizational development, and competitive strategy formulation (Mardiyana et al., 2022). Research indicates that SWOT analysis helps organizations identify strategic positions and develop appropriate strategies to improve competitiveness and performance (King et al., 2023). In addition, SWOT analysis is often integrated with other strategic tools to enhance the effectiveness of decision-making and strategic planning (Dimiyati et al., 2022). The widespread use of SWOT analysis demonstrates its importance as a practical and flexible tool for supporting strategic management processes. Despite its widespread use, previous studies have generally focused on the application of SWOT analysis in specific empirical case studies and have often positioned it primarily as a strategy-mapping tool. Many studies emphasize the practical implementation of SWOT analysis without fully exploring its role as an integrated analytical framework within the strategic decision-making process. As a result, the broader conceptual role of SWOT analysis in supporting systematic decision-making has not been thoroughly examined. In particular, limited attention has been given to how SWOT analysis supports the entire decision-making process, from problem identification and environmental analysis to the formulation of strategic alternatives through the SWOT matrix.

This study aims to analyze the role of SWOT analysis and the SWOT matrix as analytical frameworks in the strategic decision-making process within companies. The focus of this study is on how SWOT analysis is used to identify internal factors in the form of strengths and

weaknesses, as well as external factors in the form of opportunities and threats, that influence strategic decisions. Furthermore, this study examines how the SWOT matrix functions as an integrative tool for transforming the results of SWOT analysis into structured and systematic strategic alternatives. Unlike empirical studies that focus on specific organizational contexts, this study adopts a conceptual approach to provide a broader understanding of the role of SWOT analysis in strategic management. This study is expected to contribute to the conceptual understanding of SWOT analysis by emphasizing its role not only as a strategy-mapping tool but also as an analytical framework that supports systematic strategic decision-making. By highlighting the integrative role of SWOT analysis and the SWOT matrix, this study seeks to address the limitations of previous research and provide a more comprehensive perspective on the role of SWOT analysis in strategic management. Ultimately, this study aims to strengthen the theoretical foundation of SWOT analysis as a key tool in supporting effective and sustainable strategic decision-making.

METHOD

This study employs a library research approach with a conceptual analysis design. This approach was selected because the primary objective of the research is to analyze and synthesize theoretical concepts and frameworks related to the role of SWOT analysis and strategic matrices in corporate strategic decision-making. Library research enables researchers to examine various theoretical perspectives systematically without conducting direct fieldwork. Therefore, this study does not involve primary data collection such as interviews, surveys, or observations. Instead, it focuses on reviewing, comparing, and critically analyzing relevant academic literature in order to develop a comprehensive understanding of how SWOT analysis contributes to strategic management processes.

Conceptual studies are particularly useful in strategic management research because they allow researchers to explore relationships among concepts and to construct theoretical explanations based on existing knowledge. In the context of strategic decision-making, SWOT analysis is widely recognized as an important analytical tool that helps organizations identify internal strengths and weaknesses as well as external opportunities and threats. By integrating these factors into a structured framework, companies are able to formulate strategies that align internal capabilities with external environmental conditions. Previous studies have shown that SWOT analysis can support managers in making more systematic and informed strategic decisions (Gürel & Tat, 2017). Furthermore, the integration of SWOT analysis with strategic matrices, such as the Internal External Matrix or the TOWS Matrix, enables organizations to translate analytical findings into actionable strategic alternatives (Vlados, 2019).

The data sources used in this research consist entirely of secondary data obtained from various scientific publications relevant to the research topic. These sources include textbooks and reference books discussing strategic management, decision-making processes, and SWOT analysis, as well as scholarly articles published in national and international academic journals. The use of multiple sources is intended to ensure the comprehensiveness and reliability of the conceptual analysis. Academic journal articles are particularly important because they provide recent empirical and theoretical developments in the field of strategic management. By combining classical strategic management theories with contemporary research findings, this study aims to provide a balanced and up-to-date perspective on the role of SWOT analysis in strategic decision-making.

