

Environmental Analytic Tools



PESTLE Analysis



Porter's Five Forces

Organisations both operate and are influenced within a competitive business environment. The use of the Porter's Five Forces model can assist with identifying the competitive market using the five forces – customer bargaining power, threat of new entrants, supplier bargaining power, internal competition as well as the threat of substitutes. The model will not only identify any changes in the external market, but also any highlight any threats to support the overall business strategy and aid a competitive advantage (Anastasiu et al 2020).

Analysing these Five Forces will not only assist businesses in predicting any changes in competitive market, but it will support strategic insight within the sector to remain competitive, through seeking opportunities (Harvard Business School, no date, Isabelle et al, 2020).

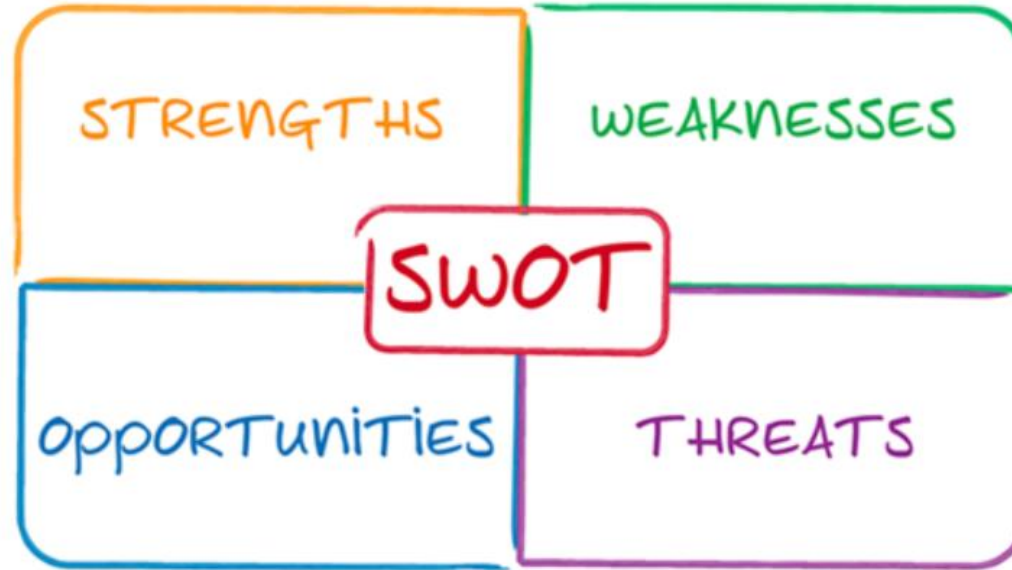


Developed more than 40 years ago, it is argued that the framework has become stagnant and poses a lack of understanding for organisations to utilise effectively. Dobbs (2014) also states that organisations could be faced with challenges with many people having a lack of understanding on its framework and the implications of this could lead to both incomplete and inaccurate analysis. Making the tool ineffective and a waste of time and resources.

Organisations thrive through sustaining competitive advantage and whilst the framework assesses the competitiveness within an industry, Magretta (2012) implies there could be a lack of strategic perception as to how an organisation can compete more effectively.

SWOT Analysis

The SWOT tool is a simple four box analysis that recognises key factors which are the organisation's strengths, weaknesses, opportunities and threats. It is used to identify internal and external factors that support an organisations planning or strategic process. The analysis highlights what the organisation is succeeding in as well as uncovering areas for improvement to avoid exploitation from competitors and bolster strategic decisions to enhance organisational performance (Haan, 2023, MindTools, no date).



Whilst it is can be regarded as a 'simple and easy' self-assessment tool to aid managers in their decision-making, the tool must be used on a regular basis, requiring an extensive amount of time and resources. Organisations can find it difficult to utilise such resources due to affordability and cut backs across many businesses (Haan, 2023).

