# Research to support the evaluation of Investors in People: employer case studies (Year 2)

Intelligence › Investment › Impact

# Evaluation of the Investors in People Standard: Employer Case Studies (Year 2)

**Annette Cox, Tom Higgins, Helen Barnes, Penny Tamkin**

**Institute for Employment Studies**


**Rebecca Jones, Aoife Ni Luanaigh and Richard Garrett**

**UK Commission for Employment and Skills**

**July 2013**

# Acknowledgements

# Foreword

Investors in People (IiP) is the UK's leading people management standard. There are 19,000 IiP organisations worldwide and our mission unites this network under a shared belief and a common goal: to be a good business, you need great people.

Our purpose is to help organisations unlock talent by providing assessment, advice and solutions to help businesses compete today and tomorrow.

The research programme at the UK Commission provides a robust and rigorous evidence base on IiP customers. These insights are a key source of information and new ideas to inform future IiP activity and shape the value of the service offering.

We welcome this research report which provides a deeper understanding of how employers engage with and use IiP to implement organisational change. The research also explores the impact of IiP on participating organisations, whether already accredited or preparing for accreditation, and makes suggestions for improving IiP delivery. A number of case studies in the report were conducted over a two year period to provide a longitudinal perspective to the findings.

**Looking forward**

Investors in People has been working hard to keep abreast of the complex challenges tomorrow will bring. When resources are stretched, organisations rely more than ever on their people to create the next opportunity. This study has already started to inform our work as we seek to strengthen the advisory offer and develop flexible new approaches to assessment.

We hope you find this report useful and informative. If you have any queries, or would like to provide any feedback or comments please email info@ukces.org.uk.

**Paul Devoy**

**Head of Investors in People**

**UK Commission for Employment and Skills**

# Table of Contents

# Table of Graphs and Charts

# Executive Summary

In April 2010 the UK Commission took strategic ownership of the Investors in People Standard from Investors in People UK. A key objective for the UK Commission is to encourage organisations to improve workforce skills and productivity. Investors in People (IiP) plays an important role in achieving this objective. This evaluation completes a wider evaluation of IiP which will inform future policy and delivery arrangements for the Standard. It will help to measure the impact of IiP in order to demonstrate its value to organisations, exploring how and in what ways IiP impacts on businesses, and make future improvements to the Standard and its implementation.

The overarching aim of the project is to develop a deeper understanding of the process of employer engagement with IiP and their views on the service delivery accompanying the IiP product and service offering. The objectives are to: understand how employers engage with and use Investors in People to implement organisational change; to identify any barriers or problems; to identify the impact of Investors in People on organisations; and to make suggestions for improving IiP delivery.

**Methodology**

Fifteen case studies were conducted involving face-to-face visits to organisations who had committed to IiP. Overall, ten organisations were visited in Year 1, of which three – Housingco, Studentunion and Energyco - were revisited in Year 2 to investigate any cumulative further impact over time, while a further five new case studies were undertaken in Year 2 . The fieldwork ran from July 2011 to January 2013.  The case studies included interviews with the lead person responsible for IiP, another senior manager where available, and a line manager and a member of frontline staff where possible. Copies of documents detailing the organisation's activities in implementing IiP and evidence of impact were also collected. Organisational visits were supplemented by a telephone interview with each organisation's IiP specialist where available.

**Why do employers get involved with the Standard?**

Eleven of the fifteen case study organisations had made a *proactive* commitment to Investors in People, by seeking out information about the Standard and approaching an IiP Centre because they believed the Standard would help them improve how they managed staff and indirectly support their business goals. Others had taken a more *reactive* approach, with their interest in the Standard stimulated by an external trigger including contact with government support agencies and IiP specialists.

Overall, the case study organisations had multiple and mixed motivations for seeking IiP accreditation. Supporting business goals was an underlying goal in all cases. Managers generally did not regard IiP as being an immediate solution to a pressing problem, but as a tool to help longer-term development for their organisations. The major motivations were: seeking IiP to assist directly in securing contracts through public procurement; gaining recognition as a good employer; supporting growth and improving people management processes.

Strengthening the connections between training and people management activities and business goals, developing business and performance management strategies and gaining national recognition for attaining a standard with a well-known brand were the major attractions of the Standard. Larger, and in particular growing, businesses found it easier to grasp how the Standard could be applied to their organisation, while smaller, less sophisticated organisations initially found it more difficult to see the relevance of IiP to their business. This suggests that the Standard may have a particularly useful role to play in helping small businesses with growth ambitions.

**What changes do employers make to meet the Standard?**

Organisations made more changes to some elements of people management than others. The areas of most common change were:

• Performance management systems, including introducing or modifying appraisal

processes and setting objectives for staff

• Introducing training for a broader range of staff, sometimes accompanied by induction

processes

• Intensification of communication activity around business strategy.

Most of the case studies either introduced a new approach or upgraded their existing processes to, for example, improve the way development needs were identified; tie development needs more clearly to business needs; and define job roles more clearly. Some organisations made substantial changes to investment in leadership and management development. The least common areas of change were reward and recognition and business strategy, although for newer, smaller organisations, articulating business strategy was an important activity for their development.

**What is the impact of working with IIP?**

Where training and development had been provided for managers, this was often relatively intensive and resulted in significant changes in managerial behaviour. Other changes involved increased volumes of training being provided to a wider range of staff and adoption of more intensive employee involvement practices. Some employees reported perceptions of increased investment in training, better information flows and awareness of organisational goals and better co-operation across different organisational teams. The most common focus is on integration of staff involvement, training and development and performance management practices, reflecting the priorities of relatively small and young organisations. There was limited evidence of IiP adoption transforming management beliefs and philosophy about people management, or of cultural change, partly because a number of the case study organisations already had distinctive organisational cultures which were either unaffected by or accentuated by IiP.

Impact on HR outcomes was difficult for organisations to assess and often coloured by benefits of operating in an already slack labour market, but there was some evidence of benefits through impact on staff turnover, employee commitment and management and staff behaviours. Changes in business outcomes took the form of improvements to business processes and some managers pointed to better quality of service, sales and productivity, but were not always to attribute such changes solely to IiP, especially where their organisations were already on an upward trajectory of growth.

Organisations tended to assess value for money of IiP from a qualitative, subjective perspective rather than undertaking a formal cost-benefit analysis, and where benefits related to process rather than outcomes, value for money could be gauged at an earlier stage in the IiP journey than we might expect. Some expressed a desire for greater transparency in costs of assessment at an earlier stage of engagement with the Standard and ability to pay for consultancy support was a concern for a number of small organisations.

It is not possible to make a full judgement of what organisations would have done in the absence of seeking IiP accreditation without a suitable comparison group, but a number of organisations noted benefits in terms of the structure, type and especially pace of changes they made to improve people management practices.

**Enablers and barriers**

Receiving high quality advice and support from an IiP specialist appears to be the single most important influence on level of organisational engagement with the Standard and the rate of progress that firms make in implementing changes in people management practice. The major barriers to progress in implementing IiP were: lack of people management expertise; lack of management commitment where consensus was required across a management team; changes in business circumstances arising from financial challenges or growth; management reluctance to delegate; and different approaches to and understanding of business strategy in smaller organisations.

**Suggestions for improvement**

A number of ways in which the Standard could be improved were identified, including:

- consider how best to enhance support from IiP specialists and centres in order to accelerate progress in implementing change

- explore cost-effective means of providing support to small organisations

- consider improving transparency concerning costs of support for implementing and gaining IiP accreditation

- consider specific targeting of any public investment in promotion and support for gaining IiP accreditation

- understanding and managing the most appropriate sequence of change

- seek earlier feedback on progress and satisfaction with support received from IiP.

# 1 Introduction

## 1.1 Background

Investors in People (IiP) was developed in 1990 as a national framework aiming to improve business performance by linking staff development to business objectives. A number of revisions have been made to the IiP framework and standard (the Standard) since its inception. In 2009 IiP gained further flexibility in the way it is delivered and presented to employers through the New Choices approach. This places added emphasis on leadership and management capability, and allows organisations to specify their central business goals and to concentrate on those elements of the Standard, above a core minimum, which will best support their business aims. This can lead to additional achievement of Gold, Silver or Bronze status.

In August 2010 the UK Commission for Employment and Skills ("the UK Commission") took over the strategic ownership of the Investors in People Standard from IiP UK. Under the UK Commission, IiP is to focus going forward on improving UK productivity and economic growth, and as such they want to reach the employers with the greatest potential to impact in this area. To this end the current and recent drive has been to promote the Standard to the private sector and SMEs much more than was the case previously. This focus is summed up in the three strategic objectives of IiP:

- More businesses improve using IiP
- IiP impacts on business and economic growth
- IiP promotes leading-edge business practice.

This evaluation is part of a wider two-year evaluation of IiP which will inform future policy and delivery arrangements for the Standard. It will help to measure the impact of IiP in order to demonstrate its value to organisations, exploring how and in what ways IiP impacts on businesses, and make future improvements to the Standard and its implementation.

## 1.2 Evaluation aims and objectives

Since the UK Commission took over strategic ownership of IiP, a programme of evaluation has been developed to assess the impact of IiP and identify areas for improvement. The key questions for the UK Commission are "did we deliver," "did we make a difference" and "did we learn what works?" The programme of evaluation comprises:

- this qualitative case study research with employers who are on the cusp of recognition

- [quantitative survey](#) with accredited employers;

- tracking the monitoring information of starts and recognitions provided by delivery centres;

- analysis of secondary data sources to explore differences between IiP accredited and non-accredited businesses with regard to business performance, skills investment and deficiency and so on.

### 1.2.1 Objectives for qualitative case studies evaluation

The overarching aim of this project is to develop a deeper understanding of the process of employer engagement with IiP and their views on the service delivery accompanying the IiP product and service offering. Specifically, its objectives are:

- to understand how employers engage with and use Investors in People;

- to understand how employers implement associated processes of organisational change;

- to identify any barriers or problems managers face when implementing Investors in People and how these could be overcome;

- to identify the impact of Investors in People on organisations and where it can best contribute to organisational management;

- to identify the types of organisations benefitting most from Investors in People and how they can be engaged;

- to make suggestions for improving IiP delivery.

### 1.3    Report structure

The rest of this report consists of a further five chapters.

