

# A framework for sustainable environmental analysis

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**Abstract.** This study aims to identify the determinants of key forces in the external and internal environment of event management to propose a sustainable environment analysis framework that will help organizers to improve the sustainability of the strategy formulation. The proposed framework incorporates sustainability practices, previous research on sustainable event management, existing strategies of sustainable strategic management, and the results from this study. This framework has adopted PEST Analysis (a framework used to analyse and monitor macro-environmental factors that may have a profound impact on an organization's performance) in external environment analysis and McKinsey 7s Framework in internal environment analysis to identify sustainable-related determinants of key forces to propose common sustainable practices to get common acceptance for sustainability. The identified determinants were applied in the proposed framework to guide event organizer when identifying key forces of external and internal environment which can influence to achieve sustainability in the event. On top of this, SWOT Analysis (a strategic planning technique used to help an organization to identify strengths, weaknesses, opportunities, and threat related to business competition) was adopted to help event organizers to identify the opportunities and threats in the external environment and understand the strengths and weakness of the organization to formulate effective sustainable strategies and move their events toward sustainability.

## 1. Introduction

The successful sustainable events of the future will be those committed to sustainable development, delivering better social, environmental and economic value simultaneously. However, in this fast-developing area, it is not always easy for the event organizer to know what action they should take. A key issue for the event organizer that wants to respond to the challenge posed by sustainable development is how to take effective actions. To organize a sustainable event, it is needed to better understand the current development of sustainability in the industry and help in the planning of strategy to achieve their sustainability objectives.

However, based on the literature review in this study, there are several limitations has been identified. Firstly, literature that concerns sustainable practices points to an inconsistency between the objectives and outcomes for sustainability initiatives. Some organizations did not realize that they are consuming more resources that can be absorbed by natural environment cycles because they only committed to ethical practices and focus on the issue of the company's choice. Furthermore, sustainability initiatives mostly are focus on environmental aspects when an organization considering sustainability practices.

Additionally, literature shows a gap in the events literature missing a sustainability perspective even though the development of sustainability through events is only a potential outcome if the event is well managed. This means that while event organizers can have the best intentions to produce events that have positive impacts and outcomes, there is no certainty that their objectives will be realized.



Furthermore, based on the reviewed literature, only a few strategies were proposed in academic literature and mostly were from organizations. This shows that there is slim literature connecting event strategic management to sustainability.

As a conclusion, events always entail uncertainty and a variety of risks, while flexibility and adaptability are necessary for response to changing environmental forces, a framework is needed to assess and minimize risks. Any change in key environmental factors will affect the event and its management, while events impacts on the community, economy, and environment are equally important [1]. In other words, to achieve sustainability in the event, a framework to examine the external and internal environment of event management organizations is needed. The prime purpose of analysing external environment is to identify opportunities and threats in the industry, and the essential purpose of the internal analysis is to identify strengths and weaknesses of the current capabilities and resources of an organization in pursuing its vision, mission, and goals. Such a framework will help event organizers to ensure the decisions are carefully made and fully implemented.

## 2. Method

The research design was guided by qualitative methodology with an exploratory focus. Documents analysis and the structured interview were used to analyse and understand the external environment of the event industry and internal environment of event organizers in Taiwan, as no previous studies on these areas were available.

Firstly, to analyse the external environment of Taiwan from the perspective of sustainable development, content analysis with the deductive approach will be used. [2] note a deductive approach is based on an earlier theory or model and therefore it moves from the general to the specific. Deductive content analysis is used when the structure of the analysis is operationalized based on previous knowledge and the purpose of the study is theory testing. In this stage, the PEST analysis model was employed since the elements which concluded from reviewed literature are political, economic, social and technological and it is similar to the elements in the PEST analysis model as well as it able to analyse the external environment in different aspects and provide the complete picture of the current development of sustainability in the industry.

Secondly, to understand the internal environment of event organizers in Taiwan, this study has selected Taiwan Orchid Growers Association (TOGA) as a case study. The data from the interview was classified to identify the determinants of key forces in influencing the sustainability of the internal environment of an event organizer. In this stage, the TOGA was selected as the case study in this research since they have eleven years of experience in organizing the Taiwan International Orchid Show (TIOS). To analyse the data, Mckinsey 7s Framework was employed in this stage to guide the researcher compiled the answers from the interviewer and analyse in the aspects of strategy, structure, systems, styles, staff, skills and shared values. Mckinsey 7s Framework was selected to guide the identification of determinants of key forces in the internal environment because of it can analyse the existing capabilities and resources in the organization to understand whether the new strategies can be fully implemented in the organization [3].

