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The Impact of PESTEL Analysis on Organizational Performance According to the Malcolm-Baldrige Perspective on Excellence An Analytical Study of the Opinions of a Sample of Project Managers at the Holy Shrines (Karbala, Najaf)

Aseel Ali Mezher Imad Abd Noor Obaid
aseel.mezher@qu.edu.iq madbdnwralghzaly@gmail.com
University of Al-Qadisiyah

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Corresponding Author : Imad Abd Noor Obaid

Abstract : The current research aims to measure the impact of PESTEL analysis with its dimensions (political factors, economic factors, social factors, technological factors, legal factors, environmental factors) on institutional performance according to the Malcolm-Baldrige perspective with its dimensions (administrative leadership, strategic planning, interest in human resources, operations management, knowledge and information systems) for project managers in the holy shrines in the governorates of (Karbala, Najaf). To achieve this goal, the descriptive analytical approach was used, and the questionnaire form was distributed in the amount of (268) forms, and only (235) were approved, while the rest were neglected either due to non-retrieval or unsuitability for analysis, meaning that the response rate was (88%). The study also used some statistical methods, such as (arithmetic mean, standard deviation, and Pearson correlation coefficient). The statistical program (SPSS.V29) and the program (Amos.V26) to analyze the data and reach a set of results, the most prominent of which is the existence of a correlation and influence between the (PESTEL) analysis and institutional performance according to the (Malcolm-Baldrige) perspective of excellence.

Keywords: PESTEL analysis, corporate performance

INTRODUCTION: In light of the increasing challenges facing organizations in the external environment, the ability to analyze external influencing factors has become a strategic necessity to enhance institutional performance and achieve excellence in service quality. PESTEL analysis is an effective tool for understanding and evaluating the political, economic, social, technological, environmental, and legal environmental factors that impact the operations of organizations, especially those operating in sensitive and important sectors such as the holy shrines. Furthermore, the Malcolm-Baldrige Excellence Framework is one of the most important and globally recognized models for improving institutional performance and instilling a culture of quality and excellence. This approach focuses on sustainable performance outcomes by improving leadership, strategy, resources, and quality outcomes. Therefore, this study aims to examine the relationship between PESTEL analysis and institutional performance, with a focus on how the results of this analysis can be employed to improve the quality of service provided, according to the Malcolm-Baldrige perspective on excellence. The study relies on an analysis of the opinions of a group of project managers at the holy shrines, with the aim of exploring their views on how external factors impact institutional performance and development, and the extent to which they benefit from analytical tools in achieving excellence in service delivery.

Research Methodology

First: Research Problem

Projects in the holy shrines face numerous challenges resulting from rapid external changes, such as political, economic, and social conditions, which directly impact their performance and require effective strategies for adaptation and response. Despite the availability of tools for analyzing the external environment, such as PESTEL, many organizations do not adequately adopt the results of this analysis to improve institutional performance and enhance the quality of services provided. In the same context, the

Malcolm-Baldrige Excellence Framework is an important benchmark that enhances the effectiveness of performance processes within organizations. However, it faces challenges in its application in a way that reflects tangible results based on understanding and strategically utilizing external factors. Therefore, the study's problem arises in questioning the extent of the relationship between the results of the PESTEL analysis and institutional performance, and how this analysis can contribute to improving services, especially in institutions of a religious and historical nature, such as the holy shrines. Accordingly, the study's problem can be formulated as a question: "**What is the impact of the PESTEL analysis on institutional performance according to the Malcolm-Baldrige perspective on excellence?"** From this question, a set of important sub-questions can be raised:

1- What is the level of use of the PESTEL analysis in the study community?

2- .What is the nature of institutional performance according to the Malcolm-Baldrige perspective on excellence in the study community?

3- What is the extent of the impact of the use of the PESTEL analysis on institutional performance according to the Malcolm-Baldrige perspective on excellence?

Second: Importance of Research

The importance of the study lies in the following:

1-The current study addressed two important variables: PESTEL analysis and institutional performance according to the Malcolm-Baldrige perspective on excellence, which contribute to the survival, growth, and stability of organizations.

2-The study presented a set of methods through which distinguished institutional performance can be achieved and services provided to the studied community can be improved.