- Chapter Two explains the evaluation approach, how the case studies were selected and recruited and the framework used for analysis

- Chapter Three describes the rationale for employer motivations to engage with Investors in People and reports employer views of the Standard.

- Chapter Four explains the changes that organisations made during the pre-assessment phase of their journeys towards IiP accreditation, analyses the challenges they encountered in implementing organisational change and explores their experience of the assessment process.

- Chapter Five covers the role of IiP specialists and centres in supporting organisations working with IiP.

- Chapter Six discusses the impact of IiP on workforce development, management capability and High Performance Working practices, business outcomes and organisational perceptions of value for money from IiP.

- Chapter Seven provides the conclusions and implications of the evaluation, considering the overall difference that IiP makes to organisations and whether it is meeting its policy objectives.

# 2    Methodology

This project is one element of a wider two-year evaluation of IiP, which includes a telephone survey of accredited organisations and analysis of management information (MI). The evaluation methodology adopted for this project, exploring how organisations worked towards IiP recognition, was an organisational case study approach. The evaluation required an in-depth exploration of decision-making processes and insights into personal and organisational motivations, inhibitors, and barriers to working towards IiP recognition. Earlier research suggests that organisations are most likely to make changes triggered by IiP in the pre-assessment stage. Therefore, in order to explore the nature of, rationale for, and implementation of changes, this evaluation focused on changes made at this stage and their subsequent impact on performance.

In order to understand the impact of Investors in People on business practices and performance over time, it was necessary to select organisations which had already made some degree of change to their management practices as a result of working with the Investors in People Standard, rather than those which were newly committed. The case studies were therefore selected from among those organisations which had committed to IiP, were intending to undergo assessment within six months of the first round interviews, and which had already made some changes to their practices.

Fifteen organisational case studies were conducted over a two-year period involving face-to-face interviews with the following key informants:

- The lead person responsible for IiP,

- A senior manager where available,

- A line manager

- An employee where possible.

Overall, ten organisations were visited in Year 1, of which three – Housingco, Studentunion and Energyco - were revisited in Year 2 to investigate any cumulative further impact over time, while a further five new case studies were undertaken in Year 2. The fieldwork period ran from July 2011 to January 2013. Copies of documents detailing the organisation's activities in implementing IiP and evidence of impact were also collected. Organisational visits were supplemented by a telephone interview with each organisation's IiP specialist (the person who worked with the organisation in developing a plan to meet the requirement of IiP accreditation, and supported them to implement the plan) and, for accredited organisations, the assessor who reviewed the organisation against the IiP framework.

An overview of the different stages of the evaluation is outlined below. Further details are given in Appendix A.

## 2.1 Recruitment of case studies

As the evaluation is qualitative it did not seek to provide a statistically representative analysis of key differences in employers' views or experiences based on, for example, region, size or sector. However, it is important for the Commission's strategy concerning Investors in People to ensure that organisations with particular characteristics were included within the evaluation design. The key case study selection criteria applied in recruitment are outlined below:

- **Industry sector**: Given the focus of the Commission's strategy for Investors in People on private sector organisations, at least eight case studies were sought from the private sector. The evaluation also targeted firms from sectors of the economy which are likely to be important for the Commission's strategy to increase economic and job growth. These included: construction; business, professional and financial services; hotels; retail; tourism; healthcare and life sciences.

- **Size**: Research has consistently highlighted the challenges of gaining Investors in People for smaller organisations (Ram, 2000; Walsh et al., 2011) and, consistent with the intention of the Commission to increase take-up of IiP in SMEs, the recruitment process targeted private sector organisations with fewer than 250 staff, with priority given to those with around 40-60 staff. Organisations of this size are often beginning to formalise HR practices as the founders of organisations typically find they are no longer able to manage all staff directly as the company grows. Developing companies often find they need to start to think about how best to create a management structure, how to develop a pay structure, how to ensure all staff are fully trained to meet current and future skills needs, and to ensure that communication and opportunities to involve staff in decision-making.

- **Nation/region**: To ensure that all parts of the UK are covered, including all the devolved administrations, potential case study organisations were sought from each nation (although no suitable company case studies were identified in Wales). This is important because the delivery arrangements for Investors in People are centralised in Wales, Scotland and Northern Ireland and some subsidy is available. This covers the costs of assessment for firms with fewer than 250 staff in Northern Ireland and half the costs of support from an IiP specialist for implementation and assessment against the Standard in Scotland. In addition, some support is available to small firms in Northern Ireland for management development, which may include recommending the use of IiP in the firm.

- **Use of IiP specialist expertise**: In order to contribute to the ongoing improvement of Investors in People delivery, we contacted IiP inviting them to provide recommendations for case studies. This provided an opportunity for IiP centres to recommend organisations which had made use of external support in progressing towards assessment.

- **Organisations with 'a story to tell'**: Previous research (Gloster et al., 2011) has shown that some organisations are uncertain of the benefits of Investors in People for situations other than small firms seeking a basic framework for good HR practice. The recruitment criteria therefore sought to identify organisations which are using Investors in People following organisational turbulence, difficult market conditions and merger/downsizing and to identify organisations where a general manager or non-HR specialist is implementing Investors in People. This is because managers in these roles have been identified as the key decision-makers about Investors in People and because small organisations may not have the resources of a dedicated HR practitioner to implement processes required to meet the Standard. We also deliberately included organisations with growth aspirations in order to investigate how IiP might contribute to supporting job creation and economic recovery.

- **Case studies with a longitudinal element –** all the first year case study organisations which had not yet undergone assessment were re-approached during the second year of the evaluation to assess their progress towards accreditation and for the possibility of further research access to assess impact of IiP over time. In three organisations, a repeat round of interviews took place. A further technical description of the precise sampling techniques used with the management information received is provided in Appendix A. A profile of the achieved case studies is shown in Table 1.1. The term 'IiP lead' refers to the individual in each organisation taking responsibility for achieving IiP recognition. 'IiP specialist' refers to staff associated with IiP centres.

Recruitment of private sector organisations was much more challenging than public or third sector accounts working with IiP. Organisations expected to be within six months of IiP accreditations had committed to IiP up to 24 months previously, with differing degrees of commitment. A significant proportion of contacts provided from the Management Information were no longer traceable (perhaps because individual members of staff had moved jobs). Full details are shown in Appendix A. A relatively large proportion of organisations which were understood to have committed to IiP appear to be 'stuck' in the process or no longer pursuing accreditation. Again, it should be noted that the 'commitment' was made up to 30 months previously, and may have been done by an individual rather than on an organisational basis. It suggests that identifying and exploring the obstacles to progressing to accreditation, and how they may be overcome, is a particularly important objective for the evaluation. It also suggests significant challenges in defining what 'commitment' to IiP means in practice as registering a commitment does not appear to lead to action for a number of organisations.[1]

Eight of the fifteen case studies conducted were within six months of accreditation, while two others had very recently achieved IiP accreditation and provided useful insights about their experience for the evaluation.

Four tailored interview guides were used to conduct interviews with IiP leads/senior managers, line managers, employees and IiP specialists. They shared some common questions to facilitate comparability in the analysis. The length of the interviews varied, depending on the role of the interviewee. Interviews with IiP leads and senior managers were approximately an hour in length. Interviews with line managers and employees were shorter and lasted approximately 30 minutes.

---

[1] The UK Commission has adapted its approach to IiP and the committed category no longer exists. Organisations working with IiP are required to engage with an IiP specialist at least every six months, and every 18 months post-accreditation. It is anticipated that this will provide a more accurate picture of the number of organisations engaging with IiP at any one time.

**Table 1.1**       **Overview of case studies**

| Name of organisation | Principal activity of organisation | Location | Public/ private/ third sector | Number of staff | Interviews took place with | Accreditation and repeat visit? |
|---|---|---|---|---|---|---|
| Archiprac | Architectural services | England | Private | 44 | IiP Lead<br>Senior manager.<br>(Access to staff was not available due to pressure of work)<br>IiP specialist | Year one case study. Company made no further progress towards accreditation after 1st visit. No repeat visit |
| ITco | Software development | England | Private | 14 | IiP lead<br>Manager<br>IiP specialist<br>Access to staff not available due to pressure of work in size of business. | Year one case study. Company achieved Silver award but relocated and could not accommodate repeat research visit |
| StudentUnion | Retail/hospitality division of a Higher Education institution | England | Public | 150 | IiP lead<br>Senior manager<br>Line manager<br>Employee<br>IiP specialist | Year one case study. Organisation achieved Standard. Repeat visit |
| Energyco | Social enterprise promoting energy efficiency | England | Third sector | 45 | IiP lead<br>1 Manager<br>Employee<br>IiP specialist | Year one case study. Organisation achieved Standard. Repeat visit (undertaken by phone) |

| Name of organisation | Principal activity of organisation | Location | Public/ private/ third sector | Number of staff | Interviews took place with | Accreditation and repeat visit? |
|---|---|---|---|---|---|---|
| Pharmaco | Pharmaceutical manufacturing and services | England | Private | 70 | IiP lead<br>2 Senior managers<br>1 Line manager<br>Employee<br>IiP specialist | Year one case study. Organisation achieved Standard but could not accommodate repeat visit due to restructuring |
| Charityco | Services for young people | England | Third sector | 180 | IiP lead<br>Manager<br>IiP specialist<br>(Access to employees not available due to an unannounced inspection from a regulator) | Year one case study. Organisation achieved Bronze award but could not accommodate repeat visit due to funding cuts |
| Travelco | Travel agency | Northern Ireland | Private | 21 | IiP lead<br>General manager<br>2 Supervisors/junior managers<br>2 Employees<br>IiP specialist | Year one case study. Organisation achieved Standard but could not accommodate repeat visit due to internal change project |
| Pubco | Public house | Northern Ireland | Private | 25-30 | Senior manager<br>IiP lead<br>Line manager<br>Employee<br>IiP specialist | Year one case study. Organisation achieved Standard but could not accommodate repeat visit due to change in staffing levels |

