

Different Perspectives on the Same Environment – A Study of the Environmental Scanning at Stockholm Public Library and the Bookstore Akademibokhandeln

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Abstract

This article is based on a master thesis exploring how a bookstore chain and a public library meet the needs of their customers through environmental scanning in Spring 2007. The empirical material is derived from semi-structured interviews, and the theoretical framework is based on different models used in the process of environmental scanning. The results indicate that the library perceives the environment as society as a whole and all its members as their users, whereas the bookstore concentrates on the sectors of the environment that affect their selling. The consequences of this are that the library is more active in the environment and uses surveys as a basic source for information while the bookstore is more passive and relies on statistics.

Keywords: *Environmental Scanning, Business Intelligence, Competitive Intelligence, Library, Bookstore*

Introduction

The modern society is often called the information society or knowledge based society. Information is the organization's strategic resource and the environment outside the organization is a larger arena in which people, objects and organizations create a "constant cascade of signals and messages" (Choo 2002, p. xiii). The importance of gathering information in order to be prepared for rapid changes in the environment

affecting the organization can't be underestimated. For instance, the English Post Office once tried so hard to keep up to date with the technological development that they modernized their system to the degree that they actually made it worse. Instead of conducting proper environmental scanning, they left that to external scanning professionals who weren't aware of the particular needs of the Post Office. In the end, this modernization didn't correspond with the requests and needs of the customers and the whole project misfired leaving the Post Office behind its competitors (Fuller-Love & Cooper 2000, p. 218-222). Changes, events and trends in the environment continually create signals and messages that must be recognized by the organization (Choo 2002, p. 3). In order to pick up these signals and make use of the information, the organizations need to conduct efficient environmental scanning, a process that aims to gather information through systematic surveillance of the factors in the surrounding world that affects the organization. These factors could be society as a whole, the national economy, technology, customers, competitors and politics. The aim is to spot trends and events that could have an impact on the organization (Corrall 2001, pp. 26-29). This article aims to explore the environmental scanning of two different organizations in Sweden, the Stockholm Public Library and the bookstore Akademibokhandeln. According to Wright & Calof there is a need of deeper case studies in order to gain knowledge about the scanning processes within organizations (Wright & Calof 2006, s. 454) and so this is an attempt to start to gain knowledge.

The method and material

The method used is a case study. The purpose of a case study is not to find the "truth" or the "correct" interpretation of facts but to eliminate incorrect conclusions and find the best and most convincing interpretation (Merriam 1994, pp. 43-44). The reason for choosing this method is that the aim of this article is to focus on the scanning processes of the organizations and find out why and how they have arrived at certain decisions and actions based on information from the surrounding world. To do this, it is necessary to talk to the people that conduct the scanning and try to determine their perspectives and views of the environment, and on a larger scale, determine how they perceive the surrounding world. According to Wilson, the research on information needs and users has until recently concentrated on systems rather than individuals (Wilson 1994, p. 26). Using this method, this article will hopefully be a part of changing that trend. Qualitative research

considers the social reality to be something that changes through the creative and constructing abilities of different individuals (Bryman 2002, p. 35). According to this view, there are many different realities. The world is subjective and needs to be interpreted rather than measured (Merriam 1994, pp. 30-31). The library and the bookstore are two different kinds of organizations with different goals and visions, but they are in many ways scanning the same environment. They both aim to satisfy the needs of the citizens of Stockholm concerning literature and cultural events, but for different purposes. The library is an organization owned by the municipality, and in that sense owned by the citizens, therefore it is expected to provide the citizens with literature, knowledge and information. The bookstore on the other hand is a private company that needs to sell and make money in order to survive and flourish, and so they also provide people with literature, knowledge and information. Both organizations are trying to reach people, find out what they want to read and why and how they can be of service, but they do it for different reasons and with different purposes. So in what way does this difference affect the organizations' environmental scanning and their views and perspectives of the environment that needs to be scanned? How is the environment perceived and how are the customers and users identified? What sources and methods are used to find out the needs of the citizens?