3-To the researcher's knowledge, there are no previous studies related to the reality of PESTEL analysis and institutional performance according to the Malcolm-Baldrige perspective on excellence combined. Therefore, this study is the first of its kind to address these variables in our Iraqi context.

4-The current study gained its importance from the importance of the studied community (project managers in the holy shrines (Karbala, Najaf)) and the important role this administrative group plays in presenting and managing projects that contribute to supporting the national product on the one hand and providing educational and health services on the other hand, which are comparable to services provided in developed countries.

5-The study contributes to identifying the obstacles that prevent the implementation of PESTEL analysis. PESTEL and institutional performance according to the Malcolm-Baldrige perspective in the projects of the holy shrines in Karbala and Najaf, the field of study.

6- Determining the type and nature of the relationship between PESTEL analysis and institutional performance according to the Malcolm-Baldrige perspective on excellence.

Third: Research Objectives

The objectives of the current study are as follows:

1-To identify the nature of the concept of PESTEL analysis and its role in enhancing institutional performance according to the Malcolm-Baldrige perspective on excellence.

2-To identify the factors that influence the achievement of institutional performance according to the Malcolm-Baldrige perspective on excellence within projects at the holy shrines in the provinces of Karbala and Najaf.

3-To test the relationship between PESTEL analysis and institutional performance according to the Malcolm-Baldrige perspective on excellence.

4-To provide practical recommendations for projects at the holy shrines under study on how to develop and improve institutional performance according to the Malcolm-Baldrige perspective on excellence.

5. To contribute to the development of the scientific literature related to PESTEL analysis and institutional performance according to the Malcolm-Baldrige perspective on excellence.

Fourth: The Hypothetical Scheme Of The Research

After addressing the problem, importance, and objectives of the study, and reviewing previous studies related to the study variables, a hypothetical plan was designed for the study. Figure (1) shows the relationships of influence, correlation, and joint influence.

1-The independent variable: represented by PESTEL analysis, which includes six dimensions (political factors, economic factors, social factors, technological factors, legal factors, and environmental factors). The scale (Tigani et al., 2022) was adopted.

2- The dependent variable: represented by Corporate Performance. According to Malcolm Baldrige's Perspective on Excellence, which includes five dimensions (administrative leadership, strategic planning, concern for human resources, operations management, knowledge, and information systems). The scale (Sonia and Salahuddin, 2023) was adopted.

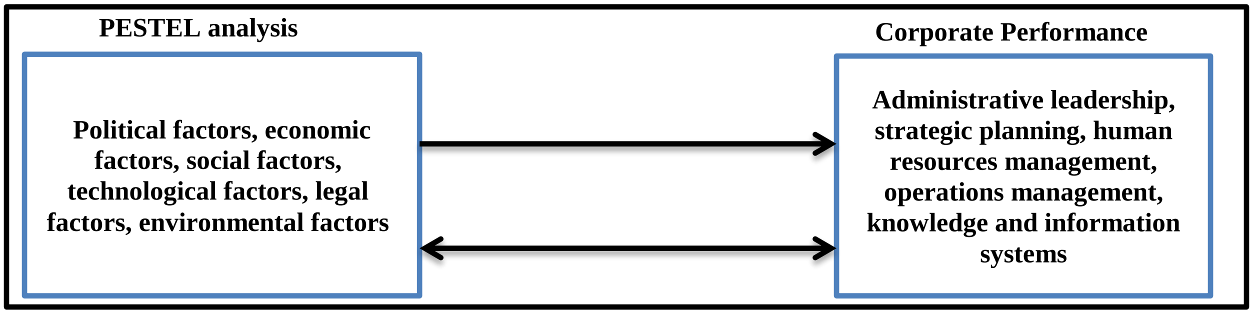

Figure (1) Hypothetical research plan

Source: Prepared by the Researchers

Fifth: Hypotheses Of The Study :

Main Hypothesis 1: There is a significant correlation between PESTEL analysis and organizational performance according to Malcolm Baldrige's perspective on excellence.

Main Hypothesis 2: There is a significant impact of PESTEL analysis on organizational performance according to Malcolm Baldrige's perspective on excellence.

Sixth: The Study Population And Sample

The study community was represented by project managers in the holy shrines (Karbala, Najaf). 268 forms were distributed to the projects, and 235 forms were retrieved. Table (1) shows the number of forms distributed and retrieved.