| Name of organisation | Principal activity of organisation | Location | Public/ private/ third sector | Number of staff | Interviews took place with | Accreditation and repeat visit? |
|---|---|---|---|---|---|---|
| Hotelco | Hotel and restaurant | Scotland | Private | 65-70 | IiP Lead<br>2 Managers<br>Employee<br>IiP specialist | Year one case study. Organisation achieved Bronze Standard but could not accommodate repeat visit due to change in staffing roles |
| Housingco | Procurement of maintenance services for social housing providers | England | Third sector | 26 | 2 Senior managers<br>Line manager<br>Employee<br>IiP specialist | Year one case study. Organisation achieved Standard.  Repeat visit |
| Healthco | Specialist training for use of health technologies | England | Private sector | 23 | 2 senior managers<br>Line manager<br>Employee<br>IiP specialist | 2nd year single visit case study. Organisation achieved Bronze IiP accreditation. |
| Propertyco | Residential lettings agency | England | Private sector | 32 | 1 senior manager<br>Line manager<br>Employee<br>IiP specialist | 2nd year single visit case study. Organisation preparing for assessment. |
| Transportco | Training provider for transport equipment | England | Private sector | 17 | 1 senior manager<br>Line manager<br>Employee<br>IiP specialist | 2nd year single visit case study. Organisation achieved IiP accreditation |

| Name of organisation | Principal activity of organisation | Location | Public/ private/ third sector | Number of staff | Interviews took place with | Accreditation and repeat visit? |
|---|---|---|---|---|---|---|
| ITserviceco | IT support services | England | Private sector | 46 | 1 senior manager<br>IiP lead<br>Line manager<br>Employee<br>IiP specialist | 2nd year single visit case study. Organisation achieved IiP accreditation |
| Autoco | Automotive sales/repair | Northern Ireland | Private sector | 530 in organisation, 88 at workplace | IiP lead<br>Senior manager<br>Line manager<br>Employee | 2nd year single visit case study. Organisation achieved Bronze IiP accreditation |

## 2.2 Framework for analysis

Investors in People can be understood as a means of improving business performance. To support the longitudinal evaluation, an overarching framework was developed to guide and focus the evaluation activities. This framework is linked to the full evaluation framework for Investors in People. It includes a range of issues which need to be addressed through the research and analysis of findings to inform our understanding of the impact of IiP (see Figure 1.1).

The Standard Investors in People framework (reflected in the far left-hand column), focuses on core practices and capabilities around work organisation, performance management, recognition and reward,  employee involvement in organisational decision-making and the provision of learning and development opportunities to support business strategy. Critically this is all underpinned by management capability in using learning and skills development, as well as broader HR practices, strategically, to improve performance outcomes for the business and experience of work and personal development for employees.

The next column, 'Application of HR practices and policies' echoes the 4A model adopted by the UK Commission on Employment and Skills which argues that practices act both to develop and deploy human capital at both the individual and organisational level (Tamkin et al. 2005). Recent debate has tended to focus on the processes by which practices (or bundles of practices) act to enhance performance, termed 'High Performance Working (HPW). Specifically HPWPs increase employees' ability to do their job, attitude to go beyond the terms of their job descriptions and the application of motivation and skills to exert discretionary effort. The notion of discretionary effort acknowledges that employees may be able to contribute more to the organisation than simply getting the job done. In the right circumstances and with the right incentives they may be willing to exert additional effort for the firm (Appelbaum et al. 2000).

The application of HR practices may consequently affect a variety of HR metrics or 'HR outcomes.' The metrics relate to absence, turnover, workplace relations and Organisational Citizenship Behaviours (OCBs) which in turn affect operational and financial performance outcomes including customer care, innovation, productivity, costs and profit (where relevant) in the column on the far right. These areas are explored further in the survey report on IiP accredited organisations (Winterbotham et al., 2012).

Underpinning and influencing the impact of these organisational changes are interactions with the Investors in People advisor and assessor who may constitute the catalysts for initial and ongoing change.

**Figure 1.1    Analysis framework**



Organisational strategy + context, size, sector, age, location

HR policies/ practices

Core IIP practices
Training/learning
Work organisation
Performance management
Employee involvement and consultation

Ability   Motivation   Opportunity

**Application of HR practices and policies**

Volume and type of learning provision

Equality of access to learning provision

Quality/coverage of appraisals

Employee involvement in operational and strategic decision-making

Reward and recognition

**HR outcomes**

Reduced staff turnover

Reduced recruitment cost

Reduced absence

Fewer discipline/grievance cases

Employee affective commitment/ engagement/ attitudes – OCBs

Proven impact of training

Improved quality/quantity of job applicants

Improved management capability

**Organisational outcomes**

Reduced costs/ efficiency/reward

Productivity

Efficiency

Repeat business

Reduced complaints

Customer satisfaction

New product/service development

Cultural change

Advice

IiP Delivery

Assessment

Support for continuous improvement

Type of change:          Episodic                    Developmental                    Transformative

There are three different types of changes that may occur in organisations as a result of seeking Investors in People accreditation. These can be categorised as:

- **episodic**: the introduction of a new system, practice or process, e.g. a staff suggestion Scheme;

- **developmental**: improvement of a new system, e.g. an updated, clearer appraisal system which is tied more closely to business goals;

- **transformative**: a substantial change in organisational culture, which may result into moving into new product markets as a result of higher levels of staff engagement and contribution to business strategy.

The nature and extent of different types of change, their impact on organisational performance and the approaches taken towards change are considered throughout the report.

# 3 Rationale for Engaging with Investors in People

## 3.1 Introduction

Previous research has shown that organisations adopt the Investors in People Standard for a wide variety of reasons including desire to improve business processes, desire to be recognised for good practice, and pressures from customers or winning public sector contracts (Gloster et al., 2010). Recent research among accredited Investors in People organisations has found that the decision to commit took place at a point where the organisation was aged between two and eight years old and going through a period of growth and development, creating an impetus to reshape people management processes and to ensure that HR processes were fit for purpose (Gloster et al., 2011). A recent review of the literature on firms' attitudes to IiP showed a mix of potential motivations for accreditation including: improving one or more aspects of organisational performance; meeting customer demands; supporting corporate change; enhancing external image and reputation; and fulfilling personal ambitions of individual staff (Gloster et al., 2010).

This chapter seeks to:

- explain why organisations engage with IiP and what 'problems' they are seeking to solve or goals they are seeking to achieve using the Standard;

- outline how the Standard is understood, including its perceived relevance and focus;

- assess the relative importance of Investors in People in each of the case study organisations.

## 3.2 Motivations – why do organisations seek to achieve the Investors in People Standard?

The evaluation revealed multiple, overlapping motivations for IiP commitment in organisations. Managers generally did not regard IiP as being an immediate solution to a pressing problem, but as a tool to help the longer-term development for their organisations.

These were evident in three key themes:

- seeking IiP to assist directly in securing contracts through public procurement

- gaining recognition as a good employer

- supporting growth.

### 3.2.1 Securing business from the public sector

For Housingco, Energyco and Archiprac, the primary motivation for gaining Investors in People accreditation was to help them bid for public sector contracts. This was also an important motivation for Propertyco, ITserviceco and Transportco, and for Autoco a good reputation in winning private sector business was important. Most firms believed that IiP accreditation did not 'win points' in itself but made it easier to prove and justify the claims they made about commitment to staff training. One firm believed that this would give them an advantage at the pre-qualification questionnaire (PQQ) stage when tendering for work from local authorities. Another believed that it was being 'marked down' for not having IiP accreditation when seeking public sector contracts. One IiP specialist interviewed noted that gaining an advantage in public procurement processes was a particularly strong and dominant motivation for organisations in the construction sector.

### 3.2.2 Gaining recognition as a good employer

A key driver for IiP commitment in a number of organisations was external or internal recognition. Healthco and Propertyco were keen to use IiP as a way of proving their credibility when seeking other awards and accreditation for good training and management practice. Propertyco operated in a sector with a poor reputation and felt IiP accreditation would help to tackle this and Healthco was interested in using the process as preparation for another type of audit. A number of organisations noted that gaining IiP was 'nice for staff' to feel that their employer was recognised as one that treated people well.

Some organisations seeking to gain Investors in People accreditation showed evidence of interest in validating their business practices through measurement against an external standard. This was often couched in terms of a focus on people management and reassurance that they were 'doing it right' (ITserviceco). Others discussed how they wanted to improve general business processes and revealed some interest in continuous improvement. Three organisations went further to say that they wanted to use IiP as much more than a 'tick box' exercise otherwise it would not be useful to them.

### 3.2.3 Supporting growth

Some organisations were using IiP explicitly to support growth ambitions. ITserviceco was seeking sustainable growth of 20 per cent per year and was seeking a way of helping it manage an expanding number of employees more professionally. Propertyco had grown quite rapidly through acquisition and the owner wished to sell the firm to a large national chain. In this context, ensuring professionalism and consistency of people management practices was a main driver of interest in the Standard.

Overall, the evidence shows that the case study firms had mixed reasons for seeking IiP accreditation. Gaining credibility for good training and management practices was a key motivation for many organisations working with IiP. Supporting business goals was an implied goal for all firms, but this was expressed through very different priorities for firms in different circumstances. This tends to illustrate the potential flexibility of the Investors in People framework in catering to a diversity of needs.

### 3.3 Level of IiP accreditation sought

Most organisations were seeking the basic level of IiP recognition. Propertyco was seeking Silver and Healthco was seeking a Bronze award. Propertyco choosing this level because its main local competitor had achieved the core Standard and the firm wanted to differentiate itself. In practice, a number of the organisations achieved a higher level of recognition at their first assessment than they were initially seeking in year 2: Autoco and Healthco received Bronze. Gaining the higher level of accreditation appears to have been inspired from pre-assessment preparation meetings with IiP specialists where organisations were informed that they had done enough to gain a higher level award.

Most of the IiP specialists interviewed reported that the additional levels of the IiP framework were of more interest and relevance to large organisations or those which already held IiP recognition to maintain their interest in the Standard. One specialist believed that these organisations were seeking 'challenge', rather than the 'badge'. Many specialists felt that the more advanced levels were not suited to smaller organisations seeking first-time accreditation. The focus here is often on ensuring basic management practices, particularly where organisations were in their early years of development.