The data collection technique in this study involves systematic literature searching, selection, and documentation. Relevant literature was identified through academic databases and library collections using keywords such as “strategic management,” “SWOT analysis,” and “strategic decision-making.” After the literature was collected, the data were analyzed using a qualitative descriptive method. This process included organizing the literature according to themes, comparing theoretical perspectives, and synthesizing key findings into a coherent

conceptual framework. The analysis process also involved evaluating the strengths and limitations of each source to ensure that the conclusions drawn were based on credible and relevant information.

Through this conceptual library research approach, the study is expected to provide a clear theoretical understanding of how SWOT analysis and strategic matrices contribute to corporate strategic decision-making. The findings of this research are intended to serve as a reference for academics and practitioners who seek to understand the theoretical foundations of strategic analysis and its practical implications for organizational strategy formulation.

RESULT AND DISCUSSION

Result

The Role of SWOT Analysis in Identifying Strategic Factors

The findings of this literature study indicate that SWOT analysis plays an important role as an analytical tool for identifying and classifying internal and external factors that influence strategic decision-making within companies. SWOT analysis provides a structured approach that allows organizations to systematically examine their internal capabilities and external environment before determining strategic directions. By organizing information into strengths, weaknesses, opportunities, and threats, companies are better able to understand their current position and evaluate their readiness to face future challenges. This systematic identification process is essential because strategic decisions that are not supported by comprehensive analysis often lead to ineffective strategies and organizational inefficiencies.

Internal factors in SWOT analysis consist of strengths and weaknesses that originate from within the organization. Strengths represent the internal resources, core competencies, and competitive advantages that enable a company to achieve its strategic objectives. These strengths may include skilled human resources, strong brand recognition, efficient operational processes, advanced technology, or solid financial capacity. By identifying these strengths, companies can determine which internal capabilities can be leveraged to gain competitive advantage and improve organizational performance. Strengths also provide a foundation for developing proactive and growth-oriented strategies that align with the company's long-term vision.

In contrast, weaknesses represent internal limitations that may hinder organizational performance and prevent the achievement of strategic goals. Weaknesses may arise from limited resources, inefficient organizational structures, outdated technology, or ineffective management practices. Identifying weaknesses is an important step in strategic analysis because it allows organizations to recognize areas that require improvement. Without recognizing internal weaknesses, companies may implement strategies that exceed their capabilities, leading to poor performance and increased operational risks. Therefore, the identification of weaknesses enables organizations to develop realistic strategies that consider internal limitations while seeking opportunities for improvement.

In addition to internal factors, SWOT analysis also considers external factors, namely opportunities and threats. Opportunities refer to favorable external conditions that provide potential advantages for the company. These opportunities may include market growth, technological advancements, regulatory changes, or shifts in consumer preferences that create new possibilities for expansion and innovation. By identifying opportunities, companies can develop strategies that capitalize on favorable environmental conditions and enhance their competitive position. Opportunities often serve as the driving force behind strategic growth and innovation, making them an essential component of strategic analysis.

Threats, on the other hand, represent external factors that may negatively affect organizational performance. These threats may include intense competition, economic instability, technological disruption, or changes in government regulations. Threats highlight potential risks that organizations must anticipate and manage to maintain stability and competitiveness. Identifying threats allows companies to develop strategies that minimize risks and protect

organizational resources from potential harm. In a rapidly changing business environment, the ability to anticipate and respond to threats is critical for organizational survival and long-term success.

The findings of this study suggest that SWOT analysis provides a systematic framework that enables management to understand the overall condition of the organization before making strategic decisions. By examining both internal and external factors, companies gain a comprehensive understanding of their strategic position. This understanding allows decision-makers to develop strategies that are aligned with organizational capabilities and environmental conditions. As a result, SWOT analysis serves as an essential foundation for effective strategic decision-making.