## 3. Results and Discussion

This study aims to identify the determinants of key forces in the external and internal environment of event management to propose a sustainable environment analysis framework that will help organizers to improve the sustainability of the strategy formulation. To improve sustainable strategic management, a framework for environment analysis was proposed from the determinants of key forces of external (Table 1) and the internal environment (Table 2). The proposed framework incorporates sustainability practices, previous research on sustainable event management, existing strategies of sustainable strategic management, and the results from this study.

**Table 1.** Determinants of Key Forces in Influencing the Sustainability of External Environment

<b>Aspects</b>	<b>Determinants of Key Forces</b>
Political	<ul style="list-style-type: none"> <li>• Sustainable development vision</li> <li>• Sustainable development act</li> <li>• Sustainable development policy</li> <li>• Sustainable development action plan</li> <li>• Sustainable development strategy</li> <li>• Sustainable development regulation</li> <li>• Sustainable development mechanism</li> <li>• Sustainable development guideline</li> <li>• Sustainable development system</li> <li>• Sustainable development framework</li> <li>• Sustainable development measures</li> <li>• Sustainable development standard</li> <li>• Subsidies for sustainable development</li> <li>• Local and county government agencies</li> </ul>
Economic	<ul style="list-style-type: none"> <li>• Green management</li> <li>• Eco-tourism</li> <li>• Green product</li> <li>• Green technology</li> <li>• Green production</li> <li>• Employees welfare</li> <li>• Green consumption</li> <li>• Green building</li> <li>• Industries development</li> </ul>
Social	<ul style="list-style-type: none"> <li>• Sustainable development education</li> <li>• Public awareness</li> <li>• Quality of living environment</li> <li>• Sustainable Practices</li> <li>• Sustainable Transportation</li> <li>• Public Health</li> <li>• Social Welfare</li> <li>• Culture and heritage</li> <li>• Natural Resources</li> <li>• Public wealth</li> </ul>
Technological	<ul style="list-style-type: none"> <li>• Sustainable development research and development</li> <li>• Sustainable development information platform</li> <li>• Knowledge sharing and experience exchange</li> </ul>

**Table 2.** Determinants of Key Forces in Influencing the Sustainability of Internal Environment

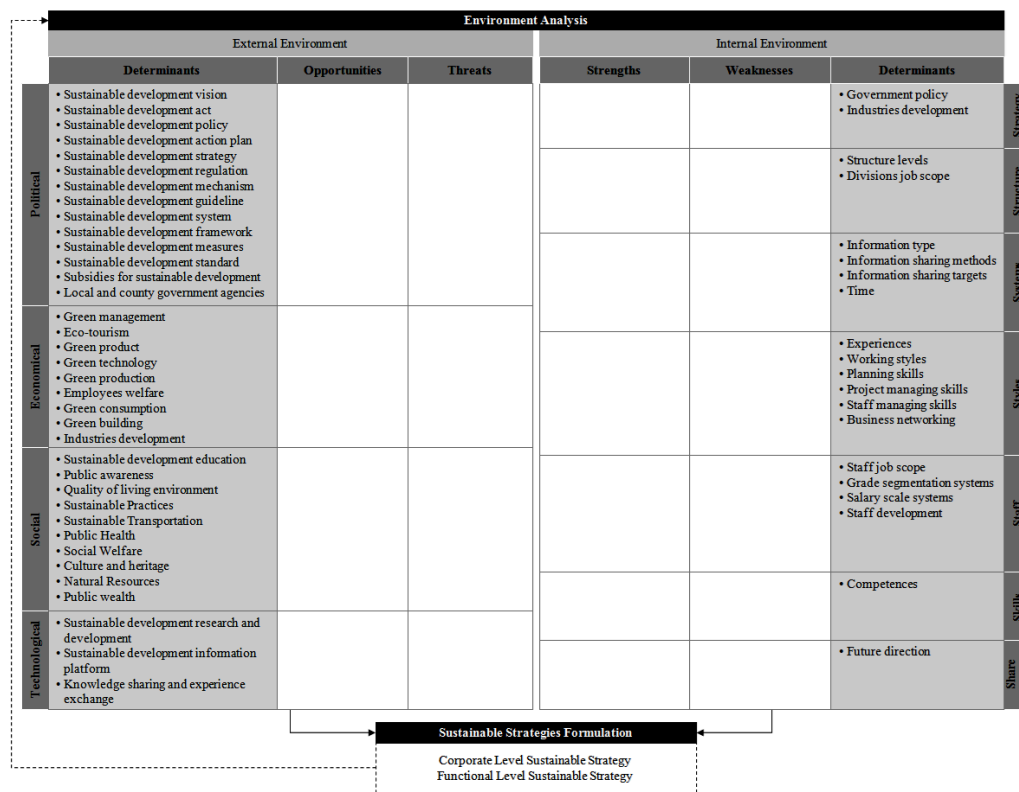
<b>Elements</b>	<b>Determinants of Key Forces</b>
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Strategy	<ul style="list-style-type: none"> <li>• Government policy</li> <li>• Industries development</li> </ul>
Structure	<ul style="list-style-type: none"> <li>• Structure levels</li> <li>• Divisions job scope</li> </ul>
Systems	<ul style="list-style-type: none"> <li>• Information type</li> <li>• Information sharing methods</li> <li>• Information sharing targets</li> <li>• Time</li> </ul>
Styles	<ul style="list-style-type: none"> <li>• Experiences</li> <li>• Working styles</li> <li>• Planning skills</li> <li>• Project managing skills</li> <li>• Staff managing skills</li> <li>• Business networking</li> </ul>
Staff	<ul style="list-style-type: none"> <li>• Staff job scope</li> <li>• Grade segmentation systems</li> <li>• Salary scale systems</li> <li>• Staff development</li> </ul>
Skills	<ul style="list-style-type: none"> <li>• Competences</li> </ul>
Shared Values	<ul style="list-style-type: none"> <li>• Future Direction</li> </ul>

