

DECEMBER 2025 HR BULLETIN: EXTERNAL FACTORS AFFECTING SOUTH WALES POLICE

Like many public sector organisations, SWP operates in a challenging environment driven by several external influences beyond its control. Understanding these external drivers is essential for effective strategic planning and operational resilience (Ansari, 2023). The strategic tool PESTLE, which considers political, economic, social, technological, legal and environmental influences, can support this process within SWP HR (Battista, 2023). The utilisation of the PESTLE provides organisations insights into the macro-environmental forces that shape functioning and decision-making (Olayiwola et al., 2025).



Political



Economical



Sociological



Technological

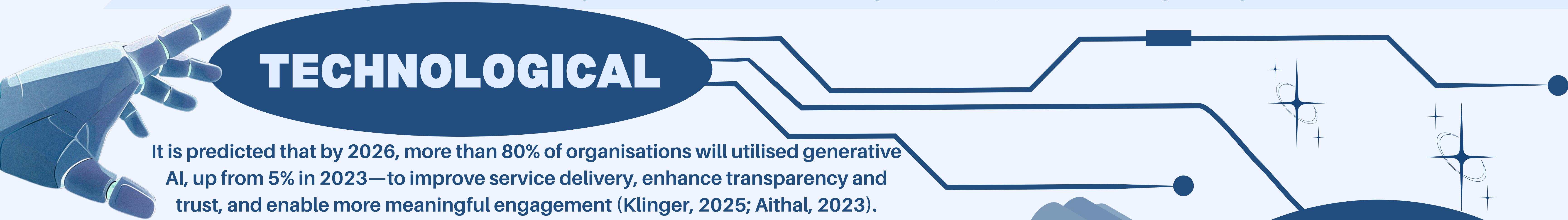


Legal



Environmental

The framework, however, does not consider internal factors, which is a key limitation. The SWOT analysis may therefore be a more balanced tool, as it evaluates Strengths, Weaknesses, Opportunities and Threats both internally and externally to assess competitive advantage (Lucarz, 2022). As a result, organisations may benefit from using PESTLE and SWOT together to achieve more meaningful and comprehensive findings (Amega et al., 2024).



TECHNOLOGICAL

It is predicted that by 2026, more than 80% of organisations will utilise generative AI, up from 5% in 2023—to improve service delivery, enhance transparency and trust, and enable more meaningful engagement (Klinger, 2025; Aithal, 2023).

Many individuals across the UK are experiencing heightened anxiety regarding the increased use of AI and its implications for job security (Trim, 2025). 26% of employees report fears of losing their jobs leading to potential redundancy (ACAS, 2025). Corporate companies such as BT, Amazon and Microsoft have voiced that technological advancements may result in workforce reductions (Almeida, 2025; Jamali, 2025; Milmo, 2025). SWP need to be mindful of this societal concern and provide reassurance to staff that the human elements of their roles will continue to be needed. Engaging in consultations with employees seeking viewpoints, will support an effective transformation process and help maintain morale.