Table (1) shows the number of forms distributed and returned.

Company Name	Distributed Forms	Returned Forms
Al-Kafeel University	65	61
Al-Kafeel Specialized Hospital	54	44
Al-Kafeel Mineral Water Production	11	8
Noor Al-Kafeel Animal and Food Products	22	17
Seed Purification Laboratory	9	9
Al-Abbas's (p) Holy Shrine Nursery	7	6
Imam Hussein Institute for Minors Care	8	8
Warith Al-Anbiya University	31	30
Animal Feed Factory	12	11
Al-Kawthar Foundation for Development and Business	10	9
Imam Al-Hassan Printing House	6	6
Al-Kafeel Dairy and Juice Factory	18	15
Al-Kafeel Publishing and Distribution House	9	9
Al-Kafeel Investment Company	6	6
Total	268	235

Seventh: Data and Information Analysis Methods

The researcher relied on a five-point Likert scale to distribute the strengths of the questionnaire. Therefore, to analyze the field-based aspect of the study, several statistical methods were used to process the questionnaires collected from respondents using the Statistical Package for the Social Sciences (SPSS v.29)

1-Arithmetic Mean: Used to determine the average responses of sample members.

2-Standard Deviation: Used to determine the dispersion of the responses of the sample members under study from their arithmetic mean.

3- Coefficient of Variation: A measure of the dispersion or dispersion of a probability distribution or frequency distribution.

4-Simple Pearson Correlation Coefficient: Used to determine the correlation between the study variables.

5-Structural modeling equation using the Amos program v.26 to test the direct hypotheses and the mediating effect.

6- Cronbach's Alpha Coefficient: To ensure the reliability of the study scale and the consistency of the items among them.
7-Confirmatory factor analysis: To test the construct validity of the study scale.
8- Normal distribution analysis: To verify the presence of a normal distribution of data drawn from the study population.

Literature Review

First: Concept of PESTEL Analysis

The first writings on the concept of PESTEL analysis appeared in 1967, introduced by Harvard Business School professor Francis J. Aguilar. He presented his study titled "Scanning the Business Environment," where the analysis was initially presented under the acronym ETPS, which encompasses four factors: economic, technological, political, and social (Gregoric, 2014: 552). Since then, the acronym has changed several times to STEP, STEPE, STEEPLE, and others. However, PESTEL or PESTLE has emerged as the most widely used model (Nekrasov & Melnyk, 2017: 138)

PESTEL analysis provides a framework for a comprehensive analysis of the environment in which an organization operates and for creating feasible business strategies. It is used for strategic planning, marketing planning, new product/service development, and research (Vasileva, 2018: 224). Therefore, PESTEL analysis addresses the environment by analyzing political, economic, social, technological, environmental, and legal/legislative factors (Kolios & Read, 2013:5026; Hegheș, 2020:101).

PESTEL analysis describes the macro-environmental factors used in the environmental scanning elements of strategic management. It is also part of the external analysis when conducting strategic analysis and provides an overview of the various macro-environmental factors that must be considered (Ortega et al., 2019:32). Sigcha et al., 2020:145, indicated that it is a strategic tool for understanding market growth or decline, business position, potential, and direction of operations.

Siddiqui et al., 2021:13, defined it as an important market and environmental analysis tool to support the decision-making process. On the other hand, (Wajid & Zafar, 2021: 41) argued that PESTEL analysis is one of the tools that contribute to identifying and studying the external variables that affect an organization. This, in turn, impacts the organization's continuity, success, and stability in achieving its goals, thereby achieving competitive advantages that support the organization's competitive position. PESTEL analysis is a simple, easy-to-understand, and use tool that helps better understand the organization's environment. It encourages the development of strategic thinking, helps anticipate future challenges and take action to avoid or mitigate them, and enables the organization to discover and effectively exploit new opportunities (Abdullah et al., 2022: 27). PESTEL is one of the models adopted for analyzing the business environment of organizations in general (Sugiyono et al., 2022: 2). It helps in the process of evaluating the dynamic and competitive business environment according to specific dimensions, by assessing the key factors outside the framework and boundaries of the organization (Bathla et al., 2022: 144), which have been recognized for their direct and indirect impact on the organization's business performance. This enables strategies to be developed to overcome problems and achieve a better position (Mohamad et al., 2022: 26). The model also enables the organization to understand its position within its business environment and enables it to identify trends and paths that are useful in updating its strategy and objectives (Bilgram & Laarmann, 2023: 19). The model can also be used to assess risks and develop strategies to mitigate risks and threats, based on risk management, capitalizing on opportunities, and exploiting potential (Pınar, 2023: 216).