The research was conducted primarily from January to July 2007 and the results of the interviews and the analysis can only show the state of things as they were at that time. The empirical material is derived from six semi-structured interviews with six informants, three from each organization, conducted during spring 2007. Among the informants were people in high positions who can be expected to have insights into the organization's internal culture and rules, and also employees in positions where environmental scanning is a part of the daily work. The selection of informants was determined through discussions with the organizations in order to find the employees most suited to answer the questions. The interviews took place in the informants' offices or nearby locations such as conference rooms or, in one case, a cafeteria. When discussing the method it is important to remember that the two organizations are very different in size and structure. The three informants from the bookstore worked quite closely with each other while the informants from the library worked in different parts of the organization and didn't necessarily have any contact with each other in their daily work. The interviews lasted between 20 and 40 minutes and were recorded on tape. The internal material used consisted first and foremost of the websites of the organizations.

Theoretical framework

The theoretical framework is compiled from different researchers' work on environmental scanning and the models and tools they present as the most efficient. Environmental scanning is a process in which an organization collects information about the outside world, the environment in which it exists, in order to identify changes, trends, threats and possibilities, which concern the organization. The aim of this process is to analyze all the external factors that can affect the organization's performance (Choo 2002, p. 84). These factors include for example competitors, customers, products and services, economic development, rules and regulations, and politics. The environmental scanning can be divided into smaller parts that concentrate on one or a few of these factors. For instance, competitor intelligence covers the organization's competitors and their actions. Per Frankelius describes an organization's relationship to the surrounding environment as a person standing inside a cave. The cave is the person's experience and understanding of the environment, and he or she can therefore never exit the cave. Instead the person watches the environment through holes in the cave wall and tries to make sense of the outside world. The point Frankelius is trying to make is that the person needs to drill more and bigger holes in the cave wall in order to see more of the environment and thereby understand it better. Otherwise, the cave might severely limit the person's ability to scan the environment (Frankelius 2001, p. 19). According to Sven Hamrefors, all environmental scanning is based on the human and the human's way of thinking. Just like a human, an organization's environmental scanning is based on traditional ways of thinking and previous experiences. Both people and organizations have a tendency to seek information that supports existing theories or views of something. As a result, the environmental scanning can create a false sense of security since it confirms the organization's traditional view of the outside world (Hamrefors 2002, pp. 16-17). In other words, in order to successfully scan the environment, you have to be prepared to constantly question you're own experiences and views of it and not be afraid to change the way you interpret it.

The process of scanning the environment can be narrowed down to four steps:

- Identifying the information needs
- Collecting the information
- Analyzing the information
- Distributing the information

This environmental scanning cycle, as Hedin & Sandström call it, can be found in different forms with a various number of steps, but these four steps are always there, and they serve as the basic environmental scanning model to which the environmental scanning of Stockholm Public Library and Akademibokhandeln are compared. The first step, identifying the information needs, demands that the organization asks itself what it needs to know, why it needs to know it and what it already knows (Choo 2002, pp. 26-28). A careful analysis of the information needs is of vital importance, otherwise the organization will drown in information and won't be able to focus on what is essential to know. There are different methods that can be used to identify the information needs. Some of the most common are surveys, benchmarking, SWOT analysis and PEST analysis. The second step is to collect the information. This can be done through numerous sources, and experienced people within the organization must choose the sources. Choo divides sources into three categories: human, textual and online databases. Human sources could include customers, suppliers, competitors or other organizations. Textual sources are books, newspapers, magazines, official documents etc. The third step is to analyze the collected information. This involves a creative process where the information is turned into intelligence. With the aid of the collected information, the organization tries to spot trends and changes that could affect it and thereby turns the information into knowledge or intelligence (Hedin & Sandström 2006, pp. 85-88). The fourth and final step is to distribute the intelligence. This means to increase the sharing of information and make sure it reaches the people that are going to use it (Choo 2002, pp. 25).