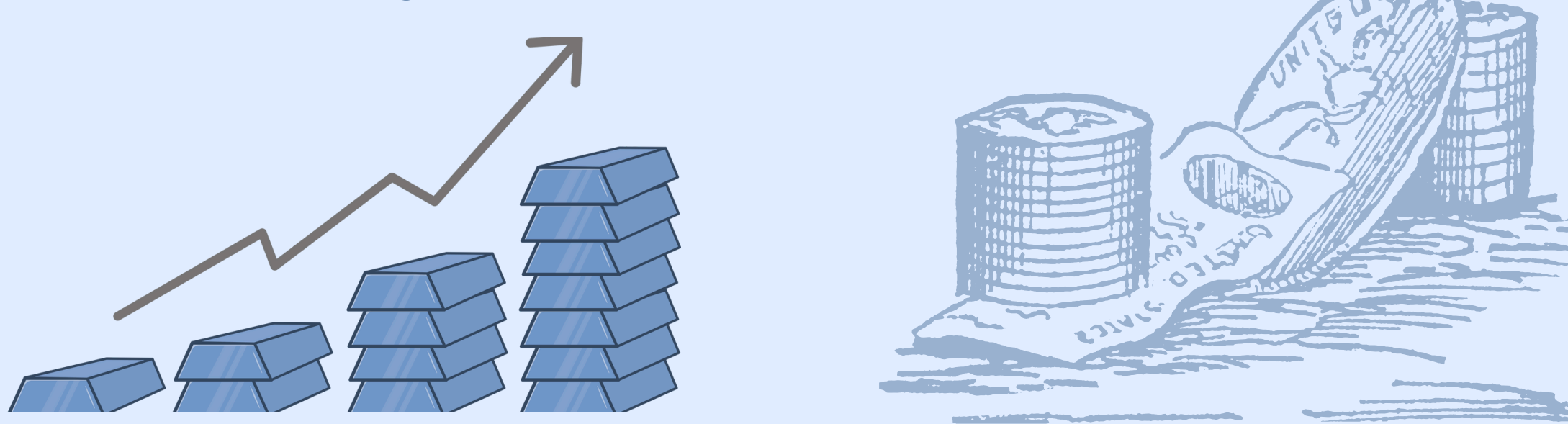
The Trust, Attitudes and Use of Artificial Intelligence study concluded that 73% of individuals in the UK are not adequately educated in the effective use of AI and among the 47 countries surveyed, the UK ranked in the lower third for AI training (Gillespie et al., 2025). There is a notable generational skills gap, with the aging workforce reporting major challenges in adapting to the emergence of AI systems and struggle with the complex nature of the new systems (Hossain et al., 2025). As SWP advances and invests its usage of AI systems in line with the 2025-27 People Plan, investment in training is imperative for employees for successful service delivery. (SWP, 2025a). This would make SWP a more attractive organisation for those impacted by technological changes, by providing assurance that appropriate training will be delivered for competency within the role. It may be beneficial for SWP to work in conjunction with digital experts to support this upskilling, as this would help empower staff and build trust and confidence in their ability to use AI effectively. Whilst AI advancements have sparked attention globally for their potential organisational benefits, trust, confidence and ethics have been brought into question surrounding its usage (Williamson and Prybutok, 2024).

A law firm in New York utilised ChatGPT for the preparation of research for a case which resulted in the content disclosed in the trial being inaccurate (Armstrong, 2023). Cybercrime Trends report that 87% of organisations have faced AI-powered cyberattacks in the last year (SoSafe, 2025). Public Health Services have reported that the use of AI has led to confidential breaches of patient information (Murdoch, 2021). Whilst it can be strongly suggested that the integration of AI into HR functions can be of benefit, SWP HR will need to carefully consider how to deploy such tools. The implementation of a force AI policy for could be introduced to prevent the misuse of systems. It may be valuable for SWP to benchmark against countries like France, which have such policies, to prepare the future workforce and collaborate with digital experts for the effective implementation (Roucy-Rochegonde, 2025).

