

## The Brenda Strafford Foundation 2018-2021 Strategic Plan

### PEST Analysis

The environmental scan below is based on input from subject matter experts from within the organization.

#### ***Political:***

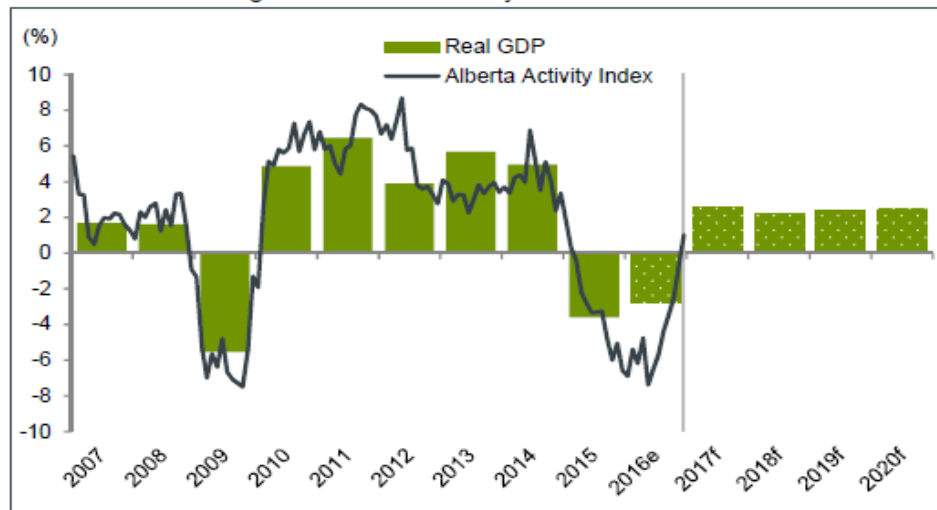
- Likely to be some minor changes to data protection requirements within this timeframe as new technologies emerge then legislation attempts to address loopholes etc.
- Enforcement of current legislation may require some changes within the organization to meet all requirements
- Increased monitoring of data is likely at governmental level – though minimal impact to Aged Care providers
- Potential ramifications from larger political landscape – increased costs for some equipment and reduced access to technology on global scale
- Current data inspection policies when entering the US might affect some senior management or staff traveling across the border
- Federal or provincial legislation on environmental impact may require some changes to how equipment is disposed of or make older equipment expensive to maintain
- Increasing potential for the internet and world wide web to be used in intergovernmental warfare with private business as collateral damage
- Policies for healthy aging
- Policies for protecting information
- Dementia Strategy
- Government type/ accreditation/regulating bodies
- Government Regulations
- Changes in Legislation- impacts on employment
- Changes in the Political Landscape
- Human Rights Legislation
- Changes in Operational Factors
- Political Instability
- Unionization/bargaining
- Fluctuations in Industry
- Health and Safety Legislative Impacts
- Political Social Structures
- Governmental regulations may continue to lag behind technological developments. Organizations may be required to fill these legislative gaps with corporate policies
- Future political trends are extremely difficult to predict though likely ongoing inter-state conflict will have increasing impact to non-state actors

#### ***Economic:***

- The Alberta economy exceeded expectations in the first half of 2017 with nearly every sector of the economy rebounding
- Real GDP is now forecasted to grow between 2.9% - 3.1% up from 2.6% in the provincial budget in 2017
- Real GDP is forecasted to grow between 2.3-2.4% in 2018 which will outstrip all other provinces in 2018 with 2.4.