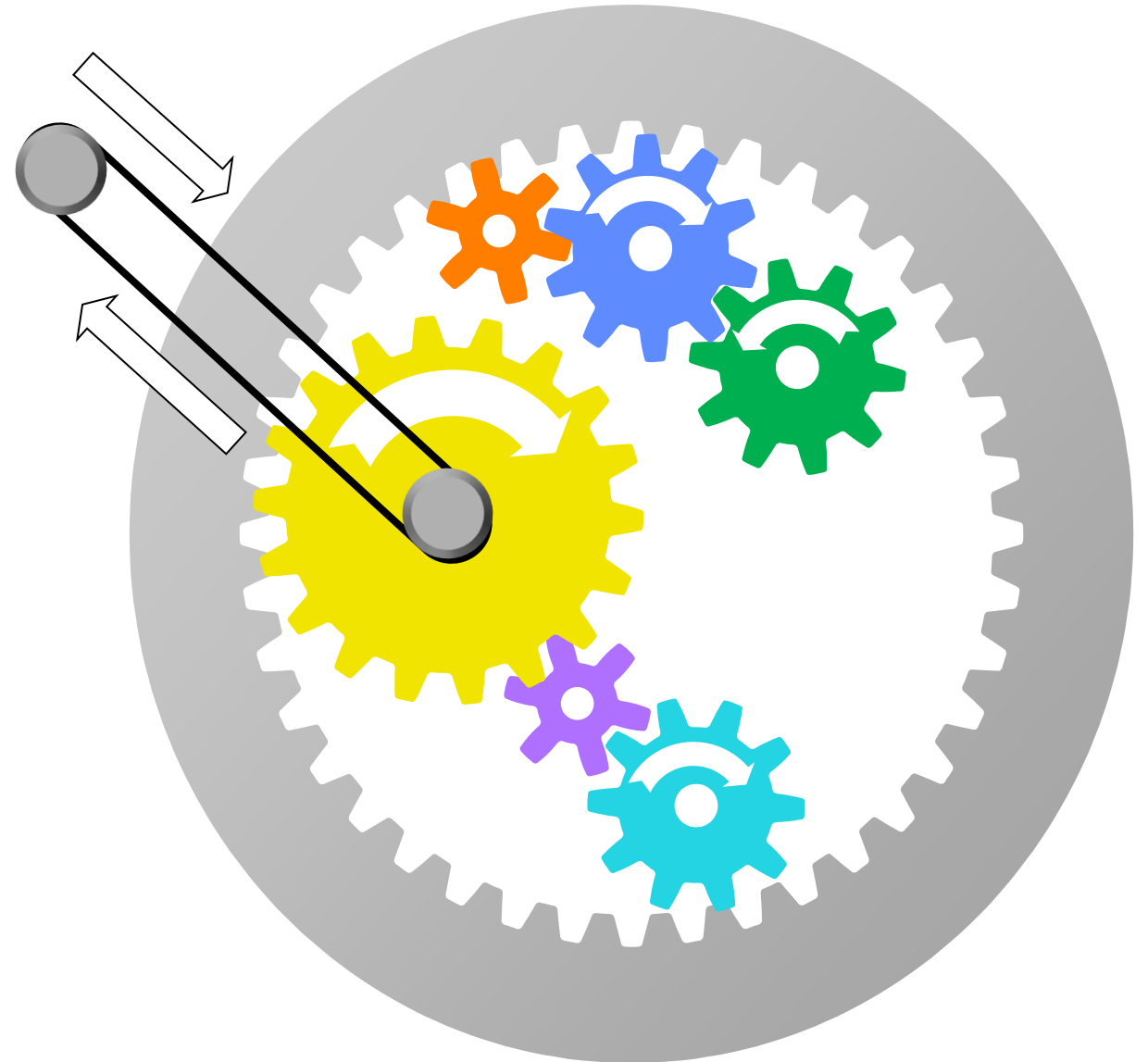
It is argued that stakeholders in larger, complex organisations should contribute to the planning process, something that is not always easy to adapt, making it difficult to obtain an accurate analysis. Whilst there is a concern that too many peoples involvement in the process, can risk an overload in data, leading to 'paralysis by analysis' (Haan, 2023, Puyt et al, 2023).

PESTLE

The PESTLE is considered to be the most used tool adapted by organisations to scrutinise a businesses external environment. If used effectively, it can identify an organisations current and future trends to bolster an advantage to remain competitive in their market/industry (Frue, 2017, Perera, 2017).

It is worth noting that the PESTLE does come with some disadvantages including the relevance of the tool in identifying changes that can affect an organisation in the future. Especially given the unprecedented changes in the environment. Ideally, and to be effective, the tool must be used on a regular basis with many organisations limited in resources and time (Battista, 2023).

It is argued that the PESTLE shouldn't be a 'stand alone' tool used to inform the organisational strategy and decision making. Instead, it should be used in conjunction with other analytic tools that will provide the organisation with an overall picture of the factors influencing an organisation. It is evident that one framework does not fit all in an intricate 21st century (Frue, 2018, Isabelle et al, 2020).





With NPTCBC being a politically led authority, its strategies and policies are formed by elective parties. Local elections held 2022 saw NPTCBC form a rainbow coalition party for the first time in history following the Labour parties loss (Smith, 2022).

It is argued that coalition parties can tend to be weaker, less decisive and create confusion – forming a constitution of uncertainty in identities, procedures and practices. However, it is also noted that a coalition party can create both greater representation, better views and deliver compromise. Giving NPTCBC the opportunity to enhance its vision and values through a new coalition (Husted et al, 2021, The Week, 2022).



Digital transformation is constantly evolving in today's society and it has become an essential requirement for organisations to remain competitive (Astapciks, 2023).

The use of robotics, for example, can improve efficiency through automating manual processes, reducing errors and improve productivity/agility (Mohdzaini, 2021, Otakuzieva, 2023).

It is important that NPTCBC do not remain complacent and consider enhancing workforce autonomy through the reduction of repetitive tasks that can minimise management time on low level admin tasks and instead, increase their capacity to inform the businesses strategic vision (Mohdzaini, 2021).



The law on workplace recycling is changing from April 2024 and businesses must take action. It is strengthening the law to improve the quality and quantity of waste products (Welsh Government, no date).

NPTCBC introduced their DARE strategy back in 2019 following the governments declaration on climate change (NPTCBC, 2019, Welsh Government, 2019). However, it is now clear that this should be scrutinised following the COVID pandemic in 2020 and with the new laws from 2024.

With agile working arrangements now in place, the introduction to mandatory eLearning programmes for all employees would not only reduce costs but is regarded as environmentally friendly (Da Silva, 2023)

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