The Function of the SWOT Matrix in Formulating Strategic Alternatives

The results of this literature study also indicate that the SWOT matrix functions as an advanced tool that integrates the results of SWOT analysis into structured strategic alternatives. While SWOT analysis focuses on identifying internal and external factors, the SWOT matrix transforms these findings into actionable strategies. This transformation process is essential because strategic analysis alone is not sufficient to support decision-making. Organizations must also translate analytical findings into concrete strategic plans that can be implemented effectively.

The SWOT matrix combines strengths, weaknesses, opportunities, and threats into four categories of strategies: SO, WO, ST, and WT. Each of these strategies represents a different approach to strategic planning, allowing organizations to select strategies that align with their specific conditions and objectives. The matrix structure provides a clear framework that helps decision-makers visualize the relationships between internal and external factors. This visualization process enhances understanding and facilitates strategic planning.

SO strategies are designed to use internal strengths to take advantage of external opportunities. These strategies are typically growth-oriented and focus on maximizing organizational potential. Companies that adopt SO strategies aim to leverage their competitive advantages to expand market share, introduce new products, or enter new markets. SO strategies are often associated with aggressive and proactive strategic approaches because they focus on maximizing opportunities through the effective use of internal resources.

WO strategies, in contrast, focus on overcoming internal weaknesses by taking advantage of external opportunities. These strategies are often adaptive in nature and emphasize organizational improvement. Companies that implement WO strategies seek to address their internal limitations while simultaneously pursuing opportunities for growth. For example, a company with limited technological capabilities may invest in new technology to take advantage of emerging market trends. WO strategies reflect a commitment to continuous improvement and organizational development.

ST strategies focus on using internal strengths to minimize or mitigate external threats. These strategies are designed to protect the organization from potential risks while maintaining competitive advantage. Companies that implement ST strategies rely on their strengths to counteract external challenges. For example, a company with strong brand recognition may use its reputation to maintain customer loyalty in the face of increasing competition. ST strategies emphasize resilience and stability in uncertain environments.

WT strategies represent defensive strategies aimed at minimizing internal weaknesses and avoiding external threats. These strategies are typically used when organizations face significant challenges and must adopt cautious approaches to survive. WT strategies may involve cost reduction, restructuring, or other defensive measures designed to protect the organization from potential losses. Although WT strategies are often associated with difficult conditions, they play an important role in maintaining organizational stability during periods of uncertainty.

The findings indicate that the SWOT matrix helps management develop and evaluate various strategic options before selecting the most appropriate course of action. By organizing strategic alternatives into a structured framework, the matrix enables decision-makers to compare

different strategies and assess their potential impact. This structured approach enhances the quality of strategic planning and reduces the likelihood of poor decision-making. As a result, the SWOT matrix serves as an essential tool for translating analysis into action.

The Role of SWOT Analysis and the Strategy Matrix in Strategic Decision-Making

The findings of this literature study indicate that SWOT analysis and the SWOT matrix play significant roles in the strategic decision-making process within organizations. SWOT analysis is primarily used to identify and evaluate internal and external conditions, while the SWOT matrix is used to transform analytical findings into strategic alternatives. Together, these tools form an integrated framework that supports systematic decision-making.

SWOT analysis represents the initial stage of the strategic decision-making process. During this stage, organizations gather and analyze information about their internal and external environments. This analysis provides a comprehensive understanding of organizational conditions and helps decision-makers identify key strategic issues. Without this analytical stage, strategic decisions may be based on incomplete or inaccurate information.

The SWOT matrix represents the next stage in the decision-making process. At this stage, the results of SWOT analysis are used to formulate strategic alternatives. The matrix provides a structured framework that helps decision-makers evaluate different strategic options and select the most appropriate strategy. This process ensures that strategic decisions are based on systematic analysis rather than intuition or assumptions.

The integration of SWOT analysis and the SWOT matrix creates a logical sequence that connects situational analysis with strategic decision-making. This sequence ensures that strategic decisions are aligned with organizational conditions and environmental challenges. By linking analysis and decision-making, SWOT analysis and the SWOT matrix enhance the effectiveness of strategic management.

