

PEST analysis of the external environment

Understanding the external environment

To target advocacy work efficiently and effectively is vital to understand the political and social environment you are operating in.

For your campaign to have focus, you need to be able answer the following key questions

- **What are the political dynamics of the situation?**
- **What other external circumstances may affect the campaign goal?**
- **Is the external climate favourable or hostile to your proposed solutions?**

An easily manageable way of sifting this mass of information is to construct a **PEST** analysis, which involves looking at the **Political, Economic, Social and Technical** factors likely to influence your campaigning. The kinds of questions you should ask include the following:

PEST ANALYSIS QUESTIONS TO ASK

1. Do you understand the political climate within which you operate?

- What *type of regime* are you working in and seeking to influence (see '*Understanding the Political Landscape*' for description of the *classifications* of regimes e.g. pre-transition, transition, open system, their *characteristics* and associated *advocacy opportunities*)? What political space do you have to operate in (is media restricted for example, are there government proscribed activities you need to avoid)?
- For this advocacy aim how are the political decisions made, at which level and who makes them?
 - Which *Government Departments* are involved? Who are the *Ministers*? What can you discover about their attitudes, previous contact with the issue, personal connections with the issue or advocates (either for or against)?
 - Does your demand require *legislation* or new *regulations in Parliament*? If so, what is the timetable? Does the process involve any *scrutiny committees* (if so, who sits on them and can you get contact or give evidence)?
 - What are the various *political positions* on your issue? How do these (for or against) relate to the political power balance in the country (i.e. is your stance allied to the ruling or opposition stances, or somewhere between?)?
- Which *political structures at regional or local level* play a role in your advocacy demand? If so do you know who makes the decisions, how and what their profile is in regard to your issue? Is the political environment here consistent with the national scene or are there peculiar local circumstances that alter the power balance for or against you?
- Are there any *political events pending* that may influence the outcome of your advocacy work (e.g. a general election, a peace-process, a major trade agreement)?

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- In addition to the official political structures, are there *other non-official political bodies* where important political decisions are made (for example traditional governance structures, parastatal organisations, exclusive membership societies)?

2. Will economic conditions affect your campaign?

- Will the economic situation influence Government spending to benefit/threaten your desired outcomes?
- Are you working with the corporate sector and if so, how are economic forecasts likely to affect their actions?

3. What social factors could influence your work?

- Is public opinion generally with or against you on this issue?
- How does the media cover this issue?
- Are other civil society organisations supportive of your aims?
- Which other influentials stand with or against you?

4. What are the technical/scientific implications for your campaign?

- Is there scientific evidence stacked against your argument? If so can your counter it?

Advocacy Risk Analysis

Advocacy work may have implications for an NGO's programme, resourcing, and reputation that should be borne in mind before embarking on any specific course of events. It is worth carrying out a risk assessment at the outset of any advocacy initiative.

Ideally the Risk Analysis should be undertaken once you have carried out a PEST analysis and so have a sense of the political and social context in which you are operating. The Risk Analysis could begin with a stakeholder team discussion around the following questions:

Reputation Risk

- Are you confident of the rigour of your evidence and research – will it bear up under opponent criticism?
- If you are collaborating with new partners for your advocacy work, are you clear about how they are perceived by decision-makers? Is their reputation consistent with that of the NGO (e.g. are they aligned with a particular political faction, or have they been associated with any controversial activities that could pose a problem?)
- Can you demonstrate legitimacy for your demands locally?
- What are your own fault-lines? Is your own behaviour as an organisation consistent with your advocacy demands (for example, if you were advocating

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for enforcement of equal opportunities legislation it could be disastrous if your own employment practises did not stand up to scrutiny)?

Operating Risk

- Does your advocacy demand or positioning (i.e. insider: co-operative and non-confrontational or outsider: challenging and confrontational) make you appear partisan or biased? If so, given your political context, does this pose a risk to staff or beneficiaries' security or livelihoods?
- Are your key stakeholder groups (for example donors, supporters, beneficiaries) comfortable with your advocacy activity? If not, what are the implications for your programme in terms of funding, access, etc?
- Could there be unintentional outcomes from your advocacy that impact badly on your beneficiaries (e.g. causing economic loss, restructuring social relations)?

These questions should flag up any areas where there is a potential risk for engaging in advocacy or where there is potential risk if the NGO were to adopt a more 'outsider' (i.e. more confrontational stance).

These potential risks can then be worked into a matrix such as that below where the likelihood of an identified potential risk occurring is weighted against the impact it would have on the NGO's reputation and programme

	Low impact	Moderate impact	Major impact	
Low probability				
Medium probability				
High probability				

The results in the table are then subjected to '**The Traffic Light Test**'. A 'green light' is designated for identifiable risks that are low probability and low impact, and for which no contingency planning is therefore necessary. An 'amber light' is given for risks that are medium probability and would have moderate impact, for which some contingency planning may be needed to either reduce the risk or deal with the impact. A 'red light' is given for risks that are high probability and high impact, for which urgent action needs to be taken to either alter the advocacy course or, if the advocacy outcome is deemed worth the risk, a management plan is agreed.

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