

GAP ANALYSIS

Now that you have developed a clear and specific idea as to where you want to take your organization over the next 3-5 years - the next assignment is to step back and take a very close look at exactly where you are today via a performance audit. The difference between where you want to go – *your vision* – and where you are at this moment in time is called the “Gap.”

A Gap Analysis refers to an in-depth audit of data - past /present / future - that provides a base for pursuing the strategic planning process. Typical activities covered in this analysis include the current performance appraisal, situation audit, SWOT analysis, competitive analysis, the market/business audit, or the planning premises. These processes are designed to give the company a realistic and thorough overview of the starting place for the strategic plan.

The major objective of the gap analysis is to identify and analyze the key trends and phenomena having a potential impact on the formulation and implementation of strategies for achieving your vision. This is a critical planning step for two reasons:

First, there are changes in the environment of a business that will have a profound impact on the affairs of the enterprise. Best results will be achieved if these forces are identified *before* the impact is felt, in contrast to attempting to react to foreseeable market shifts.

Second, the results of conducting a gap analysis often lead to an enhanced understanding of current business processes - helping to identify and prioritize key areas of change.