Furthermore, the findings suggest that SWOT analysis and the SWOT matrix function not only as analytical tools but also as conceptual frameworks that support strategic thinking. These tools encourage decision-makers to consider multiple perspectives and evaluate various strategic alternatives before making decisions. This analytical approach improves the quality of strategic decisions and increases the likelihood of achieving organizational objectives.

Overall, the findings of this study demonstrate that SWOT analysis and the SWOT matrix play essential roles in supporting strategic decision-making. SWOT analysis provides the analytical foundation for understanding organizational conditions, while the SWOT matrix provides a structured approach for formulating strategic alternatives. Together, these tools create a comprehensive framework that supports effective and systematic strategic decision-making.

These findings can be clearly seen in the following table.

Tabel 1 The Role of SWOT Analysis and SWOT Matrix in Strategic Decision-Making

Component	Element	Function	Result
SWOT Analysis	Strengths	Identify internal advantages	Support growth
SWOT Analysis	Weaknesses	Identify internal limitations	Improve performance
SWOT Analysis	Opportunities	Identify external chances	Enable expansion
SWOT Analysis	Threats	Identify external risks	Reduce risk
SWOT Matrix	SO	Use strengths to seize opportunities	Growth strategy
SWOT Matrix	WO	Fix weaknesses using opportunities	Improvement strategy
SWOT Matrix	ST	Use strengths to face threats	Stability strategy
SWOT Matrix	WT	Reduce weaknesses and avoid threats	Defensive strategy
Decision-Making	SWOT + Matrix	Support strategic decisions	Better decisions

The table shows that SWOT analysis and the SWOT matrix have interconnected roles in supporting corporate strategic decision-making. SWOT analysis functions to identify internal factors, namely strengths and weaknesses, as well as external factors, namely opportunities and threats, allowing companies to understand their overall organizational condition. The SWOT matrix then transforms these findings into four alternative strategies: SO, WO, ST, and WT, which can be selected according to the company's situation. Thus, the systematic use of SWOT analysis and the SWOT matrix helps management formulate more appropriate strategies, reduces the risk of poor decisions, and improves the effectiveness of strategic decision-making in a dynamic business environment.

Discussion

The results of this library research indicate that SWOT analysis plays a significant role in supporting corporate strategic decision-making processes. The findings reinforce the idea that strategic decision-making cannot be separated from a comprehensive understanding of both internal and external organizational conditions. Companies operating in competitive and dynamic environments require analytical tools that enable managers to systematically evaluate their current position before determining strategic actions. SWOT analysis provides a structured framework that allows organizations to identify internal strengths and weaknesses while simultaneously recognizing external opportunities and threats. Through this process, management can better understand the organization's capabilities and limitations as well as the dynamics of the business environment in which the organization operates (Benzaghta et al., 2021).

Strategic decision-making requires rational analysis based on relevant and accurate information. In this context, SWOT analysis serves as an important instrument for organizing complex information into a manageable framework. By mapping internal and external factors, SWOT analysis enables decision makers to evaluate the alignment between organizational resources and environmental conditions. This supports the view that effective strategic decisions must be based on systematic and information-based analysis rather than intuition alone (Vlados, 2019). In practice, companies that utilize SWOT analysis are better positioned to anticipate environmental changes and respond to competitive pressures in a timely and effective manner.

The findings of this study also highlight the importance of understanding internal organizational conditions as a foundation for strategic planning. Internal analysis focuses on identifying strengths and weaknesses related to organizational resources, capabilities, and operational performance. Strengths represent organizational advantages that can be leveraged to achieve strategic objectives, while weaknesses indicate limitations that may hinder organizational performance. Identifying these factors allows managers to develop strategies that maximize strengths while minimizing weaknesses. According to Gürel and Tat (2017), SWOT analysis provides a clear framework for evaluating internal organizational factors and their influence on strategic choices. This internal evaluation is essential because it ensures that strategic decisions are realistic and aligned with the organization's actual capabilities.