Another part of the theoretical framework is the Scanning-Interpretation model, as presented by Choo. This model suggests that organizations' interpretations of their environment may differ based upon whether the organization believes that the external environment is analyzable. An organization that believes that the environment is analyzable tries to find the "correct" interpretation of it through systematic interpretation of collected information. An organization that believes that the environment is unanalyzable creates what it believes to be a reasonable interpretation of it. An organization can also be active or passive in its seeking of information (Choo 2002, pp. 94-95). Based on these different dimensions the model presents four different modes of scanning-interpretation:

Undirected viewing – The organization perceives the environment as unanalyzable and so does not intrude on the environment to understand it. The environmental scanning is passive and information seeking is opportunistic, based on irregular contacts and casual information from external, personal sources.

Conditioned viewing – The organization perceives the environment as but is passive about gathering information. The information needs are based on traditional assumptions and limits held by the organization and the sources used are often internal and textual.

Enacting – The organization perceives the environment as unanalyzable but is active in gathering information and tries to intrude on the environment in order to influence events and outcomes. The organization is testing the environment and tends to introduce new products or services to take advantage of opportunities.

Discovery – The organization perceives the environment as analyzable and actively intrudes on it to collect information in order to find the correct interpretation. Information seeking is based on active detection. A variety of sources are used and the information needs are for hard, formal data, typically from surveys and market research.

(Choo 2002, s. 95-97).

The results of the interviews

The interviews were based on questions that divide the results into two parts. The first concerns the organizations' view, or interpretation, of the environment and who they identify as their users or customers. The point was to establish the organizations' positions in the Scanning-interpretation model and see how, or if, they categorize their customers and users. The second part deals with the organizations' actual environmental scanning, the methods and models they used and which theoretical education or knowledge, if any, the environmental scanning was based on.

Stockholm Public Library

The users and the environment

The three informants from the library made it very clear that an important part of the organization's environment is the local government and the political factors. The library's budget is decided by the municipality, and every fourth year, at the general election, rules, regulations and economic conditions can suddenly change. One of the informants pointed out that a political decision can change the whole organization, and this makes it very difficult to say that it is more important to listen to the opinions of the common user. But obviously the users are another big part of the environment, and the goal is to satisfy everybody, that is, all the citizens of

the municipality. The informants stated that it is important to know what is happening in the society, to see which trends and events affects people and the society as a whole. This is also underlined in the strategic plan of the library where it is stated that the library needs to gather information about the surrounding world in order to develop the library's services towards the individual, the city and the society (Bibliotek i rörelse 2005, pp. 15). Apart from the political factors and the users, very few sectors of the environment were mentioned. Book publishers and technological factors, specifically the Internet, were considered to be important parts of the environment, but these were just mentioned briefly. Basically, the library perceives all the citizens of Stockholm as their users, but in order to be of service to everyone, it needs to categorize people and divide them into different groups. The four basic target groups, according to the informants, are children and adolescents, adults, immigrants, and students. Children and adolescents is a very important group from a political point of view since the local government believes that it is crucial that children come in contact with books and libraries from a very early age. But these groups have to be split up into even smaller parts if the library is to succeed in its efforts to find out what the public wants. Judging from the informants' answers, it seems that a target group is often based on the purpose of a certain survey or scanning project. It could be to find out what teenagers think of the library or why certain people do not come to the library at all. This way, the survey creates a possible target group that the library needs to focus on. According to the strategic plan, the library exists for the benefit of "all the citizens," but when you read the plan, it becomes clear that students, schools and pre-schools are especially important. The library considers itself to be a vital part of society and to have a responsibility to be a centre for education and personal development (Bibliotek i rörelse 2005, pp. 10-13). The informants also pointed out that the library's attitude towards the users has changed recently. Instead of telling people what to read, the library is more prone to give people what they want to read. One informant mentioned that 20 years ago he attended a meeting where it was stated that the library was not to buy comics since it was something the users shouldn't be exposed to. That attitude is gone today.