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The sustainable environment analysis framework (Fig.1) has used recognized international frameworks as a benchmark. This framework has adopted PEST Analysis in external environment analysis and McKinsey 7s Framework in internal environment analysis to identify sustainable-related determinants of key forces to propose common sustainable practices to get common acceptance for sustainability. The identified determinants were applied in the proposed framework to guide event organizer when identifying key forces of external and internal environment which can influence to achieve sustainability in the event. On top of this, SWOT Analysis was adopted to help event organizers to identify the opportunities and threats in the external environment and understand the strengths and weakness of the organization to formulate effective sustainable strategies and move their events toward sustainability.



**Figure 1.** Framework for Sustainable Environmental Analysis.

The sustainable environmental analysis framework proposed in this study able to guide the event organizer with the systematic way in strategies formulation with five simple steps. This framework also provides long-term perspectives for event organizers to revise selected strategies by returns to the previous stage and begins the environmental analysis again. Fig. 2 provides a framework that describes the process of analysing the external and internal environment of event organizers to formulate sustainable strategies.

**Step 1: Identify Relevant Sustainability Information**

The first step of environment analysis is to identify relevant sources which able to provide information on sustainability-related to the industry.

**Step 2: Data Search & Collection**

The environmental analysis involved the external and internal environment. In this step, event organizers must analyse the selected information to identify key factors that influence the sustainability of strategy formulation. As stated in Figure 1, the external environment has divided into 4 aspects: political, economic, social and technological; and internal environment had divided into 7 aspects: strategy, structure, systems, styles, staff, skills and shared values. The selected information can be analysed based on these aspects to identify relevant key forces that can influence the external and internal environment.

**Step 3: Selection & Filtering**

In this step, the selection and filtering process on the data from the previous step is guided by the determinants of key forces proposed in the earlier stage of this study. These determinants are used to filter the overwhelming data into relevant key forces to provide better visualization of the whole picture of the external and internal environment related to sustainability.