**Chart 1: Alberta beginning to recover**

Year-Over-Year Change in the Alberta Activity Index and Real GDP

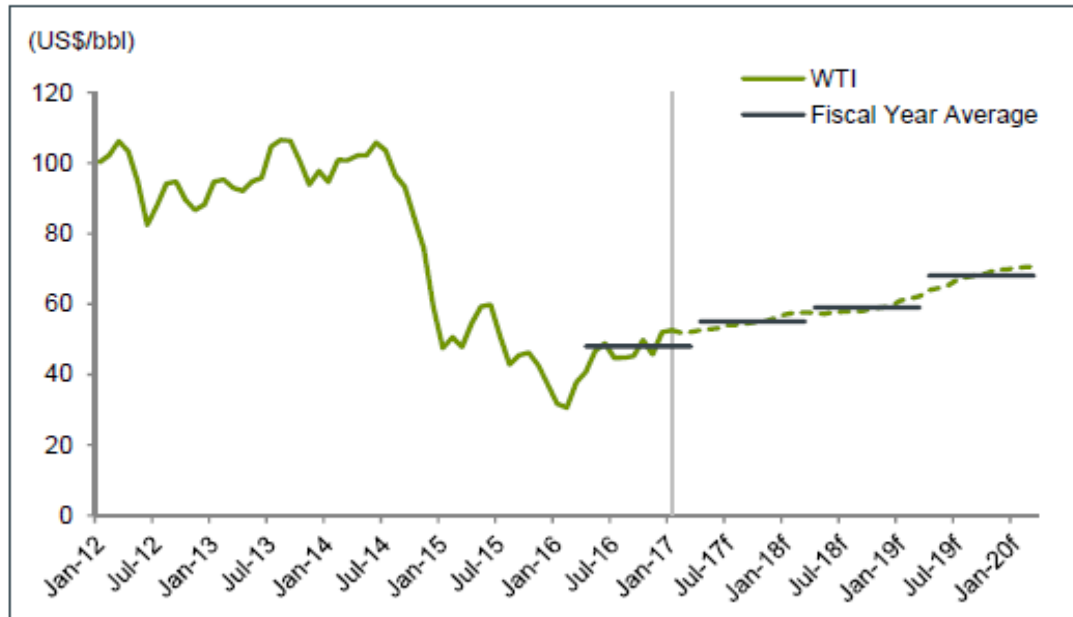


Sources: Statistics Canada and Alberta Treasury Board and Finance, e-estimate, f-forecast

- Conventional oil and gas investment is projected to rise 40% in 2017 which is partially offset by larger decline in non-conventional investment.
- The Alberta heavy oil benchmark (WCS)/WTI differential has been increased to \$12.20/bbl due to expected pipeline capacity limitations towards the end of 2017.
- Export and manufacturing sales have surged since bottoming out late in 2016 with real exports expected to grow by 5.8% in 2017 and 4.2% in 2018.
- Clear broad based evidence that the economic upturn has taken root in Alberta with rising retail sales; motor vehicle sales increases; double digit sales gains in past few months for manufacturers and Calgary and Edmonton housing markets with home resales well ahead of year-ago levels.
- Oil prices have not met Budget expectations with revised WTI forecast of \$49/bbl down \$6/bbl from budget due to elevated global inventories and higher-than-expected oil production in the US, Libya and Nigeria despite renewed commitment of OPEC and 11 other countries to extend production cuts into first quarter of 2018.

### Chart 5: Oil prices to gradually improve

West Texas Intermediate



Sources: Wall Street Journal and Alberta Energy, f-forecast

As denoted in the chart above, oil prices are expected to improve as inventories decline and demand grows at a steady pace, but remain well-below levels seen in recent years.

#### **This means it will be a slow recovery**

- Commercial investment outside of oil and gas sector has continued to decrease with weakness likely to persist into 2018.
- Deficit will remain at \$6.8 billion, pushing Alberta's net debt from \$9.5 billion to \$44.2 billion by 2019-20. Government doesn't expect to return to a balanced budget until 2023-24
- BC government opposition to the Kinder Morgan's Trans Mountain pipeline.
- US President Donald Trump is now targeting Canada with regard to trade. Depending on the actions taken, some Alberta sectors including forestry and energy could feel the pain.
- Economic Conditions Fluctuation- Economic Downturn/turnaround
- Expectations related to rates of pay
- Funding Limitations- impact on ability to pay
- Recruitment & Selection
- Labour market (Skillset)
- Employment rates/ needs
- Alternate funding sources (grants etc.)

