



Research Article

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The Use of Pestel Analysis Tool of Quality Management in the Health Care Business and its Advantages

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Abstract

Background and Objective: The main theme of this article is to discuss the use of PESTEL Analysis tool of quality management in the health care business and its advantages.

Methods: The Author of this article has chosen literature review methodology of random research articles and literature on the websites regarding PESTEL OR PESTLE Analysis tool. 15 websites and articles were reviewed for writing article "The use of PESTEL Analysis tool of quality management in the health care business and its advantages". The literature review has discussed the goals, uses, benefits, advantages, and disadvantages of the PESTEL Analysis quality tool to improve the health services for the patients.

Results: The Table and two SPSS Diagrams clearly states the data collection and Analysis regarding the literature review. The table provides the information regarding 15 websites and articles agrees that PESTEL analysis tool helps for the following 12 points. The 12 significant points are further divided into 6 top points and 6 low points with their frequency of presence in the articles and websites. Two of the SPSS Diagrams clearly shows the frequency of the top 6 points and low 6 points discussed in the articles and websites.

Conclusion: To conclude, by the literature review of the PESTEL/PESTLE analysis tool it helps the organization to focus on 6 important factors to grow the business. 6 important factors include political focus on health care, economic challenges, social factors, technological factors, legal factors, and the environmental factors. The government policies, Inflation and unemployment, demographics (age, gender, race, family size), new ways of producing and distributing goods, carbon footprint targets and health and safety rules are very important. Step by step process, attitude of learning, continuous improvement, not giving up, RCA, FOCUS PDCA, 7 quality tools, 25 administrative quality tools are all helpful to make an organization business successful.

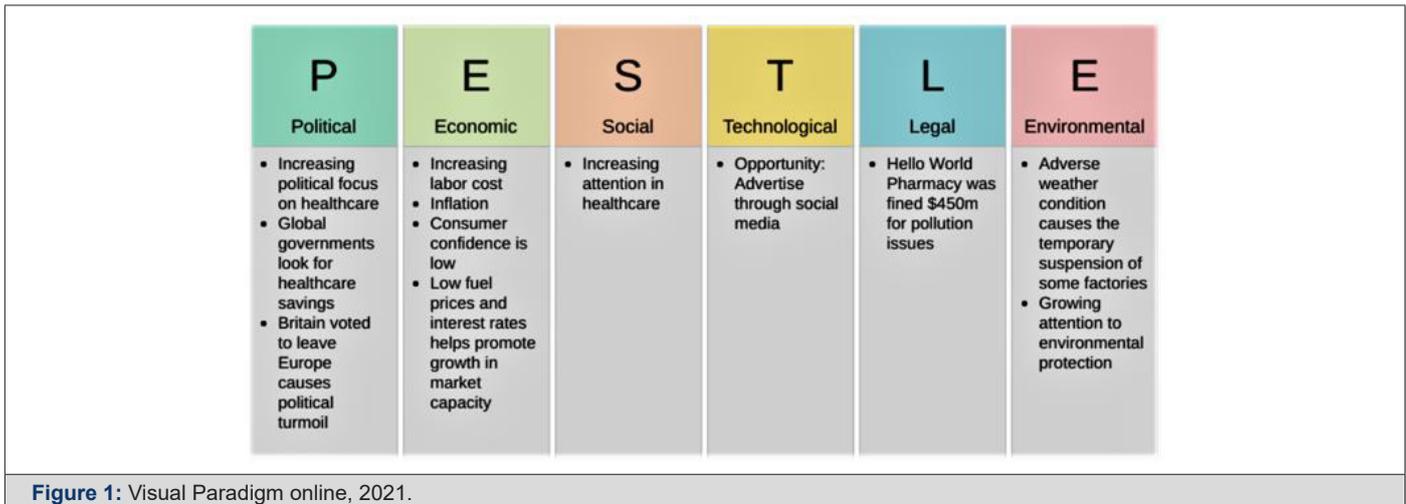
Keywords: PEST Analysis, PESTEL tool; PESTLE Analysis; SWOT Analysis tool; Quality tool; Quality Management and Patient safety; Health care Management; Advantages and disadvantages PESTEL