Scanning the environment

The basic sources used by the library in the environmental scanning are surveys and group interviews. A survey could be questionnaires with as many as 1000 replies. According to one of the informants, there is also a constant dialogue between the staff and the users in the daily work. This provides the library with information about the users' needs and requests.

To stay up to date with the trends and events in society and the world, the library uses mass media: newspapers, magazines, radio, TV and Internet. One of the informants also regarded informal conversations with colleagues as valuable sources of information. Another important source is the exchange of information with other libraries, both in Sweden and in other countries. The library uses benchmarking to gather information from libraries around the world and especially libraries in the Nordic countries. The staff at the marketing department of Stockholm public library is fully aware of the different methods and models used in environmental scanning. Certain analysis tools, such as SWOT, are used, but according to one of the informants these tools might not be used to its full potential: "There is a difference between learning about a method and actually use it". It could be said that the marketing department is using certain theoretical guidelines in its environmental scanning since the staff is partly recruited from the field of information science, but apart from that, most of the library's environmental scanning is up to the individual employee. It should be noted that since these interviews and the research for this thesis was conducted, the Stockholm public library has established an internal network for environmental scanning.

Akademibokhandeln

The customers and the environment

The bookstore Akademibokhandeln was more concerned about the factors that affect their sales when it comes to the environment. The publishers, the competitors and the customers were the three factors pointed out by the informants. The publishers are by far the most important factor since the bookstore is dependent on what they publish. As one informant said: "The bookstore can only sell what is published, and it is very unusual that we can affect the publishers". The informants from the bookstore also mentioned the society as a whole and its trends and events as important parts of the environment that need to be scanned. The political factors were not mentioned, instead the bookstore concentrates more on competitors and benchmarking. Just like the library, the bookstore perceives practically all the inhabitants of Stockholm as their customers but without the mission and the political obligation to do so. However, just like the library, the bookstore needs to divide the customers into different groups in order to conduct efficient environmental scanning. The bookstore has four main target groups: institutions and companies, people who buy books for business

purposes, the regular customers, and students. The bookstore also identifies smaller target groups but not through surveys. Instead it concentrates on popular books and trends in literature to identify target groups. Travel guides, cookbooks or children's books are very popular, and that creates target groups that the bookstore is trying to satisfy. The bookstore also conducts research in the areas where new stores are to be built in order to find out the demographics and preferences of the people living in that area. For instance, when a new Akademibokhandeln was opened in the southern part of Stockholm, the assortment was big on travel guides, design, photography, and children's books, all according to the needs and preferences of the inhabitants. There were traces of other reasons for putting certain literature on display revealed in the interviews. For instance, one informant said that children's books were important for other reasons than profit, namely that the bookstore believed that parents would want their children to come in contact with books and reading early in life, and therefore the bookstore makes an effort to supply them with that. But according to the company's policies, the bookstore is not supposed to decide what is good for people to read and what is not. The bookstore's mission is to supply people with the literature they need for entertainment and education (Akademibokhandeln 2007).

Scanning the environment

As mentioned above, the book publishers are the most important source for Akademibokhandeln, and so the contact with the publishers is crucial in order to keep up with what is happening in the world of literature. Swedish publishers are the most important, but the bookstore also keeps an eye on what is being published abroad, especially in USA and England. Just like the library, the bookstore used mass media to stay updated about trends and events in society. Newspapers, magazines, radio, TV, films and Internet were mentioned. It is important to identify what is popular at the moment and try to stock books on the subject. For instance, interior design, antiques or big events like the World Cup of Football can trigger selling and is therefore very important for the bookstore to observe. Apart from that, the most important sources are sales statistics, book fairs and contacts with customers. The bookstore doesn't conduct surveys, instead it tries to spot patterns in the selling statistics. Akademibokhandeln does not have a certain group or department for environmental scanning. Some of the informants were familiar with tools like SWOT, and it is also used regularly, but the bookstore doesn't organize its environmental scanning in any particular way or according to any theoretical models. Gathering information is pretty

much up to the individual employee, but the informants pointed out that they're very much aware of the importance of environmental scanning and that Akademibokhandeln is working on improving the scanning.