In addition to internal analysis, SWOT analysis also emphasizes the importance of examining external environmental factors. Opportunities and threats originate from external conditions such as market trends, technological developments, competition, and regulatory changes. Organizations that fail to consider these external factors risk making decisions that are inconsistent with environmental realities. By identifying opportunities, companies can develop strategies that capitalize on favorable conditions, while recognizing threats allows organizations to anticipate potential risks and develop preventive measures. Research by Phadermrod et al. (2019) suggests that SWOT analysis enhances strategic planning by integrating environmental analysis into the decision-making process. This integration is particularly important in today's rapidly changing business environment, where organizations must continuously adapt to remain competitive.

Furthermore, the results of this study indicate that the SWOT matrix functions as an integrative tool that bridges the gap between situational analysis and strategic decision formulation. While SWOT analysis focuses on identifying internal and external factors, the SWOT matrix provides a structured approach for translating these factors into strategic alternatives. The matrix categorizes strategies into four main types: Strengths Opportunities (SO), Weaknesses Opportunities (WO), Strengths Threats (ST), and Weaknesses Threats (WT). Each category represents a different strategic orientation that organizations can adopt depending on their internal and external conditions. By organizing strategic options into these categories, the SWOT matrix enables managers to systematically evaluate alternative strategies before making final decisions (Vlados, 2019).

The SO strategy focuses on leveraging organizational strengths to capitalize on external opportunities. This approach is often considered the most desirable because it allows organizations to pursue growth and expansion while utilizing their competitive advantages. The WO strategy, on the other hand, aims to overcome internal weaknesses by taking advantage of external opportunities. This strategy emphasizes organizational improvement and capacity development as a means of achieving strategic goals. The ST strategy involves using organizational strengths to mitigate external threats, while the WT strategy focuses on minimizing both weaknesses and threats in order to reduce organizational risks. According to Benzaghta et al. (2021), the SWOT matrix provides a practical framework for aligning internal capabilities with external conditions, thereby supporting more effective strategic decision-making.

The findings of this study are consistent with the broader framework of strategic management, which emphasizes the importance of systematic processes in achieving organizational objectives. Strategic management typically involves three main stages: strategy formulation, strategy implementation, and strategy evaluation. SWOT analysis plays a particularly important role in the formulation stage, where organizations identify strategic issues and develop appropriate responses. By providing a comprehensive overview of internal and external conditions, SWOT analysis supports the development of strategies that are both realistic and relevant to the organizational context (Perera, 2017). This systematic approach ensures that strategic decisions are not made in isolation but are instead based on a thorough understanding of organizational conditions.

In addition, the results of this research support previous studies that emphasize the importance of SWOT analysis in organizational strategy formulation. Recent research has shown that SWOT analysis helps organizations develop more focused and effective strategies by aligning internal capabilities with external opportunities. For example, Permatasari and Yuhertiana (2024) found that SWOT analysis assists organizations in formulating strategies that are more targeted and responsive to environmental conditions. Their study demonstrated that organizations using SWOT analysis were better able to identify strategic priorities and allocate resources effectively. Similarly, Zainuri and Setiadi (2023) concluded that SWOT analysis remains one of the most widely used strategic tools in managerial practice due to its simplicity and effectiveness in organizing complex information.

Another study by Jannah et al. (2024) emphasized the role of SWOT analysis in adaptive business planning. Their findings indicated that organizations using SWOT analysis were better able to respond to environmental changes and maintain competitiveness. This adaptability is particularly important in dynamic business environments characterized by rapid technological advancements and shifting market demands. By continuously updating SWOT analyses, organizations can ensure that their strategies remain relevant and aligned with current conditions. This ongoing process of analysis and adaptation is essential for long-term organizational success (Helms & Nixon, 2017).