## 3.4 The nature of commitment

The second year case study organisations had committed to IiP between three and 18 months years before the case study visits. Under the IiP Standard, the commitment phase is expected to last a maximum of 18 months. Some organisations had previously contemplated seeking IiP accreditation, rejecting it as inappropriate for them at the time, but subsequently returning to it. Senior managers at Propertyco and Healthco had investigated IiP several years prior to commitment, but decided not to pursue it at that point. Healthco in particular was deterred from commitment initially due to reports from health sector organisations about the volume of paperwork and time involved. This illustrates that the process of engagement with IiP can evolve over a number of years, especially for smaller firms undergoing growth processes. Regularly refreshing the marketing of the Standard to ensure firms make accurate judgements about relevance and ease of engagement is likely to be important.

## 3.5 Key players in the process of committing to IiP

In larger organisations, the decision to commit was generally taken by a senior manager either in an HR or general management role, and in three organisations the senior team collectively decided to make the commitment. In owner-managed firms, the ultimate decision maker was usually the owner-manager, but in two organisations, another member of staff was responsible for recommending that the IiP Standard was adopted.

Generally, individuals who had had previous exposure to IiP in their earlier careers were instrumental in taking the decision to commit to the Standard. At Healthco, a director had attended a seminar on IiP ten years ago but was put off from further engagement at the time by the perceived level of paperwork involved. At Propertyco, the HR manager and Managing Director had previous experience of quality management standards and IiP, and the Managing Director was similarly uncertain about the initial fit of IiP for the business and commissioned some preparatory work from a training consultant. Elsewhere, once senior managers had taken the decision to commit, responsibility was delegated to other staff (Transportco). In another organisation, the most senior manager and an IiP Lead worked jointly on the process e.g. ITservicesco.

Some organisations made a proactive commitment where individuals voluntarily sought information on IiP and then decided to adopt the Standard, whereas others responded reactively to perceived pressure from public procurement policies or referrals. Overall, the case study evidence showed that whether initial engagement was made reactively or proactively had limited impact on progress towards implementing IiP. A significant factor in making progress towards IiP was the extent of external support organisations received to help them on their journey towards accreditation, which is explored further in Chapter Four.

## 3.6 Ease of relating IiP to organisational business strategies and perceived focus and relevance of the Standard

While Investors in People has a direct relevance to organisations regarding the introduction and development of a firm's business plan and strategy, it did not feature as a motivation in gaining IiP accreditation among our Year 2 case studies. Case study organisations generally had business strategies focussed on quality of products and services, sometimes linked to consistency of service standards.  In this way business strategies provided clarity in roles and responsibilities and workforce learning where IiP was likely to appear most relevant and useful in achieving business objectives. IiP has the potential to be relevant to businesses in any sector, but those organisations which were offering training as one of their own services, were likely to find a particular resonance (Transportco, Healthco).

IiP was particularly relevant to organisations seeking to grow in employment terms, by helping plan for the challenges of recruiting, managing and retaining a larger workforce. This was evident particularly for small firms undergoing rapid expansion (Healthco, ITco, Hotelco, ITserviceco, Propertyco and Transportco). For underperforming firms due to deficiencies in staff engagement or competence, IiP may also help develop superior people management practices. Firms in highly price sensitive sub-sectors (which may include parts of retail, hospitality, food manufacturing, and social care) are likely to find IiP useful in orienting their organisational strategies towards product/service diversification.

'Proactive' decision-makers in the case studies were most likely to identify IiP as being of immediate obvious relevance to the organisation. This is probably because they were usually actively seeking a means of improving people management policies and therefore more likely to find the focus of the Standard useful.

This points to a need to 'translate' IiP to a small business context; wider literature suggests that SMEs have greater needs for the value of business tools to be demonstrated as applicable within a context that they recognise. It was noticeable that those organisations which had the most frequent and prolonged exposure to advice from IiP specialists described how specialists clarified the Standard. This included activities such as explaining how the Investors in People Standard could be used in small businesses and what management practices to support IiP might look like in a small firm.

## 3.7 Which parts of the Investors in People Standard are most attractive to organisations?

Across the Year 2 case studies, the elements of IiP which most commonly appealed to the organisations were:

- national recognition of the IiP brand and its value as a 'kite mark';

- the holistic framework of IiP;

- improving one or more aspect of their approach to learning and development;

- developing performance management processes.

The IiP brand was important in terms of external value, while the last three elements relate to internal benefits from working with IiP and continuous organisational improvement. This reflects the different, sometimes competing extrinsic versus intrinsic motivations that organisations had in working with the Standard.

The IiP 'brand' appears to continue to carry considerable weight with organisations. Companies reported that recognition of the brand was important among their clients, among existing and potential staff and among the wider business community, and generally attached value to IiP's role in conveying that they treated their staff well. Autoco explicitly sought to use IiP as a 'kite mark' or 'marketing tool', to recognise their overall approach to managing staff and to 'raise their reputation' with customers. Healthco believed that accreditation would show that they were meeting procurement requirements specified by their clients. ITserviceco viewed improvement in people management as critical, whereas Propertyco saw marketing opportunities as the most attractive element of IiP. Overall, year 2 case studies appreciated the general recognition of existing people management strategies, combined with bringing greater coherence and consistency to existing approaches to line management, performance management and individual development (Autoco, Propertyco, ITservicesco) features of IiP.

### 3.8 Which parts of the Investors in People Standard are least attractive to organisations?

Most companies did not specifically identify aspects of IiP that were initially unappealing. There is some evidence that some case study firms would benefit from additional support and guidance, potentially from IiP specialists, in interpreting the IiP framework and implementing change in varying organisational contexts (as illustrated at Autoco). Propertyco and Healthco had initial doubts about the relevance of the standard and found the process of mapping their own organisational practices against the framework challenging, so they brought in external support to help them achieve the Standard. This suggests that some assistance in mapping and interpreting the IiP framework may be helpful for employers for whom the journey to accreditation is a significant process of change.

### 3.9 What is the relative importance of IiP to the case study organisations?

The importance of IiP can be assessed partly by considering the speed of progress in gaining the Standard and partly through the amount of time and resources dedicated to gaining IiP. Commitment to gaining IiP within particular timescales varied between organisations according to their circumstances but in the majority of cases it was not the top priority. The second year case study organisations had committed to IiP between three and 18 months years before the case study visits. Under the IiP Standard, the commitment phase is expected to last a maximum of 18 months. For Propertyco and Transportco, external pressures to gain recognition for the quality of their training practices ensured swift progress to gaining IiP. Other organisations driven by external triggers to gain accreditation such as winning business were also, on balance, more likely to prioritise achieving IiP recognition.

Organisations varied considerably in the length of time that elapsed between commitment and accreditation, ranging from three months at Transportco to nearly two years at Healthco. Speed of progress towards accreditation was typically driven by organisational readiness for assessment; those which started with less distance to travel were often quicker in reaching assessment. Different rates of progress are accounted for partly by the amount of external support and advice that organisations had received from IiP centres (see discussion in Chapter Six), but also reflected changes in organisational circumstances. The case studies displayed varying degrees of commitment to attaining the Standard. At ITservicesco, Propertyco and Healthco, external pressures in gaining other forms of accreditation for good practice had triggered some concentrated effort and progress in implementing the principles of IiP.

Where senior managers were keen to attain the Standard to help with external marketing, there was often stronger impetus driving change. This may reflect some effects of self-selection in the characteristics of organisations which choose to pursue Investors in People; if organisations are already paying some attention to people management issues, the benefits of IiP are likely to be ones of improvement in practices rather than solving an immediate crisis.

## 3.10 Conclusion

Most organisations reported mixed motivations for IiP commitment. Managers generally did not regard IiP as being an immediate solution to an immediate problem, but as a tool to help the longer-term development for their organisations. The most common focus was on: seeking IiP to assist directly in securing contracts through public procurement; gaining recognition as a good employer; and supporting growth.

Among the case study organisations, IiP has most direct relevance for small organisations which are starting to develop people management and business strategies, especially within a context of growth, or for larger organisations seeking to manage change. Strengthening the connections between training and people management activities and business goals, developing performance management strategies and gaining national recognition for attaining a standard with a well-known brand were the major attractions of the Standard. There is an important role for IiP specialists in translating what IiP implementation looks like in practice. This can help small firms visualise how it can work in their organisations to meet their needs.

# 4 Changes made and challenges encountered in working with Investors in People

## 4.1 Introduction

This chapter explores the main areas of change organisations make to attain the IiP Standard.  This section then goes on to identify the obstacles and challenges that organisations have encountered in trying to make these changes. It provides an insight into how IiP is implemented within organisations, as well as some of the challenges experienced in seeking assessment. From this, additional opportunities for IiP to support organisations have been identified.

## 4.2 What changes are made in organisations during the journey to accreditation?

The main changes made to organisations are in the areas of performance management, training and development, staff involvement and communications, leadership and management, reward and recognition and business strategy development.

### 4.2.1 Performance management

The main area of change common across the case studies was performance management, and it was also the element of people management where organisations tended to make the most significant changes. Discussing performance openly with staff is an activity that managers commonly find difficult and therefore may not prioritise as an area for development. Improving performance management systems was not a dominant motivation for committing to IiP for most organisations, which suggests that this may be an aspect of people management which organisations do not recognise as deficient until they review their practice against the Standard. In trying to link individual performance (and consequently development needs) to organisational objectives, some employers became aware that existing practices were simply too informal and potentially inconsistent.

Organisations had a number of aims in relation to changing or introducing an appraisal system, typically creating more focus on staff development, formalising systems or placing greater attention on assessing outcomes. Using performance management processes to more clearly identify development needs appeared to be a high priority for several organisations, especially where formal appraisal processes had not previously existed (e.g. ITserviceco). Propertyco introduced a formal appraisal system for the first time following IiP commitment to make the process more structured with better recorded outcomes. The revised appraisal system is primarily focussed on reviewing performance against targets. Autoco introduced appraisals to recognise staff achievements, help identify training needs and cascaded appraisal training through the line management structure. It was also intending to extend 360 appraisals across its management population.

Some firms were using performance management systems to help define expectations about performance in different job roles and create career paths. Healthco set new performance indicators for staff, and revised the staff handbook to reflect changes in the appraisal process.