ECONOMICAL

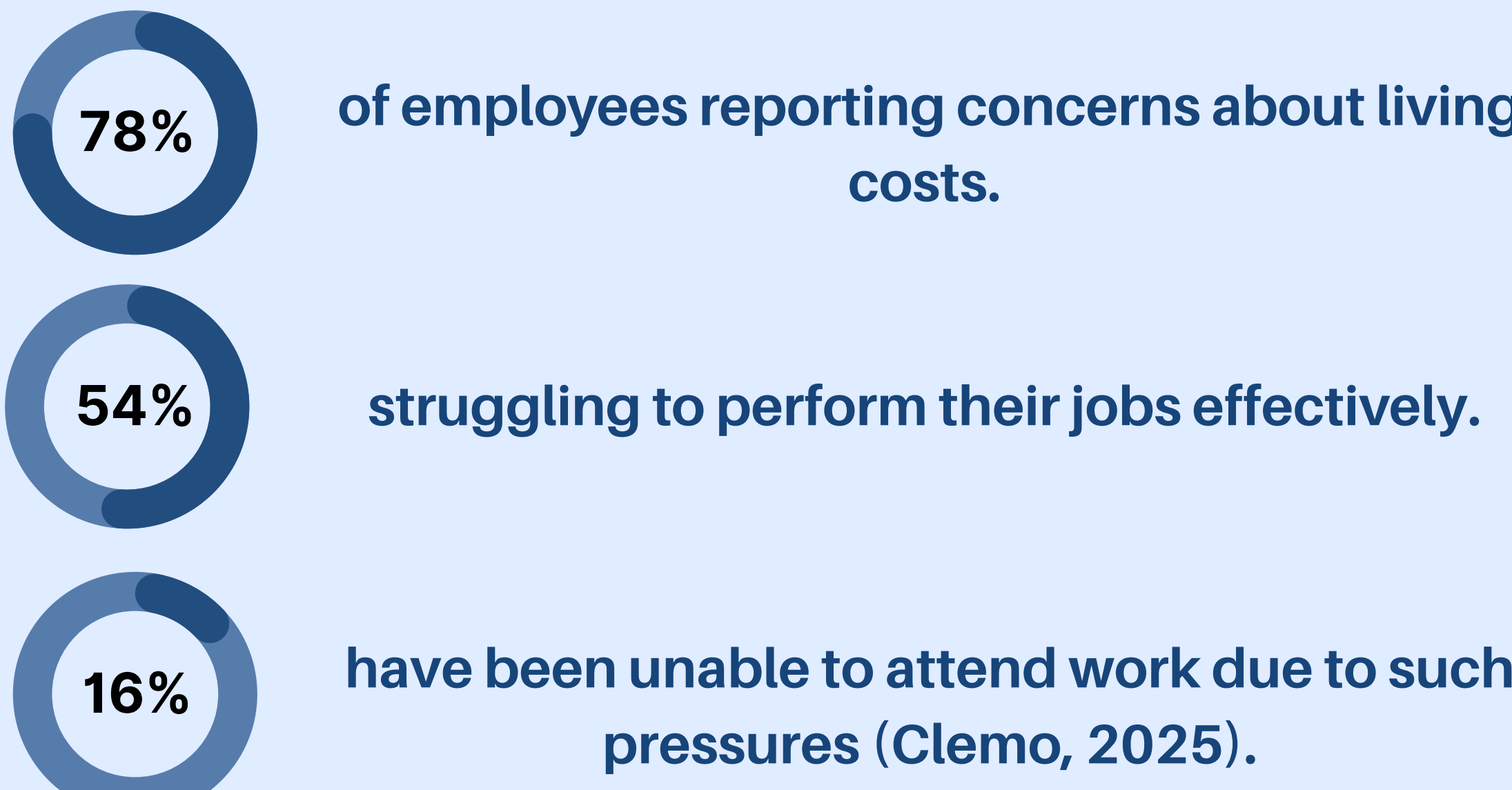
The Office of National Statistics concluded that in the latter part of 2025, the average public sector earning growth was 6.6% for the public sector and 4.2% for the private sector (Office of National Statistics, 2025).

Police staff and officers have recently received a 4.2% pay increase from 1st September 2025 (UNISON, 2025; Polfred, 2025). These statistics highlight a positive trend for public sector salaries resulting in SWP roles being viewed more favourably, edging its competitive advantage for potential new recruits.



The Generational Z workforce brings a new sociological expectation, placing high importance on being financially secure and demanding greater support from their employers in the workplace. The 2025 Financial Wellness in the Workplace report concluded that 92% of Gen Z employees will remain with their organisation if financial wellbeing packages are offered (Bunchanan, 2025). However, research highlights that only 28% of employers offer such initiatives (Ascott, 2024). This is concerning as 33% of Gen Z employees report feeling financially insecure and 56% voice that they are currently living pay check to pay check—alarmingly these employees are predicted to make up the global workforce by 2030 (Deloitte, 2025). For SWP to attract and retain Gen Z employees they may wish to enhance wellbeing initiatives through the implementation of digital budgeting apps, dedicated Team meetings for financial discussions and external expert education to support money management. It is reported that only 20% of the new workforce generation seek financial advice from professionals however many are turning to TIKTOK for guidance, which could pose a negative impact (Fallon-Peek, 2025).

The cost-of-living crisis continues to impact many individuals, with the UK seeing significant rises in household bills in April 2025 (BBC News, 2025). This has resulted in:



Whilst SWP currently provides a wealth of financial wellbeing support initiatives to employees, data highlights the need for SWP HR to review current strategies in place to assess their effectiveness. SWP could benchmark against private organisations such as Bupa and Health Shield who have both invested in Health Cash Plans to support the wellbeing of their employees and reduce financial pressures individuals across the UK are currently facing (Health Shield, 2025; Bupa, no date). This in turn will reduce high levels of turnover, increase service delivery to the communities SWP serve, helping retain and attract employees.

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