From the above, it can be said that PESTEL analysis is a tool that allows for evaluating the current environment and potential changes. It is based on the premise that organizations that continually examine their environment have a competitive advantage because it helps in collecting, analyzing, and using information to improve organizational performance. It is also used more in forecasting and evaluating the future state.

Second: Importance of PESTEL Analysis

PESTLE analysis is viewed as part of the SWOT analysis process, identifying opportunities and threats in an organization's external environment (Sigcha et al., 2020:146). It is also part of the external assessment, evaluation, review, and evaluation process, in addition to the interests of political, economic, social, legal, and economic stakeholders, which can also be identified from the analysis and incorporated into the findings (Wajid & Zafar, 2021:4). PESTLE analysis helps an organization identify opportunities presented by current conditions in the organizational environment. It can also be used to identify current or potential future challenges, allowing for effective planning on how to best manage these challenges. The results of this analysis can facilitate changes or improvements in the identified areas (Fosher, 2018:33).

Third: Dimensions PESTEL Analysis

1-Political Factors

The political environment in which a company makes international business decisions is very important and consists of three elements: the political environment of the home country, the political environment of the host country, and the global political environment. These political elements may have a direct or indirect impact on international business decisions, and they may have a positive or negative impact on the company's international activities. When making decisions about international investment, business managers prefer a political environment that is fully supportive of business interests (Anand & Mantovani, 2021: 23)

2-Economic Factors

The economic environment is the most important criterion for making international business decisions. In fact, the economic environment is the potential for success in international trade. The economic environment criterion covers both local, national, international, and global economic environments. There are a number of general and useful indicators necessary to assess the economic environment in which most multinational companies operate. These indicators include population, per capita income, income distribution, and the type of economy in both the home and host countries (Aggarwal, 2023: 5).

3- Social Factors

Social culture deals with the set of values, beliefs, norms, and institutions held by a specific group of people in society. With increasing globalization, it must be emphasized that a lack of understanding of the importance of social culture in determining consumer attitudes, lifestyles, and behavior can be disastrous for a multinational company (Aithal, 2017: 79)

4- Technological Factors

Technology and its transfer have become key factors in international business decisions. Technology is changing at a rapid pace due to the ongoing research and development efforts of organizations in every industry and industry sector in major countries. The impact of technology on international business practices and decisions has played a major role and may continue to have an impact due to the many groundbreaking technologies expected during the 21st century (Aithal, 2017: 79.)

5-Legal Factors

The legal environment includes the laws and regulations of a country. PESTLE analysis generates data on the governmental rules and regulations that will influence the way an organization produces and sells its products (Fosher, 2018: 32).

6-Environmental factors

The physical environment includes raw materials and other natural resources, such as land and the physical space in which the organization operates. PESTLE analysis examines the natural environment to generate information about pollution, raw materials, and government regulations regarding the protection of natural resources (Aggarwal, 2023:5).

Fourth: Concept of Institutional performance according to Malcolm Baldrige's perspective on excellence