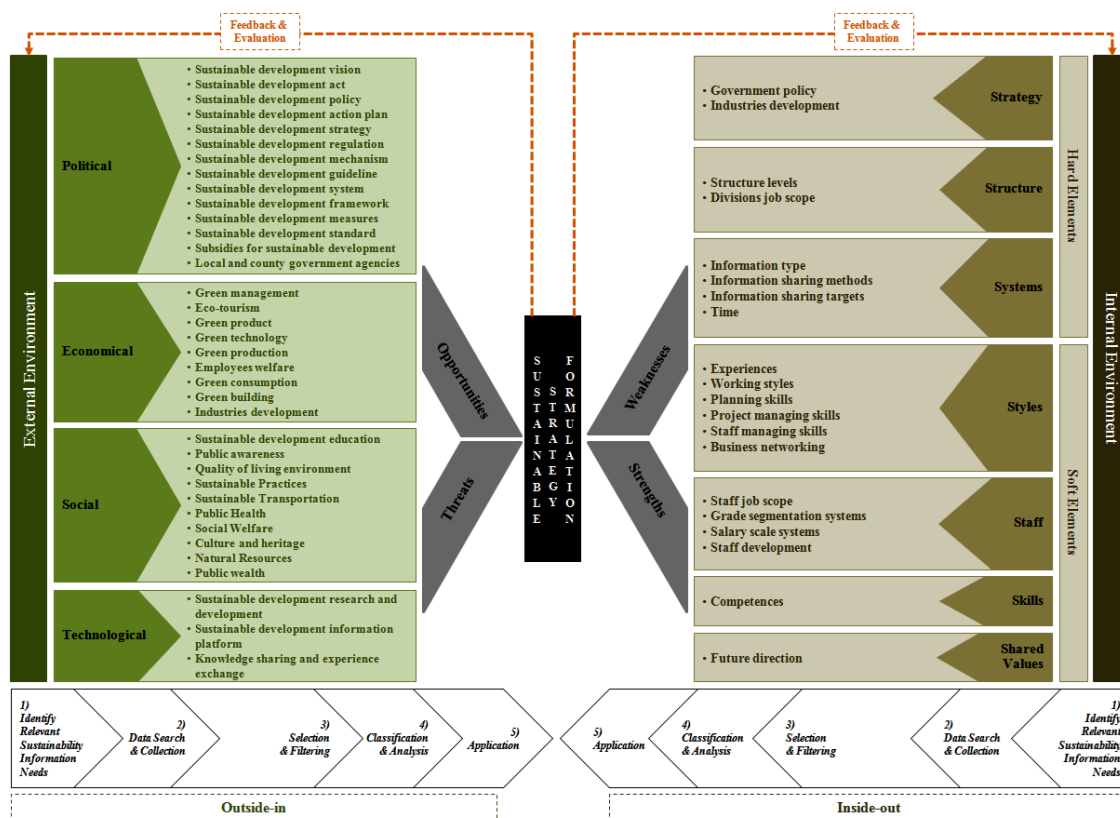
**Step 4: Classification & Analysis**

Once key forces had been identified, event organizers must classify these key forces into the category of opportunities, threats, strengths, and weaknesses. Similar to SWOT analysis, key forces in the external environment will be classified into opportunities and threats, as well as key factors in the internal environment, will be classified into strengths and weaknesses.

**Step 5: Application**

Event organizers could formulate sustainable strategies based on the analysis from this sustainable environment analysis framework. After the choice is made, event organizers have to monitor and evaluate the strategy whether it is the right choice. This framework allows the event organizer to revise the strategy by returns to the previous stages and begins again.

To formulate sustainable strategies with the findings from the sustainable environment analysis framework, the TOWS Matrix was employed to match the external environment opportunities and threats with the event organizer's strengths and weaknesses. TOWS Matrix is a tool which is used to generate, compare and select strategies. This matrix will help event organizers to identify the relationships between these key forces systematically and basing strategies on them.



**Figure 2.** Model for Sustainable Environmental Analysis Framework.

According to [4], before people can solve a problem, they need to recognize that it exists and they need to label it. Next, they need to generate a list of possible solutions and select one. After the choice is made, it is monitored and evaluated. This framework helps event organizers to identify existing opportunities and threats in the external environment and strengths and weakness of event organizers in achieving sustainability in event management. To formulate a sustainable strategy, event organizers need to understand the key forces that influencing their decision-making in strategy formulation. Next, the event organizer needs to generate a list of key forces and select the most priority now. After the choice is made, event organizers must monitor and evaluate the strategy whether it is the right choice.



This framework allows the event organizer to revise the strategy by returns to the previous stages and begins again.

#### 4. Conclusion

As a conclusion, with the complete picture visualization of the external and internal environment of the event industry in Taiwan, event organizers in Taiwan able to analyse the external and internal environment of the event industry to formulate strategies with a sustainability approach. The proposed framework allowed event organizers to identify current opportunities and threats in the external environment and better understand their strengths and weaknesses in an internal environment when formulating sustainable strategies.

This framework able to provide guidelines to event organizers as well as the complete and details picture of environment analysis through five steps: 1) identify relevant sustainability information needs; 2) data search and collection; 3) selection and filtering; 4) classification and analysis; and, 5) application. The analysis of the external environment from the aspects of political, economic, social and technological with the determinants of key forces proposed in this study able to helps event organizers to understand the whole picture of the current state of the event industry. Besides, the analysis of the internal environment from the aspect of strategy, structure, systems, styles, staff, skills and shared values with the proposed determinants of key forces will show the capability of event organizers and current status of their resources in moving their events toward sustainability.

By making sense of the data, this study has proposed a framework for environment analysis. This framework able to help local specialty industry event organizers in Taiwan effectively understand the picture of the current state of the event industry and mitigate the negative impacts of festivals while cultivating positive ones. This study provides a framework describing how the process of analysing the external and internal environment of event organizers to formulate sustainable strategies. The framework will help event organizers to identify existing opportunities and threats in the external environment and strengths and weaknesses of event organizers in achieving sustainability in event management with determinants that propose in this study. Event organizers can extract the main implications for decision making and strategy formulation towards sustainability. The nature link between environment analysis and sustainability had provided a better understanding of how the information on existing and future trends in the event industry environment supports strategy formulation and decision making.

#### 5. References

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