Conclusions

The users and the environment

The environmental scanning of Stockholm public library and Akademibokhandeln can serve as two scenarios describing two different ways of scanning the environment. The organizations differ specifically in the ways they perceive the environment and the users. The library considers itself to be a part of society with a mission to provide people with literature and cultural events, so all the people in the environment must be reached. The library is actively contacting people in many different ways to ask them what they expect and demand of the library. Therefore, the most important factors of the environment are the users and the political framework surrounding the library, which determine the library's obligations to society. The bookstore on the other hand has no political duties to fulfill and has no obligations to society in that sense. Instead they're trying to sell books. The most important parts of the environment are therefore the book publishers, the customers and the competitors. The bookstore is simply trying to find out what books will be published and which of them are possible best sellers. Instead of trying to reach all the potential customers to find out what they want, the bookstore concentrates on the published books and forms target groups based on what they have to sell. Based on these results, the library seems to fit in the Discovery mode of the Scanning-Interpreter model. The library appears to perceive the environment as analyzable and intrudes on it to try to find the "correct" interpretation. This conclusion is based on the fact that the library has an ambition to be of service to all the citizens and they also use quantitative data derived from different kinds of surveys, which, according to Choo, is typical for organizations in the Discovery mode (Choo 2002, p. 96). This ambition is also political and perhaps the library has to be active to try to find the "correct" interpretation of the surrounding world in order to justify its role as a centre for literature, information, culture and knowledge in society. The bookstore seems more appropriate to place in the Conditioned viewing mode in the Scanning-Interpreter model. It concentrates on the sectors of the environment that directly affect it, and the information needs appear to be based on traditional assumptions about the environment rather than an ambition to find the

“correct” interpretation of it. The bookstore doesn’t rely on surveys to gather information and appears to be more passive in the environmental scanning. The sources used are often internal documents such as statistics.

Scanning the environment

With the exception of surveys, the two organizations are quite similar in their use of sources. They both rely on mass media to stay updated with trends and events in society and they both gather information through benchmarking and contacts with other organizations. They both use the three kinds of sources mentioned by Choo: human, textual and online databases. But there are differences in the way the environmental scanning is organized. The four-step cycle of environmental scanning that was described in the theoretical framework is not found in either of the two organizations. There are traces here and there. The library’s marketing department are educated in information science and claims to have a certain structure in its environmental scanning. The four steps are there, but they don’t seem to be connected to serve as a model. There is no established, theoretical model for the environmental scanning that all the informants from the library are aware of. The informants from Akademibokhandeln confirm that the company does not organize its environmental scanning according to any theoretical model. Although the four steps of the scanning cycle can be identified in this case, none of the informants are aware of them nor do they connect their process to any aspects of the theoretical model. The conclusion would therefore be that neither Stockholm Public Library nor the bookstore Akademibokhandeln seems to have a model for organized environmental scanning that can be compared to the model in the theoretical framework. But it must be remembered that both organizations are definitely aware of the importance of environmental scanning and conduct scanning that is apparently satisfying their information needs. The question here is whether the organized scanning should be introduced for its own sake. A more organized way of scanning could possibly broaden the organizations’ horizons a bit, but maybe it could just as well get in the way since routines and traditions would have to change to make the new system work. From that perspective one could argue that the organizations do have models for organized scanning, but these models are based on their own needs and purposes and not on theoretical models.

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