The Baldrige Excellence Model (BEM) was first introduced by the U.S. Department of Commerce for the Malcolm Baldrige National Quality Award (MBNQA) in 1988. It is an excellent performance measurement model used to determine the winner of the Malcolm Baldrige National Quality Award (MBNQA) (Asif et al., 2013: 3096). The word "excellence" has been interpreted in the English dictionary in more than one sense: superiority, quality, uniqueness, or outstanding or high performance. The concept of efficiency was defined according to the scientific management approach as the basis for organizational excellence, while the human relations approach added the human dimension to the excellence process, focusing on the human needs of employees (Bandyopadhyay & Leonard, 2016: 11). Contemporary management approaches have focused on the concept of effectiveness as the basis for excellence through the organization's achievement of its overall objectives in the face of complex environmental changes (Evans et al., 2012: 489). Institutional excellence emerged to express the need for an integrated and comprehensive approach to all elements and components of organizational structure. This approach aims to achieve high capabilities to confront the variables and external conditions surrounding them, on the one hand, and to achieve interconnectedness between their internal components and elements, capitalize on their core capabilities, and achieve benefits for stakeholders within organizations and society as a whole, on the other (Fry et al., 2017: 22). Deming defined outstanding performance as a management philosophy based on customer satisfaction and meeting their needs, both present and future, while encouraging development initiatives and designing organized and stimulating mechanisms for excellence and creativity. This is to encourage best administrative practices and creative initiatives at all levels of the organization (Kurniawan, 2023: 2). Excellence is a topic that has been extensively addressed in management studies, both at the individual and organizational levels. This is due to rapidly changing environmental conditions, increased competition, the multiplicity and diversity of customer needs, the development of information and communications technology, globalization, and the global market. All of this has led to the adoption of modern policies and strategies that are consistent with these changes, and consideration of satisfying the desires of all stakeholders, embracing total quality management, and achieving a high level of excellence (Rahayu et al., 2021: 2). Institutional excellence did not emerge from a vacuum, but rather stemmed from a set of advanced management theories and concepts that form the theoretical framework for institutional excellence. Therefore, it is one of the most widely used concepts in quality (Lawrence & Hammoud, 2017: 2).

From the above, it can be said that if organizations want to achieve excellence, they must obtain the best results compared to their counterparts from other organizations, and their ability to adapt to external changes, improve their main capabilities, and contain their employees as the true main wealth of the organization. Therefore, distinguished performance can be defined as the ability to achieve maximum benefit from the organization’s most valuable resources, individuals, in order to deliver sustainable results.

Fifth: The Importance of Institutional performance according to Malcolm Baldrige's perspective on excellence

Excellence and its requirements have become a top priority for many organizations in a changing, competitive environment. It has also become a critically important goal for many organizations, helping them maintain their ability to adapt to changes occurring within a competitive environment. It represents the highest levels of performance (Anastasiadou, 2018: 812). Excellence has become the primary and ultimate concern of those working in management, to the point that it can be said that outstanding performance is no longer an option for organizations, but rather an inevitability imposed by external circumstances and forces (Vinyard, 2019: 4). The importance of outstanding performance stems from organizations' ability to crystallize the forces that support excellence by achieving rapid rates of change and unlimited competition, maintaining organizational standing, and then fostering a growing sense of quality and the ability to leverage technology (Matondang et al., 2018: 2).

Sixth: Malcolm Baldrige Model of Excellence Standards

1-Administrative Leadership

Leadership is the superior qualities and abilities that enable a leader to influence others to achieve shared goals according to an inspiring vision within a specific situation. It represents a leader's ability to identify the right things before considering how to accomplish them. That is, the leader asks himself what the right things are that should be accomplished before asking about the right way to accomplish them (Riggio et al., 2010: 236).

2-Strategic Planning

Strategic planning is an integrated process aimed at identifying the thoughts of an organization's management regarding the reasons for its establishment and development, and keeping pace with the requirements of a rapidly changing environment. It is thus the process of selecting an appropriate environment that encompasses a number of intellectual and analytical tasks, as well as understanding and management procedures that precede determining the organization's future path, in order to create strategic alignment between the organization's goals and opportunities (Beard & Humphrey, 2014: 3382).

3- Focus on Human Resources

The success of any organization is closely linked to how it manages its human resources. By focusing on human resources, organizations can achieve superior results and foster a positive work environment (Beard & Humphrey, 2014: 3383). Focusing on human resources is one of the fundamental pillars of any organization's success. Human resources is not merely the management of employees; rather, it is a comprehensive strategy aimed at developing and improving individual and collective performance (Baileya, 2015: 19)

4- Operations Management

Operations management is a set of activities focused on designing, implementing, and improving processes within a given organization. Operations management aims to achieve high efficiency and quality in the delivery of products or services, which contributes to achieving the organization's goals and customer satisfaction. Operations management works to design new processes or improve existing processes to meet customer needs and adapt to changes (Beard & Humphrey, 2014: 3384). **5- Knowledge and Information Systems**

Measurement, analysis, and knowledge management significantly contribute to enhancing an organization's ability to adapt to a changing business world. By combining these elements, organizations can enhance their performance, improve their strategies, and create sustainable value (Munizu, 2013:57).