### 4.2.2 Training and development practices

Changes to training processes and procedures were widespread among case study organisations. Several IiP specialists noted this as an area in which most organisations committing to IiP were likely to make changes. The changes made by Year 2 case study organisations included extending the **volume of training** and/or **range of staff participating** in training; improving systems of identifying training needs and evaluating impact and integrating training with performance development systems.

From the organisations that increased investment in training, ITserviceco introduced a major coaching programme for its management team spread out over a nine month period to help support business growth. Autoco already invested heavily in product knowledge training but placed more emphasis on 121 coaching by managers as part of daily work processes. Propertyco introduced training for three line managers in conducting 121s and appraisals, focussed around giving feedback on performance. A number of case study organisations attempted to **improve training systems**, rather than simply adding, reducing or changing training content. This involved improved effort to identify training needs, recording what training staff had undertaken and, to some extent, attempting to evaluate training or monitor its impact. For example, among Year 2 case studies, ITserviceco set up an electronic system for requesting training, which enabled it to produce an annual report of the training undertaken, the additional skills gained by the individual and the company, and the associated costs.

Some organisations were seeking to **integrate training more effectively with their performance development process**. At Propertyco, the IiP specialist worked with the management team to ensure that their existing training and development programme was meeting their needs, carrying out a process-mapping exercise. Managers also started to monitor the impact of training, checking to see that staff have made changes in their working practices and that these are being maintained over time. This organisation is also using software to feed the outputs from appraisals and one-to-one meetings directly into a training needs analysis for the organisation.

### 4.2.3 Staff involvement and communications

Case study organisations had taken a wide variety of actions to improve staff involvement in decision-making and overall communication, including use of web-based systems to disseminate company information; use of more meetings to improve communication between managers and staff; introduction of staff newsletters and implementation of staff suggestion schemes. The focus included both upward and downward communications and in most cases, organisations placed some focus on improving upward communication and involvement opportunities in particular.

ITserviceco had made significant changes in this area. A Marketing Manager was appointed to take responsibility for internal communications, although this recruitment had been planned for some time and did not result directly from involvement in IiP. Company policies were updated and placed on the intranet, and the vision and values of the company were promoted by placing visual materials around the building. The Managing Director instigated a fortnightly 'MD Surgery' which offers employees a 15-minute meeting to discuss business topics or present ideas or suggestions, with a commitment that these will be considered seriously by managers. The firm also planned to produce a quarterly briefing, available via a video link on the intranet, to update employees on progress within the business and future plans.

At Housingco changes to staff involvement and communication involved better briefing of staff about management activities ahead of departmental meetings, in order to put staff in a stronger position to make suggestions to improve how the organisation is managed. Meeting formats were changed so that they are now chaired on a rotating basis by staff reporting to senior managers, rather than the managers themselves, in order to encourage greater participation by staff. In the second year research visit, the IiP assessment had highlighted a need for training in presentation skills for the junior staff to make an effective contribution in this role, and this has subsequently been provided. Energyco wanted to increase both upward and downward communication in the organisation. Following commitment to IiP it introduced strategic management team meetings, regular monthly communication meetings, team meetings and increased the regularity of supervision meetings. By the second year visit, following the IiP award, there had been some changes as responsibility for internal communications was delegated to a senior manager and the communications strategy was reviewed through a staff survey. As a result the firm discontinued monthly meetings, which were not felt to be effective, in favour of a greater reliance on the intranet for cascading regular information updates, and a much more strategically-focused annual communications day for the whole organisation, linked to business development and planning. Propertyco had initially introduced focus groups in an attempt to obtain staff suggestion for business improvement, but they did not generate useful contributions, and were replaced by ongoing consultation through line managers.

ITserviceco had taken a slightly different approach to staff involvement by using managers to encourage employees to make suggestions.

## 4.2.4 Leadership and management

This was an area of considerable change and investment for some organisations, including the development of new management structures and investment in management development initiatives.

Housingco, Energyco and ITserviceco invested in formal training to improve management effectiveness which is discussed more fully in Chapter Five in the section on management development. Healthco had also invested time in completing a management competency framework. Like Pubco and Travelco in Year one, Autoco's IiP lead felt that the IiP process and associated workshops which they attended have helped develop management capacity. The workshops are run by IiP specialists in Northern Ireland and each is dedicated to explaining and illustrating specific practices and indicators within the Standard to help committed organisations with the implementation process. Leads at each organisation had not benefited from formal advice on management before, so the IiP workshops provided by their advisor were very useful in this respect.

## 4.2.5 Reward and recognition

Changes to reward and recognition were relatively uncommon. Developments made include a focus on non-financial reward, alterations to benefits and some plans to consider performance pay.  A number of managers felt that staff performance was already adequately recognised or that individual financial rewards may not fit their culture, especially in small firms. This did not mean they necessarily had a formal reward and recognition strategy but that they tried to make sure that managers gave credit to staff both for exceptional performance and for consistent performance over time.

Among Year two case studies, Autoco decided to make sure that financial bonuses were accompanied with verbal recognition of staff achievements. ITserviceco had agreed to implement a performance reward scheme, following the IiP focus group discussions, but the details were still under review at the time of the fieldwork. At the Year one visit, StudentUnion was planning to consult on performance pay through focus groups, but by the second year, was moving towards a more formal review of the reward process, in the form of a cross-departmental working group.

## 4.2.6 Business strategy

Changes to business strategy were also uncommon among the case study organisations. Three of the Year two case studies had introduced a business plan where none had previously existed, but in the case of StudentUnion, development of the business plan was a parallel development to IiP. Propertyco and Healthco had a particular focus on seeking to link objectives for teams and individuals to overall business goals.

Elsewhere, developing the business strategy does not appear to have been a particularly high priority for case study organisations, despite being a core element of the Standard. One firm was delaying its IiP assessment visit because although the owner had a business plan in mind, it was difficult to find the time to produce a written plan. The clearest evidence of links between people management activity assisting with organisational strategy is found among organisations which were expanding or undergoing other forms of structural change.

The current focus of IiP's strategy is to engage organisations through helping them to achieve business objectives. Yet if organisations perceive IiP as a tool to help them improve people management practices and are not particularly focussed on changing or developing their business strategy, this raises questions about how the Standard is positioned among organisations with different interpretations of business strategy.

## 4.3 What are the challenges/difficulties for organisations in making change to obtain IiP?

The examples above show that organisations made a range of changes to management practices as a result of working towards IiP. However introducing long-term systemic changes to improve management practices is often a particularly difficult task for small organisations. Some of the barriers are therefore specific challenges related to organisational contexts, and some reflect the inherent challenges of trying to improve people management which are a function of working with the standard and important to tackle. The major challenges faced by the Year 2 case study organisations were:

1   lack of people management knowledge and expertise;

2   business pressures of simply running the organisation,

3   management commitment; approach to business strategy;

4   reluctance to delegate management responsibilities;

5   resource issues;

6    specific dimensions of the framework

## 4.3.1 Lack of people management knowledge and expertise

It is unsurprising that for a group of mostly small organisations which were operating without a dedicated HR specialist, a lack of existing specialist knowledge about people management posed a challenge. Housingco faced difficulty in understanding how to implement certain changes, while the Managing Director at Propertyco and at Healthco recognised a lack of HR expertise would hold the organisations back in interpreting and applying the Standard. Propertyco and Healthco overcame these challenges by hiring external support, while Housingco explored what worked through a process of experimentation.

A number of the firms alluded to their lack of specialist HR expertise. Uncertainty and not knowing where to start are likely to create negative perceptions of the Standard, resulting in procrastination and loss of momentum in activity and progress. Several firms reported a desire for greater external support from an IiP specialist to guide them through prioritising and implementing change, but stated that they were unable to pay for the costs of the specialist's time and had therefore not sought it. Overall, those organisations with the greatest distance to travel commonly found the Standard relatively difficult to implement.

In other organisations, difficulties with particular aspects of the Standard were not necessarily fully overcome, and this was reflected in assessor feedback concerning the need to evaluate learning and develop specifications of what effective management looks like. These issues are commonly challenging for many organisations, partly because of some of the inherent measurement difficulties implied. Signposting organisations to other free sources of help and advice through CIPD, Acas, small business mentoring/coaching programmes, Local Enterprise Partnerships, supply chain assistance, Business Solutions, other recently accredited organisations in their local area, and the IiP Ambassadors network may be helpful in providing them with other sources of inspiration and guidance.

The Year 2 case studies seem to have faced fewer business challenges than those from Year 1 and somewhat less difficulty with implementing the IiP Standard. Their level of sophistication in existing management practice was in general more advanced and the organisations were more likely overall to want to pursue IiP for marketing or 'badging' reasons. Due to the qualitative nature of the evaluation it is unknown whether this reflects a broader change in attitudes among IiP customers.

### 4.3.2 Business pressures

One IiP specialist identified financial pressures as a major factor causing firms to become 'distracted' from IiP, because sudden changes to business conditions can cause firms to see IiP as less relevant compared to more pressing operational concerns.

Where employers had no dedicated HR personnel, the responsibility for implementing IiP often fell to an operational manager or in one case, the Managing Director's Personal Assistant.  In these circumstances, day-to-day management of the organisation usually took priority which often lengthens the time taken to achieve recognition, particularly in smaller firms.

### 4.3.3 Management commitment

A lack of effective engagement by management could act as a barrier to achieving IiP accreditation. In one organisation, the IiP lead had considerable difficulty in convincing the rest of the management team of the benefits that implementing IiP would yield for the organisation in their particular sectoral context, while in another the IiP lead noted that management saw this as something that 'could be delivered for them' rather than a process requiring their active involvement and input. It was evident from interviews with IiP leads and IiP specialists that the senior managers in three organisations lacked appetite for major change and that these organisations were among those making the slowest or ultimately no progress towards accreditation.

One firm stated that they were expecting to be able to tweak their existing processes to fit the IiP framework and if larger-scale changes were required which would affect the organisation's culture (e.g. through imposing more formal performance management frameworks), they would be unlikely to go ahead with accreditation. Two senior managers in other organisations also did not embrace IiP wholeheartedly. One held a suspicion of 'corporate' management activities involving large quantities of formal documentation such as business plans, while another had some difficulty in identifying the relevance and likely impact of IiP. This illustrates the need to tailor IiP engagement materials very specifically so that organisations with 49-250 employees can 'recognise themselves' in sales materials.

