

department for

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A BRIEF GUIDE TO THE USE OF “PESTLE” ANALYSIS

DEVELOPED BY IPF

FOR THE DfES

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1. Compiling and Using a “PESTLE” Analysis

1.1 A PESTLE analysis is a tool that acts as a prompt to the staff and governors involved in the analysis of the developments in the school’s environment that could affect its risk profile. It may help them carry out a more comprehensive analysis. The initials stand for:

- **P**olitical e.g. a new government initiative creates the risk that the school may fail to deliver the policy or be diverted away from local priorities etc.
- **E**conomic e.g. central or local government funding decisions may affect school finances, closure of a local industry may affect fund raising plans etc.
- **S**ocial e.g. demographic changes may affect likely pupil rolls or the nature of pupils needs e.g. pupils with English as a second language etc.
- **T**echnological e.g. new computer viruses may affect school operations, disturbing images on the internet may affect ICT security measures etc.
- **L**egislative e.g. new legislation may create risks of non-compliance with the law, create new administrative burdens etc.
- **E**nvironmental e.g. a new road layout near the school may create new dangers for pupils etc.

1.2 The key to using PESTLE successfully is to prepare thoroughly **before** the meeting and:

- ask people to think about the external factors that may affect the school’s risk profile so they are prepared for the joint meeting
- ensure staff and governors with the best knowledge of external developments attend the meeting to discuss the school’s risk profile

1.3 **During** the meeting:

- use a brainstorming technique whereby for a limited time (say three minutes) people offer developments under each “pestle” heading
- make the results of the brainstorm visible e.g. write on a flip chart, use post it notes on a wall so people can build on the ideas of others.
- limiting the time helps to keep energy levels high
- use the pro forma attached to record the factors from the brainstorm that you want to discuss further (1st column on the pro forma)
- be sure to focus on why each development affects the school’s risk exposure (2nd column on the pro forma)
- be sure to discuss and agree what new responses to new or developing risks are necessary (3rd column of the pro forma)
- ensure responsibility to amend the risk register and implement risk response plans is clearly allocated and a timescale is specified
- set a date for a report to the governing body (or appropriate committee) on the action taken to address new risks identified

1.4 **After** the meeting:

- circulate minutes which should give details of the action agreed
- ensure that someone (e.g. the head, a deputy head or the bursar) has responsibility for following up to check that agreed actions are implemented
- report to the governing body (or appropriate committee) on the actions taking to address new risks identified as agreed

SUGGESTED "PESTLE" PRO FORMA

The Development	Possible Impact on School Risk Profile (probability/impact)	Action Required (by who, by when)
Political		
Economic		
Social		

The Development	Possible Impact on School Risk Profile (probability/impact)	Action Required (by who, by when)
Technological		
Legislative		
Environmental		