Practical Framework for Research

1- Coding of the main study variables and their constituent dimensions

This paragraph is concerned with the variables (PESTEL analysis, institutional performance according to Malcolm Baldrige's perspective of excellence) by expressing them with a set of purposeful symbols that provide the precise meaning for interpreting the data and building a clear perception for the reader regarding the symbols that were used in the analysis. Perhaps Table (2) shows the coding and description of the study variables more clearly.

Table (2) Coding and description of the variables under study

Variable	Subdimensions	Paragraphs	Symbol	
PESTEL Analysis	Political Factors	5	PF	PESTEL
	Economic Factors	5	EF	
	Social Factors	4	SF	
	Technological Factors	3	TF	
	Legal Factors	3	IF	
	Environmental Factors	2	FNF	
Institutional Performance According To Malcolm Baldrige's Perspective Of Excellence	Administrative Leadership	5	AL	CPAMB
	Strategic Planning	5	SP	
	Human Resources Management	5	FHR	
	Operations Management	5	OM	
	Knowledge and Information Systems	4	KIS	

2- Measurement reliability test: Study tool

This test represents a statistical analysis of the level of reliability of the data obtained by the researcher through distributing the questionnaire to a sample of (235) administrators. Furthermore, it is possible to arrive at reliable results through the use of the reliability test using the Cronbach's Alpha method. This test aims to provide the conditions for reliability in the questionnaire data when its value is greater than (70%) (Bartholomew, 1996: 24). Table (3) shows the results of the questionnaire reliability test, which can be interpreted as follows:

Table (3) Questionnaire reliability test

Variable	Subdimensions	Paragraphs	Measuring instrument reliability		Measuring instrument validity	
PESTEL Analysis	Political Factors	5	0.743	0.873	0.843	0.835
	Economic Factors	5	0.862		0.782	
	Social Factors	4	0.831		0.881	
	Technological Factors	3	0.792		0.932	
	Legal Factors	3	0.828		0.874	
	Environmental Factors	2	0.912		0.836	
Institutional Performance According To Malcolm Baldrige's Perspective Of Excellence	Administrative Leadership	5	0.865	0.921	0.865	0.928
	Strategic Planning	5	0.803		0.867	
	Human Resources Management	5	0.756		0.883	
	Operations Management	5	0.798		0.874	
	Knowledge and Information Systems	4	0.776		0.803	

Source: Prepared by the Researchers

3- Description and diagnosis of the PESTEL analysis variable

The results of Table (4) indicate that the overall average level of agreement of the studied sample regarding the PESTEL analysis was (3.47), with a standard dispersion of (0.73), and a coefficient of variation of (20.96), indicating the availability of PESTEL analysis among the studied sample. Perhaps the dimension that contributed to improving and enriching this variable is due to the dimension of social factors among the study sample, with an arithmetic mean of (3.72), a standard deviation of (0.69), and a coefficient of variation of (18.58). In contrast, there are shortcomings among the studied sample regarding attention to environmental factors, with an arithmetic mean of (3.28), a standard deviation of (0.81), and a coefficient of variation of (24.53). This indicates the necessity of the studied sample's attention to environmental factors, as environmental factors have recently gained great importance due to the depletion of natural resources, environmental pollution, and disruption of the environmental balance, which has raised great concern. Government policies aimed at preserving the purity of the environment and its balance have led to significant concerns. Environmental issues and the conservation of non-renewable resources lead to additional responsibilities and problems for international business.