**Social:**

- User expectations continue to change/evolve over the 3 year period – users will increasingly expect to have services similar to their iOS or Android services.
- Technological awareness will unlikely change significantly though user knowledge of systems and software may continue to weaken as limited Applications on mobile devices continues to dominate
- BYOD will likely be a stronger requirement as users struggle to adapt to a different environment than they are used to within their personal technology
- Change management will continue to be vital as new technologies are implemented
- Users will demand increased security as cyber-attacks continue to be publicized
- Change in funding directions from key funding partners (CIHR/Alberta Innovates)
- Customer and end user drivers
- Changing demographic, greater number of people aged 65 and over, living longer which results in changing expectations
- Individuals to live longer and give society the benefit of expertise and wisdom
- Research and innovation focusing on optimizing health and wellness through looking at a comprehensive model including physical, psychological, social and environmental factors
- Media views and perceptions on aging, research and innovation
- Ethical issues with research and innovation
- Likely users will be more comfortable with technology – though there will be high expectations for performance and availability of technology. Some people will likely choose employment due to the technology available
- Likely that staff will want to work with personal devices and/or work from home – especially knowledge workers
- Progress within some fields (AI) might make skilled workers obsolete impacting workforce in unforeseen ways
- Customer experience is crucial. Dependable, secure and customized business communication facilitates close customer relations and customer retention.
- With the increased ‘noise’ and ever-increasing competition for audience attention, communicators and marketers increasingly need to fine tune messaging and develop content that closes the gap between what the organization wants to say about their products/services, and what their audiences need and want to hear in order to gain/retain audience attention. The industry is evolving away from setting content quotas and creating lots of low quality content just to fill the pipeline, and becoming more focussed on creating quality content with audience engagement in mind.
- Quality of information sources. The increased accessibility (and shareability) of information has given rise to more content that has not been curated or critically-evaluated. The increased amount of information available is not always accurate.
- Social marketing has the primary aim of "social good", while in commercial marketing the aim is primarily financial. Social marketing seeks to develop and integrate marketing concepts with

other approaches, to influence behaviors that benefit individuals and communities for the greater social good. It seeks to integrate research, best practice, theory as well as audience and partnership insight.

***Technological:***

- Continual consolidation within technological industry with fewer providers (likely)
- Price uncertainty due to political and technology changes
- Increasing demand for environmentally friendly products – efficient, recyclable etc
- Increasing security threats with criminals likely to target an ever increasing number of targets – price of large scale attacks continues to decrease
- Software as a Service (SAAS) and Anything as a Service (XAAS) will continue to be trends within technology with software like Office that has been a one-time purchase increasingly becoming a subscription based service
- Internet of Things (IOT) continues to be discussed but currently not anticipated to have major impact in our industry (except from a maintenance and security perspective) – strongly advised to take caution when implementing solutions that are interconnected
- Big Data and Data Analytics will remain buzzwords but at this time clearly defined benefits or profitability for the major players is difficult to identify
- Convergent technology is likely to become more important for example software defined networking and move away from mobile apps to enhanced web apps
- Smart applications such as Googles translator will increasingly demonstrate the power of AI and big data
- Trends in innovation re: home and remote monitoring, cutting edge technologies
- Competing technology development
- Research funding
- Maturity of technology
- Intellectual property
- New information and communication technologies (social media)
- High security and privacy requirements
- External and internal integration requirements
- Easier acceptance of new technologies
- Operating with Manual processes
- Technological savvy for employees is low
- Slow adoption for technological changes
- Potential skillset requirements with technology change
- Legislation on technology
- Mechanization trend of the industry
- Current trends to energy efficiency and clean technologies will likely continue – transportation will likely be impacted with increased fuel costs and tougher regulations
- Mobile operating systems and desktop operating systems will likely consolidate with fewer manufactures competing in the same space

- Technology will likely be incorporated into more everyday items to determine maintenance requirements etc
- Custom healthcare will likely be significantly more advanced in 10 years with the possibility of:
  - DNA/physiological matching of treatments
  - AI diagnosis and treatment of conditions
  - Smart fabrics – monitoring and reporting of vitals etc.
- 3D printing will present opportunities from both a clinical and maintenance perspective
- Trends with computers and protocols are difficult to predict – though likely to continue the faster, cheaper and more portable design philosophies currently demonstrated by the large technology companies
- Security concerns will likely remain a high priority within the technology space with every evolving threats – cloud services may address some of the concerns (in the medium term)
- AI, VR and AR are likely to continue to mature and will present opportunities for all sectors within this timeframe – how this impacts BSF is difficult to determine at this time
- Demand for enhanced security and virus protection in electronic communications to combat ever more aggressive malware via email or other online attacks and vulnerabilities.
- An ever-growing number of devices and appliances are now networked with each other. The “Internet of Things” (IoT) is the network of physical devices, vehicles, appliances, and other items embedded with electronics, software, sensors, actuators, and network connectivity which enable these objects to connect and exchange data. A substantial part of products’ usefulness in the future will lie in the intelligent combination of software, sensors and communication applications. In order to ensure a secure and integrated flow of information throughout all parts of the process chain, various application and communication protocols have to be interlocked with each other.