General Managers have the authority to allocate organisational resources to help achieve IiP.  Positioning the Standard and its benefits for the General Manager audience in addition to HR personnel could help organisations overcome these resource issues.

This is underpinned by an ongoing need to market the Standard as a business solution in addition to recognition for effective people management, since perceptions among the case study organisations are that the Standard is primarily recognised as a people management branding tool.

### 4.3.4 Business strategy

IiP specialists commented that many organisations working with IiP, particularly SMEs, struggled with the business planning and strategy elements of the framework. They noted that organisations often simply fail to understand the purpose of these elements of IiP. Alternatively, it is possible that the relatively formal approach of IiP with a focus on concrete goals and outcomes does not accommodate the business goals and visions of small business owners which may be more concerned with maintaining a specific vision or ethos, rather than achieving particular performance objectives. The wider small business literature notes a diversity of motivations among owner managers, in which profit motivation is not necessarily the prime goal and survival or preservation of a particular lifestyle may be equally or more important (see Meager et al., 2011 for a review). This suggests that to maximise the value for money of any public investment in promoting IiP to small businesses and supporting them to achieve accreditation, it may be helpful to segment and target businesses which are aiming for high growth.

More specifically IiP specialists felt that organisations often failed to link other elements of the framework to their business strategy and this comment particularly focussed on training. One specialist suggested that organisations felt that the learning and development element of the framework simply meant producing a training plan rather than thinking about how that training would contribute towards the strategy for the business. Some organisations expressed their business strategies simply in terms of sales targets and one IiP specialist noted that it could be very difficult for organisations to trace links between these higher level corporate goals and objectives for individuals. Where case study organisations had developed or amended business plans, this work often centred on creating SMART objectives and breaking them down into meaningful targets for each staff member. One organisation among the Year 2 case studies was delaying its assessment because a senior manager was finding it difficult to find time to document the organisation's business plan. This suggests that there is scope for greater support from IiP specialists to help organisations link implementation of IiP to achieving business objectives. Given that organisations tended to perceive IiP as a people management standard, the focus on business strategy within the framework may be unexpected, and it may be helpful for IiP marketing and IiP specialists to focus on this in promoting the Standard, as it will help shape organisational expectations about the content of the framework.

## 4.3.5 Reluctance to delegate management responsibilities

While efforts at one case study specifically focussed on freeing up the time of senior managers to focus on strategy development for the organisation, managers at two other organisations were more reluctant to do this. In one firm, delegation of management responsibilities to a new layer of managers was difficult as the senior team were used to having complete managerial control over the business on a day-to-day basis. Although the firm realised this was no longer sustainable in a larger organisation, it was still difficult to hand over significant control over aspects of the business. At another company, an IiP specialist reported that all decisions were routed through a senior manager and this was impeding the organisation's progress both with IiP and its intentions for the future. These challenges delayed progress towards IiP but may be difficult for external advisors to solve as they involve grappling with internal organisational politics and power issues which may be concentrated in one or two key individuals, especially in SMEs.

Illustrating how delegation of management tasks to other staff may benefit senior managers by freeing up time for them to concentrate on strategic issues, contributing to succession planning and providing development opportunities for the rest of the workforce through case studies and evidence materials disseminated through the IiP ambassadors network may be helpful in overcoming this problem.

## 4.3.6 Resource issues

Limited staff time and cost pressures were noted as factors which delayed progress towards IiP accreditation, typically linked to lack of HR expertise. Time pressures which delayed progress on IiP typically took the form of rapid growth and lack of expertise at Propertyco and Energyco. In organisations which tended to be smaller, lacking in dedicated HR resources, and where management were not fully engaged, responsibility for progress could fall heavily on a few individuals, who had to commit considerable time to drawing up a formal business plan, for example.

Two organisations recruited staff on a temporary basis to help them achieve accreditation. Healthco hired a graduate for a month to undertake a gap analysis of how the organisation's current practices compared against the IiP framework. Propertyco hired a training consultant to act as their IiP lead for a period of over six months while preparing for assessment.

Providing templates and directing organisations to free or low cost sources of help and guidance such as the CIPD, Acas, small business mentoring/coaching programmes, Local Enterprise Partnerships, supply chain assistance, Business Solutions, other recently accredited organisations in their local area, and the IiP Ambassadors network, may help overcome these challenges. In particular, finding ways for organisations to access ongoing low cost HR expertise through an HR expert employed as a 'shared' resource by several firms rather than as an individual specialist consultant on relatively higher day rate charges may be helpful.

### 4.3.7 Specific dimensions of the framework

Several organisations reported that performance management had been the most challenging area in which to introduce changes, and it is common for inexperienced managers to find holding frank conversations with staff difficult, especially when discussing shortcomings. ITserviceco found that implementing performance management discussions was a lengthy process because of the need to schedule a series of three-way meetings between employers, line managers and the IiP lead, so that the IiP lead could provide advice and guidance to managers on the new procedure. Housingco noted that staff who achieved good results despite deviating from standard procedures, had not always welcomed the focus on how they were carrying out their roles, and were sceptical about the value of discussions. Managers acknowledged that staff could potentially experience role analysis as intimidating and 'a tool to beat staff up with', and were also aware of the costs involved in setting up the necessary information systems, but felt that both were justified by the anticipated improvements in performance. Similar issues were noted at Propertyco where improved performance had been accompanied by the departure of some staff that had not been comfortable with the increased accountability for meeting business targets.

Other challenging aspects of the framework included staff involvement and communications. At Housingco the response to the staff suggestion scheme was reported to have been disappointing, with staff receiving little feedback on these, and a number being rejected. Although told that their suggestions would be discussed by Senior Management Team meeting, staff reported that they "never hear anything further about it". Feedback from a number of assessors suggested that accredited organisations could still do further work to strengthen their communications systems.

Overall, IiP specialists believed that the parts of the framework that organisations find the hardest to achieve are: measurement of the impact on the organisation through developing an evaluation strategy, and management and leadership capability. This is generally due to the difficulty of defining appropriate measures and assessing impact in a way which isolates the contribution of IiP compared to other elements of business management. One IiP specialist commented that reward and recognition is the aspect that organisations most commonly fail on at assessment because of the difficulty in defining what satisfactory practice looks like. Evidence from the case studies suggests that stressing the importance of praise and non-financial reward and recognition is as important as financial incentives, which, if adopted, need to be carefully tailored to the culture of the organisation. In addition, assessment may need to consider whether managers adopt tailored approaches to reward to try to satisfy the individual motivations of staff, as much as individual staff perceptions of whether they feel sufficiently valued, since business contexts and financial constraints may limit options for financial reward. Individual staff perceptions of what constitutes satisfactory types and levels of recognition are likely to be highly variable as well as potentially difficult to achieve.

## 4.4 What is employers' experience of preparing for and undergoing the assessment process?

At the Year one visits, only four organisations discussed plans for assessment directly as only two had experienced it and several had not started planning for it. By year two, seven of the case studies had experienced assessment prior to a research visit, and this section draws on their views.

### 4.4.1 Preparing for assessment

Organisations varied quite widely in their approach to preparing staff for the assessment. At one end of the spectrum, staff were extensively briefed to ensure that they were familiar with the full range of organisational policies and practices relevant to the IiP Standard. HousingCo had prepared comprehensive printed briefing packs, targeted at different levels within the organisation. For example the line manager version included reminders about their role in setting and monitoring objectives, while staff reporting to these managers were reminded about the performance review process. This information was also reiterated at staff meetings in the run-up to assessment. TransportCo had also devoted considerable time in one-to-one and staff meetings to familiarising staff with elements of the Standard and the assessment process, aiming both to make procedures clear and to communicate what IiP meant for the organisation. StudentUnion's approach was to make the assessment process as transparent as possible:

'*We made sure we were really open about the assessment. We didn't want IiP for the bit of paper, we wanted to find out if we were falling short of anything, or of there were problems we were not aware of, so we needed our staff to be open with the assessor,'* IiP lead, Student Union.

Most other organisations were less proactive in their approach and did not place much emphasis on preparing staff for assessment beyond the logistics of scheduling interviews, simply mentioning that they had ensured that staff were comfortable with the format of the assessment interviews and knew broadly what to expect from them.

Few of the case studies were able to specify the amount of time taken by the IiP assessment with any precision, but it was not generally seen to have had a major impact on day-to-day operations. HealthCo estimated that altogether it had committed 40 hours of administrative time, plus a month spent by a graduate intern reviewing company policies, in addition to the staff time involved in consultations and the assessment process itself. At PropertyCo, the Director estimated that he had spent 3-4 hours per week on IiP, in addition to normal management activities, while at TransportCo, the IiP lead estimated that she had spent about one day a week over a period of two months preparing for assessment.

## 4.4.2 The assessment

Most organisations had assessments which consisted of a visit by the assessor over a 1-2 day period. The case study organisations reported efforts to be as inclusive as possible in recruiting staff members to be interviewed for the assessment. The proportion of staff interviewed varied across organisations. For instance at Transportco, 14 people, almost eighty per cent of their small workforce, were interviewed, while at Autoco 22 people were interviewed amounting to nearly a quarter of the staff. At ITserviceco the assessor had interviewed 17 people, including the Managing Director and IiP Lead, across two consecutive days. This constituted 37 per cent of the workforce at the time. Housingco reported that although they had been preparing for the assessment for some time, they were offered a cancellation at very short notice, leading to a last-minute rush to ensure that staff were available. Twelve people (around half the total staff) were interviewed; interviewees were intended to represent a broad cross-section and were selected randomly by the assessor from the organisation chart and staff list. Healthco found that almost all staff wanted to be interviewed, while at StudentUnion, mobilising people to take part in the assessment had been more challenging and taken up a lot of the IiP Lead's time.

Most organisations felt that the tone of the assessment interviews had been relaxed and informal, and that they had appreciated this. For instance the IiP lead at Housingco described this as having been "more like a conversation than an audit", and compared this favourably with the more formal meetings they had experienced as part of an ISO9001 assessment, while staff members interviewed at Transportco, Energyco and ITserviceco also commented that they had felt able to be frank and open in their discussions with the assessor. A staff member at one organisation had been interviewed with a colleague and noted that this had prevented them from being completely open with the assessor; they argued that staff should be interviewed separately to explore differences in perceptions that people may be unwilling to reveal to a colleague.