Table (4) Descriptive measures of the PESTEL analysis variable

Paragraph symbol	Mean	S.D	C.V	Order priority
PF1	3.52	0.87	24.65	1
PF2	3.47	0.96	27.61	2
PF3	3.36	0.95	28.22	3
PF4	3.14	1.15	36.71	5
PF5	3.17	1.07	33.72	4
Political Factors	**3.35**	**0.98**	**29.11**	
EF1	3.20	1.10	34.27	5
EF2	3.28	1.11	34.03	4
EF3	3.42	0.98	28.76	3
EF4	3.43	0.93	26.98	2
EF5	3.50	0.80	22.89	1
Economic Factors	**3.38**	**0.92**	**27.25**	
SF1	3.52	0.81	22.95	1
SF2	3.30	0.84	25.56	3
SF3	3.41	1.01	29.61	4
SF4	3.46	0.87	25.02	2
Social Factors	**3.72**	**0.69**	**18.58**	
TF1	3.41	0.95	28.00	1
TF2	3.25	0.76	23.38	3
TF3	3.30	0.94	28.40	2
Technological Factors	**3.45**	**0.80**	**23.16**	
IF1	3.54	0.81	22.84	1
IF2	3.32	0.79	23.75	3
IF3	3.47	0.80	23.06	2
Legal Factors	**3.52**	**0.65**	**18.38**	
FNF1	3.56	0.73	20.38	1
FNF2	3.28	0.84	25.56	2
Environmental Factors	**3.28**	**0.81**	**24.53**	
PESTEL analysis	**3.47**	**0.73**	**20.96**	

4- Description and diagnosis of the institutional performance variable according to Malcolm Baldrige's perspective on excellence

The results of Table (5) indicate that the overall average level of agreement of the studied sample regarding institutional performance according to Malcolm Baldrige's perspective on excellence was (3.49), with a standard dispersion of (0.80), and a coefficient of variation of (22.93), indicating the availability of institutional performance according to Malcolm Baldrige's perspective on excellence among the studied sample. Perhaps the dimension that contributed to improving and enriching this variable is due to the administrative leadership dimension in the study sample, with an arithmetic mean of (3.50), a standard deviation of (0.87), and a coefficient of variation of (24.80). In contrast, there are shortcomings in the studied sample regarding interest in knowledge and information systems, with an arithmetic mean of (3.28), a standard deviation of (0.94), and a coefficient of variation of (28.66), which indicates the necessity of the studied sample's interest in knowledge and information systems, as This standard examines how an organization selects, collects, analyzes, and manages data and information to support and improve its overall performance.

Table (5) Descriptive measures of the institutional performance variable according to Malcolm Baldrige's perspective on excellence

Paragraph symbol	Mean	S.D	C.V	Order priority
AL1	3.44	0.87	25.14	2
AL2	3.42	0.90	26.39	4
AL3	3.59	0.86	24.06	1
AL4	3.55	0.93	26.11	3
AL5	3.35	0.98	29.11	5
Administrative Leadership	**3.50**	**0.87**	**24.80**	
SP1	3.63	1.16	31.99	4
SP2	3.41	1.11	32.72	5
SP3	3.46	0.99	28.48	2
SP4	3.46	0.96	27.66	1
SP5	3.32	1.00	30.06	3

Strategic Planning	**3.49**	**0.99**	**28.28**	
FHR1	3.52	0.90	25.54	1
FHR2	3.58	0.80	22.25	5
FHR3	3.10	0.88	28.35	2
FHR4	3.31	0.82	24.80	3
FHR5	3.37	0.92	27.28	4
Human Resources Management	**3.30**	**0.78**	**23.48**	
OM1	3.30	0.70	21.20	1
OM2	3.32	1.03	31.09	4
OM3	3.36	1.12	33.23	5
OM4	3.28	1.02	31.05	3
OM5	3.33	0.97	29.19	2
Operations Management	**3.33**	**0.82**	**24.53**	
KIS1	3.13	1.18	37.69	4
KIS2	3.30	0.97	29.49	3
KIS3	3.38	0.87	25.64	1
KIS4	3.28	0.94	28.66	2
Knowledge and Information Systems	**3.28**	**0.94**	**28.66**	
Institutional Performance According To Malcolm Baldrige's Perspective Of Excellence	**3.49**	**0.80**	**22.93**	

5- Correlation Hypotheses

A- The second main hypothesis: There is a significant correlation between PESTEL analysis and institutional performance according to Malcolm Baldrige's perspective on excellence.