Introduction

The healthcare industry depends on legislation, (Case study, free case studies, 2021) changes in economic rates, and technological advancements. Whenever we see shifts in the government, people become worried. They wonder what will happen to healthcare bills. Or the services they have access to now. Will it be inaccessible shortly, health will always be a concern no matter your age? People worry about exclusivity new diseases, less treatment, and how much access they can have. This PEST analysis of the healthcare industry provides a glimpse into how the (Case study, free case

studies, 2021) system works, and how it could change in the future. Analyzing each factor is especially useful (The power MBA, 2021) when entering an unknown market (especially abroad) or starting a new business. As mentioned before, successful companies often use PESTLE analysis in conjunction with other macro-environment analysis tools such as SWOT and Porter's Five Forces. This gives businesses a thorough understanding of their position and a better ability to assess the risks specific to their industry. With that (The power MBA, 2021) wrapped up let's explore each external factor in more detail (Figure 1).





The key technique with PESTLE is to dig deep. (Smart insights, 2021) Many managers simply work through or tick off one element after another. There is real value in PESTLE but only if you adopt a deeper approach and subsequently act on the information. Whatever your size of business PESTLE can identify threats and highlight opportunities. Successful companies in the digital age see these opportunities and adapt or create new product ranges and boldly move into new markets. However, it should be noted that each of your assessments should be made with the customer in mind to ensure (Smart insights, 2021) that your analysis can lead to changes that are going to affect your business for the better.

There are several steps involved when undertaking (Oxford college of marketing, 2021) a PESTEL analysis. At first, it is important to get a group of people together from different areas of the business and brainstorm ideas. Next, you will want to consult and seek the opinions of experts from outside your business. These could be your customers, distributors, suppliers, or consultants who know your business well. The third stage will involve you researching and gathering evidence for each insight in your Analysis. Then you will want to evaluate and score each of the items for 'likelihood'; how likely it is to happen and 'impact'; how big an impact it could have on your business. The final stage involves refining (Oxford college of marketing, 2021) your ideas and repeating the process until you have a manageable number of points in each of the six categories.

Methods

Literature review of random research articles and websites regarding PESTEL OR PESTLE Analysis tool is the methodology. 15

websites and articles were reviewed for writing article "The use of PESTEL Analysis tool of quality management in the health care industry and its advantages". The literature review has discussed the goals, uses, benefits, advantages, and disadvantages of the PESTEL Analysis quality tool to improve the health services for the patients.

For healthcare organizations in the midst of (Clear point strategy, 2021) strategic planning, a PEST analysis can be a useful tool. That's because the best strategies the ones that position organizations for their best chance of success in a particular time period are developed in large part based on external factors in which a company operates. A PEST analysis is a framework for healthcare organizations to analyze events and trends in four areas that commonly affect their business operations and performance, specifically: Political factors, Economic factors, Sociocultural factors, Technological factors. A variation of PEST that (Clear point strategy, 2021) provides additional insights, called PESTEL, also includes: Environmental factors, Legal factors.

The healthcare industry must understand (Marketing tutor.net, 2021) these external environment factors. The pest analysis of healthcare industry provides better information about present and future change in political, economic, social, and technological factors that affect the industry. The healthcare industry depends on evaluating existing and impending legislation, changes in market and economy, societal changes over time and technological advancement. Political stability is always an important factor, change in governments (Marketing tutor.net, 2021) can affect the healthcare sector and general people as well (Figure 2).