Organisations which had received the written assessment report reported that this had been delivered in a timely manner, within the standard 2-week period, and in one case within three days. They were generally very satisfied with the content of the reports, finding them to be of good quality and informative. One IiP lead commented that the report had been less well-presented and "polished" than expected, but that the substantive content was adequate. None of the case study organisations recalled finding any unexpected information in the reports. This illustrates that for this group of organisations the assessment process tended to act as a validation of existing practice, consistent with some of their objectives in pursuing IiP accreditation, rather than provide revealing or surprising insights into possibilities for future development. The assessment process was not generally being used to stretch or challenge organisations to aspire to higher performance goals.

Organisations tended to downplay their experience of contact with the assessor and IiP centre after accreditation. All of the organisations visited after accreditation had a debriefing meeting with the assessor (in one case this took the form of a telephone discussion) and were positive about the feedback received, though this tended to be coloured by general pleasure that they had gained IiP accreditation. ITserviceco valued the staff feedback and learning about the strengths of the business and areas for development.

Follow-up meetings with an IiP specialist to discuss implementation of continuous improvement actions were far less common, as organisational agendas had generally 'moved on' to other priorities. One organisation found the debrief meeting of limited value because it was felt the specialist did not know the organisation, did not follow-up on potential funding available for leadership training and felt the meeting was a 'ticking the box' exercise.

Most organisations had no recommendations for improvement to the assessment process. One suggested that clients should be included in the assessment process so that the impact of the organisation's work on its end users could be appreciated by the assessor.

## 4.5 Conclusion

Organisations varied in the extent to which they had made changes in their processes and practices for people management, and in how challenging they found this. This was linked to their existing level of engagement with the issues, and their motivations for seeking IiP accreditation. Organisations which were seeking to consolidate or 'badge' existing good practice generally had fewer changes to make and were better equipped to do so, although not all were willing to engage in far-reaching cultural change. Organisations which were seeking IiP accreditation partly as an impetus for change tended to be starting from a lower baseline in terms of both existing processes and the level of in-house expertise, but were nevertheless keen to engage with IiP.

Organisations also made more changes to some elements of people management than others, and noted that some were easier to implement than others. The most frequent areas of change were: performance management, training volumes and systems, staff communications and involvement and leadership and management. The least common areas of change cited were reward and recognition and business strategy.

Lack of people management knowledge and expertise, business pressures from growth or financial challenge, lack of management commitment, a less developed and articulated perspective on business strategy and reluctance to delegate management responsibilities by SME owner managers were the main challenges that organisations faced in progressing towards IiP accreditation.

IiP specialists believed that the areas of the framework which were most difficult for organisations to achieve were: measurement of the impact on the organisation through developing an evaluation strategy, and management and leadership capability. Recognition and reward is also a challenging area due to the subjectivity involved in interpretation and assessment.

Organisations generally experienced assessment as unproblematic and appreciated the informal styles adopted by assessors when interviewing staff. By the point at which they reached assessment, organisations tended to regard the experience as one of validation of existing practice. There was limited evidence of organisations explicitly engaging with assessment feedback as an opportunity to stretch them towards more challenging goals, which may reflect external motivations to working with the Standard rather than a desire for major improvement of management practices. It may also reflect lack of linkage between content of assessment feedback and business goals.  Focussing the debrief meeting on a future –oriented discussion could help provide organisational stretch.

# 5. Contribution made by Investors In People Centres and specialists

## 5.1 Introduction

Investors in People specialists and IiP Centres are the main sources of advice on the IiP framework, the content of the Standard and the assessment process. For SMEs in particular, which often do not employ a dedicated HR practitioner, IiP specialists may have a critical role to play in guiding and supporting organisations to reap the benefits of the Standard and progress towards successful assessment.

The services of the IiP specialists may take a variety of forms, including explaining the potential benefits of the Standard (sales role) and conducting a diagnostic analysis of gaps between current practice and those required by the Standard (consultancy role). This section covers the strengths and weaknesses of current service delivery provided by IiP Centres and specialists.

Receiving high quality advice and support from an IiP specialist appears to be the single most important influence on level of organisational engagement with the Standard and the rate of progress that firms make in implementing changes in people management practice. It is noticeable from the case study organisations selected, that firms experiencing more intensive support from an IiP specialist were located in Scotland and Northern Ireland. These organisations are benefiting from publicly funded subsidies for the costs of consultancy support provided by IiP specialists. There is also some evidence that organisations would welcome more intensive guidance and support on implementing the Standard, particularly in areas which are perceived to be less prescriptive. In case studies where relatively intensive support and explanation has been provided, this appears to be critical in forming an organisation's initial perception of the Standard and can 'make or break' the decision to continue IiP engagement.

## 5.2 Level of contact between case study organisations and IiP specialists

All organisations had met with an IiP specialist at least once. Healthco met with an IiP specialist to discuss timescales and discuss an action plan for working towards accreditation. Propertyco had three subsequent meetings with the specialist to discuss progress.

At Propertyco, Transportco and ITservicesco, representatives attended an IiP workshop initially to find out more about the Standard, followed by a diagnostic assessment by an IiP specialist to identify actions that needing taking to meet the requirements of the framework. Transportco's IiP lead also attended a subsequent workshop on preparing for IiP assessment. Autoco's manager attended eight subsidised workshops run by the IiP specialists discussing different elements of the framework to help guide the company through implementing it, supplemented by meetings with the specialist at Autoco's premises.

A major explanation for varying contact levels was the level of funding available to subsidise consultancy support. Autoco was receiving subsidy for the costs of specialist expertise and consequently had much more frequent input than most of the other organisations.

Organisations were generally very positive about the support received from IiP centres and specialists. ITserviceco and Propertyco particularly valued their advisor's ability to break the process into manageable steps which helped to make the Standard feel attainable. The IiP lead at Transportco described the quality of support received from IiP specialists as 'absolutely fantastic', commenting on the excellent quality of information provided at the workshops and on the website. The advisor and assessor were seen as 'really impassioned, really supportive and believe in what we are doing'. ITserviceco's assessor was praised for clarity and ability to explain how and why the business could improve.

It is notable that the case study organisations generally made fairly limited use of other sources of support beyond IiP centres and specialists. Some downloaded free materials from the internet including sample contracts of employment or HR policy documents, but these were primarily sources of **information**, rather than advice or guidance. A number referred to seeing IiP as much more than a paper exercise, and for this reason, it is possible that the demand was for interactive guidance tailored to the specific circumstances of each organisation.

## 5.3 Feedback received and sought by IiP Centres and IiP specialists

Only three case study organisations reported receiving a request for feedback from IiP specialists or centres, in the form of a questionnaire after achieving accreditation. The IiP advisor and assessor for Transportco reported that that the feedback had been exemplary; the organisation described receiving 'outstanding service' from the advisor and assessor and had found the report 'well structured, clear, concise and candid'. The IiP lead at StudentUnion recalled getting a questionnaire and returning it, and said that they had been very satisfied with what the organisation saw as 'a seamless procedure', while ITserviceco had not yet returned its questionnaire as the IiP lead wanted to ensure that the Managing Director had the opportunity to contribute to the response. In a further case, there was conflicting evidence regarding feedback; the IiP lead said that no request had been made, while the assessor maintained that this was always done, but there had been no response for the organisation.

Other IiP specialists interviewed had sometimes received feedback on the content of the IiP Standard, but did not report receiving comments on the service they had provided, other than positive feedback on the range of issues and activities for which IiP specialists offered support.

One specialist reported that in addition to formal feedback obtained through questionnaires sent to the client from the IiP centre, he also asks often asks for feedback on a one to one basis after each client meeting to determine whether to modify the support and guidance offered. Another reported not usually asking for feedback after 'informal' meetings. On the IiP Standard itself, one specialist reported that organisations were often surprised at the breadth of areas of management that IiP covers.

Where specialists reported receiving feedback from other organisations, they described it as 'anecdotal', suggesting that it is neither systematic nor validated. One IiP specialist reported uncertainty about how feedback is formally collected from organisations following a recent change to the process. Previously the IiP centre required specialists to send out their own feedback surveys to organisations, but this is now undertaken by the IiP Centre, with the result that IiP specialist reported rarely seeing any kind of formal feedback. Nevertheless, an assessor in another office reported seeing and reviewing feedback that was received via the same system.

## 5.4 Employer recommendations for improvement to the IiP Standard or delivery

A number of case study organisations had specific recommendations for improvements to the IiP Standard and/or its delivery. These related to two main areas; **clarity about the requirements** of the Standard and how these are assessed, and **guidance and support** in meeting these. More detail on these recommendations is provided in the sections below. Organisational views on costs were usually linked to perceptions of value for money and are discussed in Chapter Six. These usually centred on greater clarity on the costs of assessment and any additional support required from the IiP centre being made available on the IiP website. Organisations which did not make recommendations for improvement tended to be fairly early in the process of working with the Standard or to have received extensive support.

### 5.4.1 Clarity about the requirements of the Standard

Although no case studies from Year 2 made recommendations to improve the IiP Standard, some did so in the previous year. Some companies expressed concerns about the perceived subjectivity of the IiP Standard, which spilled over into anxieties about assessment. There may be some need for IiP specialists, in preparing firms for assessment, to clarify the interpretation of criteria, how staff views are interpreted and whether and in what way any other forms of evidence are used to validate staff perceptions.

Improvements to the website were suggested by one organisation. Although the website was seen as good quality, it was argued that site visitors have already expressed an interest in IiP by visiting the site, so there needs to be more information about what criteria must be met in order to gain accreditation. A similar point was made about case study material, which needs to cover a wide variety of organisations, so that firms can recognise themselves in the examples.

Another organisation argued that the New Choices Framework can be confusing to people unfamiliar with the IiP award. One manager felt that the levels of Bronze, Silver and Gold might convey different levels of the core Standard to people unfamiliar with IiP, who would not realise that the basic Standard underpinned them and that therefore achievement of Bronze denotes a higher level than the core Standard. It was felt that the Bronze, Silver and Gold framework does not necessarily convey attainment above the core Standard and that achieving anything less than gold could be seen as falling short.