The relationship had a correlation strength of (0.832), in addition to the presence of direct, strong, and significant correlations at the (1%) level between the dimensions of PESTEL analysis (political factors, economic factors, social factors, technological factors, legal factors, environmental factors) and the dimensions of institutional performance according to Malcolm Baldrige's perspective on excellence (administrative leadership, strategic planning, focus on human resources, operations management, knowledge, and information systems). The correlation coefficient values between these dimensions were as follows:

Table (6) The relationship matrix between PESTEL analysis and institutional performance according to Malcolm Baldrige's perspective on excellence

PESTEL	FNF	IF	TF	IF	EF	PF	
AL							
.730**	**.752****	**.666****	**.759****	**.739****	**.763****	**.802****	**R**
SP							
.742**	**.655****	**.623****	**.768****	**.687****	**.810****	**.779****	**R**
FHR							
.620**	**.662****	**.543****	**.586****	**.519****	**.645****	**.693****	**R**
OM							
.567**	**.448****	**.331****	**.580****	**.457****	**.524****	**.437****	**R**
KIS							
.704**	**.484****	**.587****	**.427****	**.460****	**.513****	**.492****	**R**
CPAMB							
.732**	**.578****	**.561****	**.630****	**.597****	**.692****	**.701****	**R**

B- Fifth Main Hypothesis: There is a significant impact of PESTEL analysis on institutional performance according to Malcolm Baldrige's perspective on excellence.

The results of the PESTEL analysis related to projects at the holy shrines (Karbala, Najaf) indicate a strong and influential impact of project managers on this aspect. The critical value (6.137) indicates that the relationship between the variables is statistically significant, with the probability (P) being less than 0.01, which means there is high confidence in the results. The coefficient of determination (R^2=0.536) also indicates that 69.2% of the changes in institutional performance according to Malcolm Baldrige's perspective on excellence can be explained by the independent variables studied. This demonstrates a strong correlation between organizational performance according to Malcolm Baldrige's perspective on excellence and the considerations managers take into account in their projects, reflecting the importance of focusing on improving outstanding performance. Meanwhile, the standardized weights of 0.313 reflect the level of direct influence project managers have on organizational performance according to Malcolm Baldrige's perspective on excellence, which is significant. This indicates that project managers should prioritize improving organizational performance, as their direct influence can significantly contribute to enhancing outstanding performance.

Table (7) Results of the analysis of the impact of PESTEL analysis according to Malcolm Baldrige's perspective on excellence

Path			Standard Weights	Standard Error	C.R	R^2	(P)
PESTEL	--->	CPAMB	0.313	0.051	6.137	0.536	0.001

Conclusions

1-The research demonstrates that analyzing environmental factors such as political, economic, social, technological, environmental, and legal (PESTEL) plays a crucial role in guiding organizations' strategies, increasing their ability to achieve outstanding performance according to the Baldrige criteria.

2- The results indicate that improving the quality of service provided depends largely on understanding external factors, and that the integration of PESTEL analysis with the drive for excellence contributes to enhancing service levels and customer satisfaction.

3-The integrated application of Baldrige criteria with the results of PESTEL analysis leads to appropriate reforms in operations and management, which increases performance efficiency and enhances organizational excellence, especially in a complex and changing environment such as that of the holy shrines.

4-The study shows that the opinions of project managers in Karbala and Najaf indicate relative differences in the extent to which external factors affect performance, requiring tailored strategies for each location to ensure effective quality and performance improvement.

5. The need to develop continuous assessment tools to align external factors with institutional performance.

It is concluded that institutions at the holy shrines need dynamic tools to examine, analyze, and quickly respond to external factors to ensure continued excellence and high-quality services, especially in light of the ongoing changes in the external environment.

Recommendations

1-The study recommends that institutions conduct periodic and comprehensive PESTEL environmental analysis to ensure rapid response to external changes and adapt their strategies to enhance performance and quality.

2-It is recommended to develop a unified model that integrates the Baldrige criteria and PESTEL analysis to enhance the ability to identify and improve key success factors and increase the effectiveness of institutional performance and quality.

3-It is recommended to provide training programs for project managers and leaders to understand and analyze external factors and their impact, which contributes to more effective decision-making and achieving institutional excellence.

4-The study calls for the implementation of clear strategies to manage risks resulting from external changes to ensure the continuity and improvement of service quality and reduce negative impacts on performance.

5- Encourages the dissemination of a flexible and adaptable organizational culture that supports continuous innovation in improving processes and services, while leveraging the results of PESTEL analysis to promote excellence and achieve customer satisfaction.

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