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Name: Instructor: Course: Date: Business Tourism Ace Conference Center is a conference site dedicated to the provision of excellent service for local businesses. In order to facilitate the success of the conference center, it is important to assess the conference center as well as its initial operating environment. Background Description Overview Ace Conference Center is a center located in Hiranadani Business Park, which is situated around 5 kilometers from Bombay town and ten kilometers from the Mumbai International Airport. The management asserts that the exceptional reputation of the conference center regarding customer service illustrates that novel business originates from recommendations by prior clients. However, the center’s operations are deemed exhausted.

The current facilities that the conference center provides to its local clients are considered poor and therefore not satisfactory for hosting national and international events as well as attract global business tourists. The present aim and objective of the conference center is to be the leading and foremost choice of conference center for every local business through the provision of excellent service in a relaxed environment. Evaluation Methodology In order for the conference center to meet its aim and objective, the operating environment of the center requires analysis. The types of environmental analysis to be carried out are the PEST analysis and the SWOT analysis.

PEST Analysis PEST Analysis refers to environmental scanning in terms of the political, economic, social and technological framework. The analysis describes a structure that incorporates macro-environmental aspects utilized in environmental scanning. PEST analysis is useful in determining the growth and decline of a market, business position and course for operations (Armstrong, 45). In order to assess the operating environment of the conference center, it is important to utilize the uncontrollable challenges that the center cannot mitigate.

Political Environment The political environment refers to the government policies affecting the operation of a business. Business tourism as part of the tourism sector contributes significantly to the Indian economy. This, in turn, allows the government to involve itself in the provision of subsidies for the industry in order to contribute to the economy. In the case of the conference center, the challenges government policy presents to the center are in form of licenses and fines.

Since the conference center is situated in Hiranadani Business Park, which is a property of the municipality of Bombay, the center is heavily fined in terms of land rates. The exorbitant amount of land rates imposed on the conference center force it to reduce the resources required (Lakshman, 123). Economic Environment Mumbai as India’s financial capital has numerous international tourists that have the sole objective of attending business conferences and meetings. However, due to terror attacks on some of the hotels in the city, the influx of foreign tourists reduced considerably leading to a decrease in foreign exchange in the economy (n.

a, 63). The trade between the country’s currency and the various foreign currencies such as the dollar and the Euro decreased leading to a depreciation in India’s exchange rate. This presents a challenge to the conference center since the amount generated from foreign exchange is devalued. Social Environment The main social barrier that affects the conference center is the impact of language. Language is a barrier that affects the communication between the locals and the foreign tourists. This is attributed to the proximity of the conference center to the Mumbai International Airport. Communication is hindered between the foreigners and locals hence affecting the diffusion of the services offered by the conference center (Lakshman, 167). This, in turn, reduces the amount of international tourists with the objective of business events, conferences and trade fairs.

Technological Environment Some of the technologies the conference center used are old. For instance, most business tourists preferred the incorporation of high-speed wirelesses and broadband for fast access. They also preferred the use of screens for data projection and audiovisual displays, which are technologies that are limited in the conference center. The technological upgrades would assist to indicate the advances and development of the conference center. SWOT Analysis SWOT Analysis is another environmental scanning framework that incorporates the evaluation of the Strengths, Weaknesses, Opportunities and Threats implicated in a business. The analysis identifies the factors that comprise the business’ internal environment and external environment (Wheelen and Hunger, 37). Strengths The conference center’s major strength is its close proximity to the Mumbai International Airport.

This is because the center is able to reach to the international tourist foremost. Another strength that the conference center possesses is the lecture theatre, which can accommodate up to 150 delegates. Moreover, the conference center provides free parking services for delegates near the vicinity as well as fully certified catering. The center also provides five supplementary venues, which comprise a lecture theatre, three meeting rooms and an exhibition area. Weaknesses Foremost, the conference center does not incorporate updated technology. This is illustrated by the center, which possesses limited wireless facilities and laptops compared to other competitors. The delegate capacity for the break rooms is also another weakness for the center.

This is because the rooms of other rival centers can hold up to 40 delegates. Additionally, the conference center is not attached to any hotels unlike its competitors, which are attached to two star and five star hotels. Moreover, employee turnover is high as it is attributed to poor salary, insufficient communication and training or promotion possibilities. Opportunities Due to the provision of incentives to the hotel industry, the hotel projects near the conference center are able to expand. Hence, the proximity of the International Airport can enhance the conference center to take advantage of the hotel projects and attach itself in order to provide lay over services for international visitors who comprise both international business tourists, tourists on an informal visit as well as local tourists (Kumar, 1462). Threats The recent terror attacks occurring in the city are the main threats affecting the conference center. This is attributed to radical terrorist groups such as the Indian Mujahideens and the Kashmiris.

The prevalence of terror attacks leads to the evacuation of international business tourists. This decreases the number of tourists seeking to use the conference center. Moreover, terror attacks force investors to cease making investments in hotel projects near the conference center attributed to fear of incurring significant losses due to lack of security (Chiu and Lin, 2748). Recommendations The recommendations proposed for the conference center are based on the trends that characterize the conference market. These recommendations are aimed at improving the appeal and performance of the conference center. The main recommendations include: Space and Flexibility of Design A conference center should comprise a flexible conference space. The conference space should be considerable enough to allow for the use of the center by the maximum number of international business tourists hence control overcrowding.

For instance, the space can be used to accommodate different work areas, advertisements and discussion or network areas for delegates. Technology The conference center should be up to date with the latest technology. This is because the advancement of technology is occurring at a rapid rate leading to constant technology update by firms and other organizations in order to cater for their customers. For instance, the center should be equipped with supplementary lighting systems, screen and a projector, broadband access and wireless networking facilities. Accessible Location The location that the conference center is situated in should be easily accessible to international business tourists. This is because international tourists are not familiar with the demography of their destination and thus require guidance in order to access the conference center without being lost or stranded. Provision of Accommodation and Catering Despite the conference center being unable to provide on site accommodation, it should play a role in the facilitation of international business tourists by attaching itself to a certified hotel that can cater for the various needs of the visitors. Moreover, the catering provided on site should be affordable and comply with the tourists’ tastes and preferences.

By taking note of the various strengths, weaknesses, opportunities and threats as well as the macro-environmental factors, Ace Conference Center can utilize the information gathered from the incorporation of the PEST analysis and the SWOT analysis to create novel business strategies that can enable it have a competitive edge over its rivals and provide efficient service to its clients. Works Cited Armstrong, Michael. Armstrong’s Handbook of Human Resource Management Practice. London: Kogan Page, 2009.

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