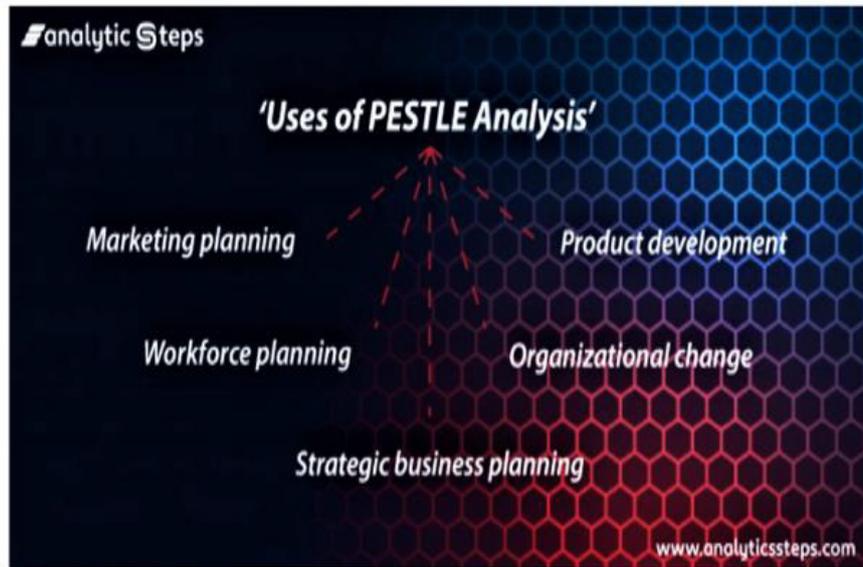


Figure 2: Analytics Steps, 2021.

PESTLE analysis can be one of the most worthwhile tools for strategic analysis, but it should be done with an attitude of systems-oriented thinking. Keep in mind that every PESTLE factor is interconnected to the others. Don't just make a list; map out a diagram of PESTLE factors that accounts for the complexity and interwoven fabric of your operating environment. By thinking broadly and deeply about the systemic nature of

PESTLE factors, your organization will benefit from a more thorough understanding of your challenges and opportunities and (Baton global, 2021) you'll be ready to move forward with better informed, more focused strategic planning.

Measure and statistical Analysis

Table 1 and Figure 3-4

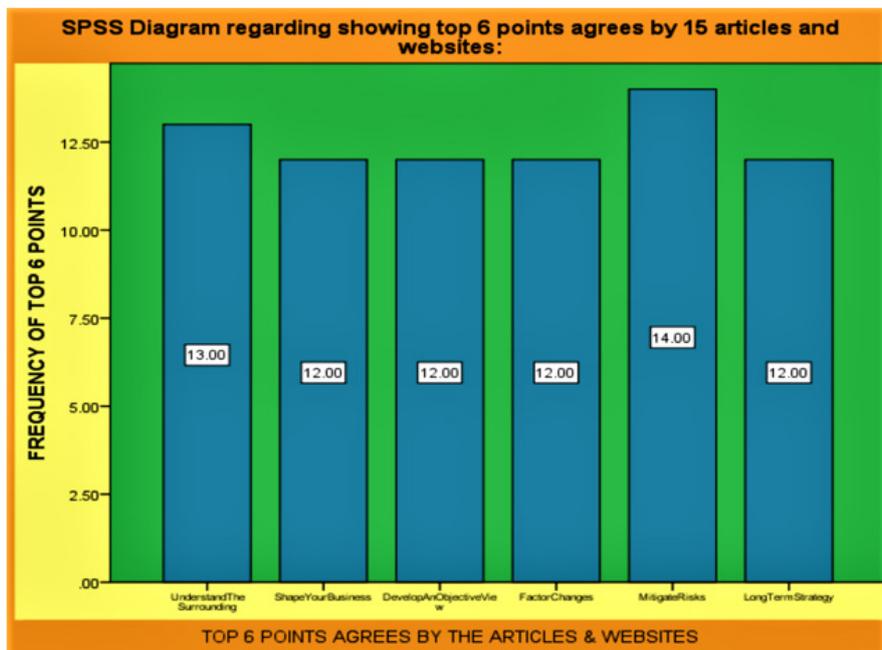


Figure 3: SPSS Diagram regarding showing top 6 points agrees by 15 articles and websites.

