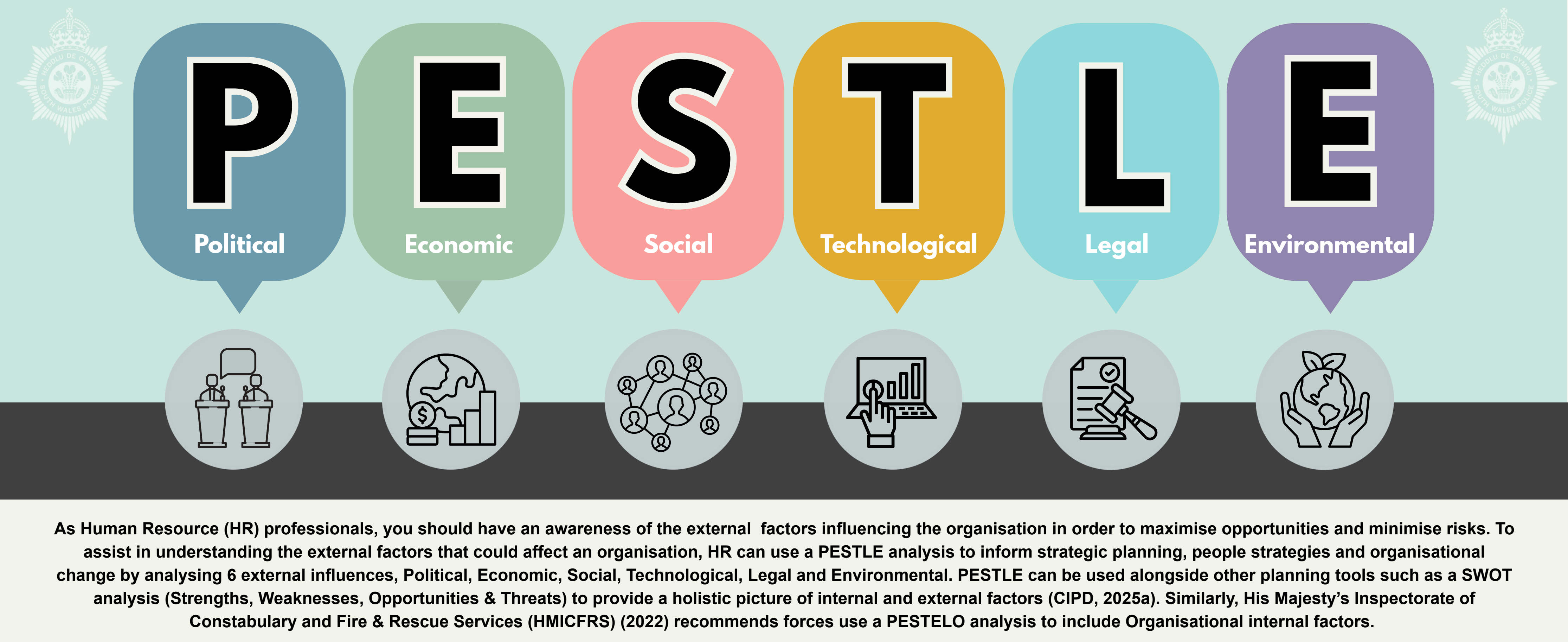




As Human Resource (HR) professionals, you should have an awareness of the external factors influencing the organisation in order to maximise opportunities and minimise risks. To assist in understanding the external factors that could affect an organisation, HR can use a PESTLE analysis to inform strategic planning, people strategies and organisational change by analysing 6 external influences, Political, Economic, Social, Technological, Legal and Environmental. PESTLE can be used alongside other planning tools such as a SWOT analysis (Strengths, Weaknesses, Opportunities & Threats) to provide a holistic picture of internal and external factors (CIPD, 2025a). Similarly, His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) (2022) recommends forces use a PESTELO analysis to include Organisational internal factors.

Economic

Despite the levels of inflation falling from a 41 year high in October 2022, the cost of living crisis continues to impact households and organisations. (Francis-Devine, 2025). The Police Family Finance Report revealed 64% officers and 47% staff have financial concerns, with over half reporting their financial concerns impacted their mental health. To improve their financial situation, 51% planned to do more overtime, 18% of officers considered taking a second job, 42% of officers considered stopping their pension contributions and 31% considered leaving policing (Bellingham, 2025).