Moreover, SWOT analysis contributes to improved communication and collaboration within organizations. By providing a clear and structured framework, SWOT analysis facilitates discussions among managers and stakeholders regarding strategic priorities and organizational

challenges. This collaborative process helps ensure that strategic decisions are supported by multiple perspectives and are aligned with organizational goals. According to Teoli et al. (2019), SWOT analysis encourages participatory decision-making by involving stakeholders in the identification and evaluation of strategic factors. This inclusive approach enhances the quality of strategic decisions and increases organizational commitment to strategy implementation.

Despite its many advantages, SWOT analysis also has certain limitations that must be considered. One common criticism is that SWOT analysis may oversimplify complex organizational and environmental conditions. By categorizing factors into four broad categories, SWOT analysis may fail to capture the full complexity of strategic issues. Additionally, the quality of SWOT analysis depends heavily on the accuracy and completeness of the information used. Inaccurate or incomplete data can lead to misleading conclusions and ineffective strategies. Therefore, organizations must ensure that SWOT analyses are based on reliable and up-to-date information (Benzaghta et al., 2021).

Another limitation is that SWOT analysis does not provide specific guidance on strategy implementation. While the SWOT matrix helps identify strategic alternatives, it does not specify how these strategies should be executed in operational terms. As a result, SWOT analysis should be used in conjunction with other strategic management tools and frameworks. Combining SWOT analysis with tools such as the Balanced Scorecard or strategic performance measurement systems can enhance its effectiveness and ensure that strategies are successfully implemented (Perera, 2017). The Balanced Scorecard, for example, translates strategic objectives into measurable indicators across financial and non-financial perspectives, enabling organizations to align long-term strategies with day-to-day activities and performance targets. Empirical studies show that integrating SWOT with the Balanced Scorecard improves strategic alignment and organizational performance by linking environmental analysis with measurable outcomes and implementation processes (Rafiq et al., 2020; Sutrisna & Rofiqoh, 2024).

Furthermore, recent studies emphasize that SWOT analysis is most effective when embedded within a broader strategic management system. Without integration into performance measurement and monitoring frameworks, SWOT results often remain conceptual and are not translated into concrete actions. The use of complementary tools helps organizations prioritize strategic initiatives, allocate resources effectively, and monitor progress over time. This integrated approach enables organizations to move systematically from strategic analysis to execution and evaluation, thereby reducing the gap between planning and implementation (Utami et al., 2023). Overall, the findings of this study demonstrate that SWOT analysis and strategic matrices make important contributions to the strategic management framework. SWOT analysis provides a comprehensive method for evaluating internal and external factors, while the SWOT matrix translates this analysis into actionable strategic alternatives. Together, these tools support more systematic and informed strategic decision-making processes. The study also confirms that the use of SWOT analysis enhances organizational understanding of strategic conditions and improves the quality of strategic decisions.

In conclusion, this discussion highlights the significant role of SWOT analysis in corporate strategic decision-making. The findings emphasize that strategic decisions must be based on a thorough understanding of internal capabilities and external environmental conditions. SWOT analysis provides a structured framework for achieving this understanding, while the SWOT matrix facilitates the development and evaluation of strategic alternatives. The systematic use of SWOT analysis can improve the quality of strategic decision-making and help organizations navigate competitive and dynamic business environments. Therefore, SWOT analysis remains a valuable tool for managers seeking to develop effective and adaptive organizational strategies.

CONCLUSION

Based on the results of the literature review and the discussion that has been conducted, it can be concluded that SWOT analysis plays an important role in corporate strategic decision-

making. SWOT analysis functions as a systematic analytical framework for identifying and evaluating internal factors in the form of strengths and weaknesses, as well as external factors in the form of opportunities and threats that influence the determination of corporate strategies. In addition, the SWOT matrix serves as an integrative tool that processes the results of the analysis into structured strategic alternatives through SO, WO, ST, and WT strategies. Thus, SWOT analysis and the strategy matrix function not only as tools for mapping strategies but also as analytical thinking frameworks that support rational and systematic strategic decision-making. The consistent application of SWOT analysis is expected to improve the quality of corporate strategic decisions in responding to the dynamics of a competitive business environment.

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