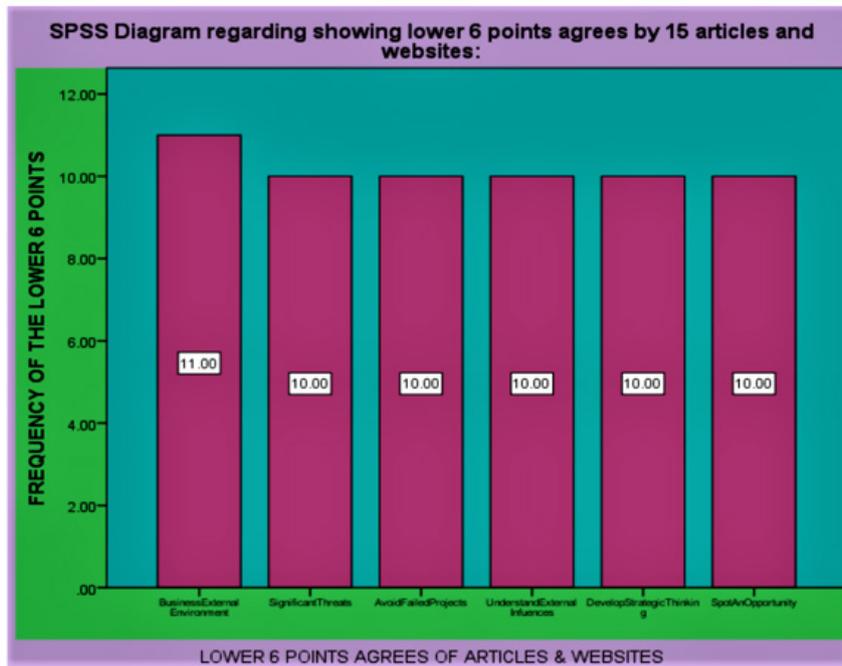


Figure 4: SPSS Diagram regarding showing lower 6 points agrees by 15 articles and websites.

Table 1: 15 Websites & Journal Articles Discusses and Agrees to The Following 12 Points.

15 Websites & Articles Agrees that PESTEL Analysis Tool Helps for the Following 12 Points		
S. No	Points	Frequency
1	Help to understand the macro-environment surrounding.	13
2	Helps to evaluate the external environment of a business.	11
3	Gives you advanced warning of significant threats	10
4	Helps you to shape your Business positively.	12
5	Helps you to avoid starting projects that are likely to fail.	10
6	Helps you develop an objective view of new environment.	12
7	To understand current external influences on the business.	10
8	Identify what factors could change in the future.	12
9	Helps Mitigate risks	14
10	Develop a better long-term strategy.	12
11	Develop external and strategic thinking.	10
12	To spot an opportunity.	10

Results

The Table and two SPSS Diagrams clearly states the data collection and Analysis regarding the literature review. The table provides the information regarding 15 websites and articles agrees that PESTEL analysis tool helps for the following 12 points. The 12 significant points are further divided into 6 top points and 6 low points with their frequency of presence in the articles and websites. Two of the SPSS Diagrams clearly shows the frequency of the top 6 points and low 6 points discussed in the articles and websites.

PEST analysis allows to supplement (Springer nature, 2020) the overall picture of assessing medical workers’ professional burnout to develop programs to prevent this phenomenon. Determination of the level of professional burnout showed that the hospital’s health workers are subject to emotional burnout, which is associated with a busy schedule and high responsibility. The formation of professional burnout (exhaustion) is 20% of the respondents, while 17% have already formed it. The most significant contribution was decreasing the (Springer nature, 2020) population’s real disposable income with an increase in tariffs for paid medical services (81.7%).

The main goal and purpose of PEST analysis (Lucid chart, 2021) is to understand what external forces may affect your organization and how those factors could create opportunities or threats to your business. It helps to develop a better long-term strategy. PEST is particularly useful for understanding the overall market environment. The (Lucid chart, 2021) more threats or risk factors in the market, the more difficult it is to do business.

