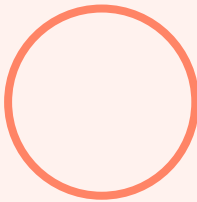


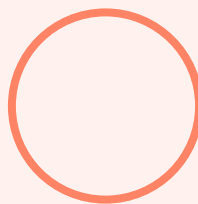


PESTLE ANALYSIS



A PESTLE analysis is used to examine six external factors that can influence the business and aid in acknowledging the changing environment in which the Company operates, and help it to adapt to succeed. Political, Economic, Social, Technological, Legal and Environmental factors are analysed to identify how they each influence the business (Reding, 2023). This method does have its limitations however, such as the pace of change, both internal and external, can be hard to predict, making it difficult to make solid business decisions. Also, the PESTLE needs to be regularly reviewed to retain its effectiveness, otherwise the Company could be working off of expired information, potentially heading in the wrong direction strategically (CIPD, 2023).

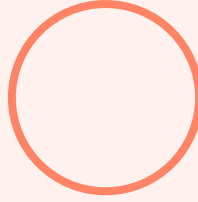
In conjunction with PESTLE, a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) can be used to help apply the external data already gathered, to the internal capabilities of the Company (City University of Seattle, 2023). This will identify where the business needs to implement change in order to handle external influences against internal factors and not fall behind in the market.



POLITICAL

Changes in regulations by Welsh Government can have a significant impact on Dwr Cymru Welsh Water (DCWW) due to the scale and cost implications of changes to the way the Company operates. Amendments to regulations surrounding sewage overflows have been announced, which includes increased data monitoring and asset improvement (Welsh Government, 2023). Both of these areas will impact the people management strategy as extra consideration needs to be taken in regard to recruitment of new colleagues and potential training gaps in the current workforce. A variety of teams, both operational and business support based, will be impacted given the wide ranging reach of these additional enhancements in regulation of sewage handling. Due to this, a SWOT analysis would be beneficial as it can help in understanding where the Company's strengths currently sit, and where improvements need to be made to ensure all areas are working in the same strategic direction (BDPros, 2023).

HR will need to work collaboratively with each area director to establish the current skill levels and headcount against what is needed in order to deliver on Government expectations and future proof the business (CIPD, 2023b). An outcome of the workforce plan could be that some teams are no longer required, due to changes in workload, therefore roles may be put at risk. The Company needs to identify if there are new ways of working that need to be implemented and could the at risk colleagues be retrained to carry these out. This can prove beneficial, not just to DCWW but to the employees themselves. Colleagues will be able to enhance their skills, which will keep their knowledge up to date with current work practises, and this also brings greater career progression opportunities due to their competency levels improving. Both of these factors can result in higher job satisfaction (Rolfe, no date).

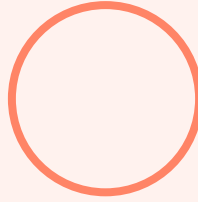


SOCIAL

With social attitudes becoming increasingly negative towards utility companies in recent times due to heightened media scrutiny, DCWW needs to evaluate its current situation internally and ensure that colleagues' faith and trust in the Company is still strong and if not, how can it be addressed and improved (Minchin, 2023). In order to be an employer of choice, the Company needs to ensure that the current workforce are engaged and happy, first and foremost, whilst encouraging new candidates to join the business.

Increasing engagement can begin with the aim of building greater trust in the senior leadership team. This can be grown by having more open and honest communications go out to the business to raise awareness of internal issues and what is being done to combat these. Being open and transparent can help drive productivity and reduce employee turnover, which in itself can aid in reducing costs associated with recruitment (McGrath Training Solutions, 2023). From a HR perspective, open and honest practise can be embedded within policies and procedures by taking an ethical approach, along with the legal stance, which displays to our colleagues that we always aim to do the right thing across all areas of the business (CIPD, 2023c). This will install trust in colleagues that DCWW is a fair and transparent company to work for.

HR can work with line managers in highlighting how each employee contributes towards the bigger picture of DCWW and how their individual success equates in the Company achieving its goals. This gives colleagues meaning in their work and purpose within such a large organisation (Fonseca, 2022).



ENVIRONMENTAL

DCWW operates across Wales, effecting every county and hundreds of communities within. The Company's corporate social responsibility (CSR) is far reaching and paramount to its success. The people strategy can influence how the Company is seen as an employer and raise its profile as an employer for Wales as a whole, rather than certain areas. Switching operating model to a more hybrid mix of office and home base working will aid in appealing to candidates who are not within a daily commutable distance to one of the main bases, therefore making DCWW more accessible as an employer (Krzeminski, 2022). This can widen the talent on offer compared to just those local to main offices.

To strengthen relationships with local communities, DCWW can introduce events and workshops by sending operational colleagues into schools to showcase what their roles entail and the environmental impact people have through the water and waste system, for example the use of wet wipes and the damage they incur on the network and output as pollution. This promotes the work of DCWW, but also engages children, and by extension their parents, in environmental awareness measures and what the Company does to combat this (Beckmann, 2023).

The Company has a vast array of wellbeing resources for employees to access and these are promoted in various forms across the business. HR could elevate this approach, from an ethical standpoint, by threading these through its processes which would further embed the culture of wellbeing. For example, employee relations letters and templates should include direction to the employee assistance programme to acknowledge that the process can impact on mental health, but we do have independent resources available that can help support the individuals' wellbeing. This gives a balanced approach as potential misconduct needs to be dealt with, but the employee's health needs to be considered as well (Stobierski, 2021).