The cost of living crisis is impacting SWP’s retention as high levels of financial concerns drive experienced officers to resign. This could result in an inexperienced workforce who lack sufficient training to deal with the complexities of policing. Low resources and increased demand on the workforce will impact mental health which in turn could lead to higher sickness absences (Riley, 2025). Secondly, publicised financial concerns could affect SWP recruitment by deterring new recruits who may opt for a less stressful, more financially secure career. If officers believe they need to halt pension contributions, a key public sector benefit, this will make policing less attractive. Thirdly, and potentially most concerning, are the significant numbers who have stated their intention to leave policing, means forces could face a public safety crisis, if there are insufficient officers to keep our communities safe (Police Federation, 2025a).

Applying the PESTLE tool, assists HR analysis of additional external factors impacting SWP. For example, the current political agenda focused on work life balance (CIPD, 2025b), emphasises the need for HR to address the impact cost of living on work life balance, due to employees heightened expectations. Deloitte (2025) survey data shows a change in workforce priorities, with money and wellbeing valued over climbing the career ladder. Further research questions the next generation’s ability to cope with the stresses of the workforce with stats showing 26% of Generation Z took a parent to an interview (Forbes, 2025).

In the 2025 Hive Survey, only 60% of respondents were aware of SWP financial support (SWP, 2025d). Given the cost of living concerns highlighted, SWP HR must review how to better communicate financial support tools and initiatives in place, to advise all employees how to improve their financial wellbeing. Support includes financial wellbeing toolkits and apps, line manager guidance and budgeting tools (SWP, no date).

SWP HR could consider creating and communicating a financial wellbeing strategy to demonstrate that financial wellbeing is an organisational priority. Working to address the cost of living struggles impacting the organisation and be seen as doing so is crucial for the retention and wellbeing of employees (Police Federation, 2025d). Further PESTLE analysis shows HR should review SWP’s procedures to ensure we recruit a resilient workforce for the demands of policing.

Social

Mind’s (2025) report, illustrates the growing demands of mental health. Suicide, self-harm and mental ill health remain high, with 1 in 5 adults in England and Wales reporting a mental health problem. The rise in demand over the last decade has put significant pressure on services, not least policing. The Police are often first responders and whilst many act with compassion and professionalism, officers are often not suitably trained, and if situations escalate, recent news stories show how community trust can be eroded (HMICFRS, 2023). This persistent dependence on the police discloses a greater systemic problem (Kyprianides et al., 2025).

In 2024/2025 over 17,000 UK officers were signed off work for mental health, a 22% rise on the previous year (Police Federation, 2025c). Further research cites budget cuts, low pay, exposure to trauma and a high workload as factors that explain why the policing profession has the highest levels of mental health absenteeism, before any consideration of personal circumstances (Gwent Police Federation, 2025).

In South Wales Police (SWP), mental health remains the highest reason for long-term absence. SWP October 2025 data shows 200 individuals absent on average per day due to mental health (SWP, 2025b). SWP’s absence figures are rising, with SWP ranked 41st for officer sickness out of 43 forces (SWP, 2025a).

Overwhelming evidence shows that mental health illness is significantly impacting SWP. The increase in absenteeism leads to increased pressure, cancelled rest days and decline in employee satisfaction (Allison, no date). Mental health is affecting SWP’s recruitment and retention. As illustrated in the 2024 Pay and Morale Survey, which states only 10% would recommend joining the police and of those who intended to leave policing in the next 2 years, 75% said their mental health was a major impact for leaving (Police Federation, 2025b).

Utilising the PESTLE tool identifies how further external factors, such as technological advances in AI and the increase of negative press on social media can impact mental health. An ACAS (2025) survey showed 26% of workers worry AI will lead to redundancy, further affecting their mental health. Inaccurate media stories or negative political commentary can distort public opinion, leading to employees not feeling respected, demoralised, contributing to poor mental health (HMICFRS, 2024). In addition, analysing the economic factors shows how the cost of living crisis contributes to employee stress and burnout, a poor working environment and retention issues (Police Federation, 2025e).

SWP HR must ensure individuals and line managers take advantage of processes available to support attendance, sustain mental health and increase resilience (SWP, 2025c). Daily demands of policing and external contributing factors can have profound mental health implications. Psychological wellbeing and physical health must have equal priority and HR must strive to build a healthy working environment to meet our moral and legal duty for wellbeing (Oscar Kilo, no date). When employees are effectively supported, they are more resilient to achieve our mission to keep our communities safe (SWP, 2024).

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