## Step 1-C: Environmental analysis - PESTLE

A PESTLE analysis is the systematic review of current and emerging forces in an organisation’s external environment, which impact on its operations; specifically, political, economic, sociological, technological, legal, and environmental forces. Each of these is defined below and a template for completion is over page.

**Political** forces include the way in which the political landscape influences the business and personal environment. This is linked to policy decisions made by Commonwealth, State or Local Governments that affect the way in which your organisation operates. E.g.

* Political stability or change
* Policy reform and current priorities
* Funding agendas
* Influence over health, education and infrastructure

**Economic** forces consider the way your organisation receives money and manages financial assets. This can be impacted by the national, state and regional economy. E.g.

* Consumer demand
* Funding availability and priorities
* Partnerships
* Regional development and investment
* Other industries and their impact on workforce availability

**Sociological** forces include the responsibility of your organisation to the community in which it operates as well as the influence of population demographics on service delivery models. E.g.

* Population growth and distribution across the service area/s
* Consumer expectations
* Age distribution, and generational shifts in the workforce or specific occupational groups
* Workforce diversity, cultural capability, diversity and representation
* Closing the Gap (Indigenous health)
* Social change

**Technological** forces include consideration of how technological advances influence the way your service operates and interacts with its stakeholders. E.g.

* New technology impacting models of care and roles, e.g. Telehealth
* Paperless frontline care and support, e.g. ieMR
* Consumer data management and security considerations
* Consumer self-management or contribution to service support and care
* Efficiencies in support functions – finance and human resource management, e.g. MyHR
* Change management practices within the service

**Legal** forces include a range of legal obligations that apply to your organisation as both an employer and a human service organisation. E.g.

* Funding arrangements and contracts
* Industrial relations awards and agreements
* Workplace health and safety
* Compliance obligations, service accreditation and standards
* Obligations for consumer safety and wellbeing

**Environmental** forces describe the responsibility of your organisation towards protecting your resources and environment both internally and externally. E.g.

* Planning for responses to natural disasters
* Climate change – impacts and responsibilities
* Risk management and mitigation strategies
* Environmental / sustainability policies and procedures and the way in which these are communicated to staff (recycling, waste management, energy management, fuel usage etc).
* Engagement in local community initiatives to support the environment

***Source:*** Adapted from: Workforce planning toolkit: Everything you need to plan for your future workforce, Community Services and Health Industry Skills Council, 2015.

Complete the PESTLE analysis below using the explanations from the previous page.

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Current Influences** | **Emerging influences (next 5-10 years)** |
| **P** | **POLITICAL** |  |  |
| **E** | **ECONOMIC** |  |  |
| **S** | **SOCIOLOGICAL** |  |  |
| **T** | **TECHNOLOGICAL** |  |  |
| **L** | **LEGAL** |  |  |
| **E** | **ENVIRONMENTAL** |  |  |