Discussion

Advantages of PEST analysis: Let's list out (Visual paradigm, 2021) some benefits that we can gain from the findings of a PEST Analysis [1]. Provides an understanding of the wider business environment [2]. Encourages the development of strategic thinking [3] Straightforward and only costs time to do [4]. May raise awareness of threats to a project [5]. Can help an organization to anticipate future difficulties and take action to avoid or minimize their effect [6]. (Visual paradigm, 2021) Can help an organization to identify and exploit opportunities. The advantage of PESTEL Analysis also (CIPD Learn, 2020) includes that it is a simple framework easy to understand and conduct.

The information gained through (Information Uncover, 2021) Environmental scanning is analyzed to generate business or strategic intelligence. This strategic intelligence can be used to establish future, plausible scenarios. These scenarios can enable a hospital to better identify signs of future opportunities and threats. This identification could allow the hospital to improve its strategic management. Improving its strategic management can help the hospital better meet its business goals. In the health care industry, environmental scanning has been important for some time, because the health care industry has always been (Information Uncover, 2021) impacted heavily by a number of external forces that can create opportunities and threats.

Directly comparing SWOT vs PEST is (Creately Diagrams, 2021) probably the wrong thing to do. The disadvantage of PESTLE analysis is it doesn't consider the internal factors of your organization. SWOT analysis considers both the internal and external factors. It captures the external factors in the opportunities and threats section. However, when creating a SWOT diagram, a deep (Creately Diagrams, 2021) analysis of external factors are not performed. At least not as extensively as a PEST analysis (Figure 5).

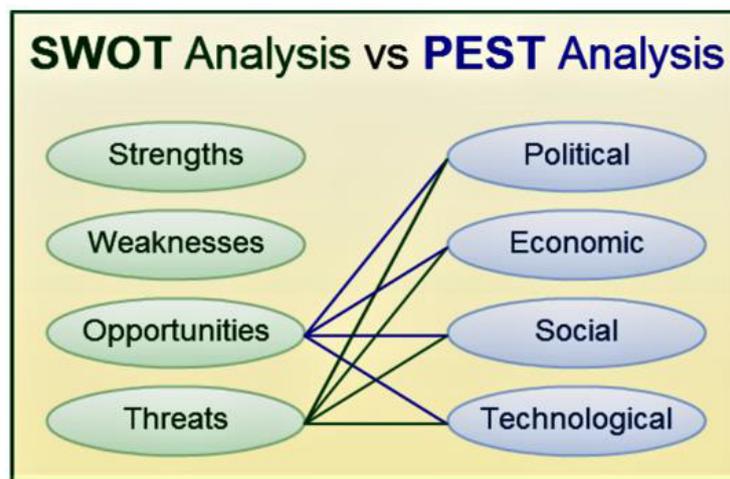


Figure 5: Creately Diagrams, 2021.

A growing environmental awareness from (PEST analysis, 2015) citizens is likely to push governments to legislate in favor of environmental conservation. Users of the framework are advised that if not used judiciously. A PEST analysis may become an endless evaluation of Political, Economic, Social, and Technological, which may result in an inconclusive analysis. The fundamental principle of the framework is that only those factors that have a direct bearing on the attractiveness of the industry and which are likely to change in the foreseeable future should be included. This would enable a firm to focus its effort (PEST analysis, 2015) solely on the factors that are pivotal for a firm's competitive position [7-20].

Conclusion

To conclude, by the literature review of the PESTEL/PESTLE analysis tool it helps the organization to focus on 6 important factors to grow the business. 6 important factors include political focus on health care, economic challenges, social factors, technological factors, legal factors, and the environmental factors. The government policies, Inflation and unemployment, demographics (age, gender, race, family size), new ways of producing and distributing goods, carbon footprint targets and health and safety rules are very important. Step by step process, attitude of learning, continuous

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