### 5.4.2 Advice and guidance

Energyco felt that they would have benefited from peer support from similar organisations which were going through the process at the same time, although the IiP lead noted that no managers from this company had attended any workshops, which might have provided this. Some organisations felt that IiP information materials could be improved. Propertyco reported that some of the IiP materials and literature they had seen were not sufficiently relevant to their organisations to be useful and had found some of the language and concepts used unfamiliar. This suggests that providing targeted, customised case study material may be helpful in engaging and inspiring some committed organisations to make further progress towards accreditation.

For organisations which have been committed to the Standard for a significant period of time (e.g. six to twelve months without significant evidence of progress), it may be helpful for IiP centres to seek specific feedback to assess whether any changes could be made to support to assist their progress. Energyco commented that they would have benefited from more encouragement from an IiP specialist to move towards accreditation sooner.

### 5.4.3 Other issues

Transportco, was very satisfied with the overall process, but noted that the scale of the assessment could be extended, feeling that 'a more rounded view of the company' would be obtained if advisors and assessors were able to spend more time with staff. Both the IiP lead and the Managing Director of this company saw IiP in terms of service delivery as well as staff. They argued for its inclusion in the IiP core framework, saying:

> 'IiP is not just about your staff but also about your service delivery. We have excellent case studies about how we have turned our clients' lives around and that is proof of investing in people too,' (IiP Lead).

One organisation also commented that they would have liked the IiP specialist to be able to recommend suitable appraisal software which meets the needs of the Standard; the advisor's suggestion was not tailored to the purpose or guaranteed to meet the Standard.

## 5.5 Conclusion

Receiving high quality advice and support from an IiP specialist appears to be the single most important influence on level of organisational engagement with the Standard and the rate of progress that firms make in implementing changes in people management practice. Most organisations were happy with both the amount and quality of support provided by IiP centres and advisors, but it is noticeable from the case study organisations selected that most of the firms which had experienced more intensive support from an IiP specialist were located in Scotland and Northern Ireland, and benefiting from publicly funded subsidies for the costs of consultancy support provided by IiP specialists. In case studies where relatively intense support had been provided, this appeared to be critical in shaping an organisation's initial perception of the Standard and can decide future engagement.

There is also some evidence that organisations would welcome more explicit guidance and support on implementing the Standard, particularly in areas which are perceived to be less prescriptive, and where organisations may struggle to understand what management practices would look like within their own context. Finding cost-effective ways to offer this would be especially helpful for organisations experiencing resource constraints and not eligible for subsidy. Organisational anxieties and difficulties with implementing change discussed in Chapter Four appeared to reduce at the point of (successful) accreditation, with a number of managers commenting that the Standard was less difficult to implement than it first appeared. This may suggest both a wish to downplay the level of effort required to achieve accreditation but also a focus on accreditation as an end in itself.

Very few organisations recalled being asked for or providing feedback, and not all advisors were seeing feedback on a regular basis. Obtaining this more systematically would be of clear benefit in ensuring that employers' experiences inform future service delivery by IiP centres and specialists.

# 6 Impact on HR and business outcomes

## 6.1 Introduction

The intended impact of Investors in People on business performance through workforce development and High Performance Working has always been a central focus of the Standard, encompassing workers of all grades. Revisions to the Investors in People Standard in the mid 2000s have placed greater emphasis on its contribution to improving management and leadership capability, but there has been limited research on the impact of these modifications for organisations working with the Standard. A number of the case studies had an interest in developing their people management strategy and practices as shown in Chapter Two. Organisations were at different stages in their journey in relation to IiP accreditation and had made commitments to gain IiP for different motivations, with a greater or less connection to seeking an impact on HR and organisational performance. This means that impact on performance is highly variable between organisations and before/after accreditation. The range of possible impacts explored was largely drawn from Figure 1.1.

## 6.2 Development of management capability

Some companies were focussing on developing management capability at multiple levels of seniority as a result of engagement with IiP. Healthco had undertaken work on specifying management competencies to provide managers with a specification of the capabilities required in performing their roles. ITserviceco and Propertyco made specific investments in management and leadership training. The management team at ITserviceco took part in a business coaching programme consisting of six half-day workshops to support individuals enhance their personal management styles and help the organisation's growth plans. Propertyco brought in an external consultant to deliver training in regular performance management processes to line managers.

In the other case studies there was less evidence of engagement with management and leadership issues specifically for a combination of factors. As highlighted in Chapter Two, some organisations were engaged with the standard as a means of benchmarking and integrating their HR processes, rather than for explicit leadership and management improvement.

## 6.3 Impact on workforce development

Some organisations - StudentUnion, Energyco, ITserviceco - all demonstrated an increase in training levels as a result of IiP commitment. For some organisations, it was difficult to gauge this increase quantitatively, particularly because, prior to IiP commitment, training spend had not been coherently recorded.

Efforts were made at ITserviceco to make the connection between training activity and their business strategy. The company introduced a new online training administration system through which individuals submitted requests for training and which was also being used to monitor objectives, costs and impact. In the few months since it had been implemented, the IiP lead noted that numbers of requests for training and levels of training had notably increased.

In some of the case study companies - Autoco, Housingco, Healthco, Energyco, Transportco - there was no increase in workforce training as a result of IiP commitment. This is because training levels were already high in these organisations, possibly because several employed a significant proportion of professionally qualified staff who engaged regularly in professional development. Energyco was increasing its investment in training through use of ILM qualifications but this was not driven by IiP. Housingco staff reported training provision was relatively extensive for staff across the organisation, pointing to long-term commitment to allocate an amount equal to three per cent of the salary bill to an action learning fund for staff development, and that it had not been affected by IiP. Indeed, the IiP lead reported that training for senior managers had been delivered as part of a five year business plan and succession planning strategy, and was now decreasing for this group. Interestingly, the employee interviewed perceived that undertaking IiP signalled greater commitment and provision of monetary support for staff development.

## 6.4 Use of High Performance Work practices

High Performance Working (HPW) has been defined as 'a general approach to managing organisations that aims to stimulate more effective employee involvement and commitment in order to achieve high levels of performance' (Belt and Giles, 2009, p3). Previous research indicates that IiP is associated with the uptake of formal people management practices (e.g. Tamkin et al., 2008; Bourne and Franco-Santos, 2010).

The table in Appendix B illustrates the range of HPW practices adopted by the case study organisations. Changes to training and development provision and the presence of performance appraisal mechanisms are the most common high performance work practices adopted in case study organisations. Seven organisations have made some effort to focus on developing management capability. Employee involvement and communication practices are also common, although processes are largely informal, as might be expected in SMEs. The ubiquity of learning and development is unsurprising, because a number of IiP specialists told us that training is a major motivation for firms to commit to IiP and this echoes other research which identifies improvements to training as a key factor in employer engagement with IiP (Gloster et al., 2010).

At the other end of the scale, commitment to career development is present in only four cases, which may be related to the fact that many of the firms are small and as a consequence have limited opportunities to create vertical internal labour markets and promotion pathways.  Financial reward linked to performance is present in just three case studies. Only one firm has sought to offer bonuses linked to performance while the others offer simple recognition schemes for outstanding individual performance. The cost commitment, performance measurement and potential divisiveness related to any financial rewards may be unattractive to smaller employers.

None of the employers interviewed provide staff with greater autonomy in decision-making or job enrichment via team working. Such change is likely to involve quite significant and radical changes to workplace practices, which might not be appealing to many firms.  Smaller organisations usually grow organically around functional activity. Autonomous teams appear to be fairly rare in workplaces more generally (Ashton & Sung 2005).

Team working is not specifically prescribed within the IiP framework, although it may be relevant in achieving certain evidence requirements, autonomy may be achieved through means other than formal re-organisation of job content. There was some evidence of empowerment through delegation of management responsibility, particularly at Housingco and Pubco, which provided operational managers with more discretion.

However, because many of the case study organisations interviewed are still relatively small, they are only just embarking on the process of developing management structures. Integration of IiP practices with broader aspects of High Performance Working is likely to find its fullest form in larger and older organisations.  This raises the question of how best to support SMEs to place them in the best position to manage growth through ensuring effective succession plans to secure labour supply, and what the role of IiP should be in fostering long-term business planning.

### 6.5 Impact on HR outcomes

Improving the quality of people management practices can feed into HR outcomes by influencing staff desire to join, leave or exert effort in working for an organisation, and can also be evident in absence levels, measures of employee engagement, use of disciplinary and grievance procedures, quality of individual performance, perceptions of management effectiveness, and overall organisational culture.

In general, organisations were less able to identify impact of IiP on 'hard' indicators of HR outcomes, but were more likely to note change in individual or group behaviour either in how managers dealt with staff or in staff attitudes and how they undertook their work. Of the seven organisations which had achieved accreditation at the time of the research visits, most organisations were either not able to comment on the impact of IiP on HR outcomes such as absence, turnover, recruitment and incidences of disciplinary or grievance procedures being activated or believed there was no impact. For example, the recency of IiP accreditation meant that outcomes from IiP were yet to be identified (Healthco). Others organisations interviewed (ITserviceco, Housingco, Transportco and Energyco) reported that they did not monitor HR indicators but also had reservations about any impact of IiP on these kinds of outcome measures.

Three organisations noted contrasting, although beneficial, impacts on staff turnover. Propertyco observed that the firm's increased focus on holding staff accountable for performance was unpopular with some staff who received constructive feedback and consequently left the organisation. Hotelco noted that staff perceptions of improved promotion prospects, better training opportunities, improved morale through closer co-operation between managers and staff and better team-working. This also appeared to have contributed to reduced turnover. Managers at Energyco were clearer about the skills and qualities they sought from job applicants and that they were in a better position to offer promotion prospects. Hotelco had been keen to address staff turnover through IiP, but for Propertyco and Energyco, this was, interestingly, not an intended outcome of accreditation.

Other organisations identified early benefits from working with IiP prior to assessment. These included staff attitudes becoming more professional (StudentUnion), improvement in quality of work through enhanced staff development activity (Energyco). Hotelco staff experienced a better understanding of how the whole organisation worked which encouraged better cooperation and commitment. Pubco witnessed a better understanding of roles improved staff confidence in dealing with customer queries. This was also evident at Propertyco where effort had been made to explain the reward and recognition policy to staff. Managers reported being more thoughtful and reflective about their roles and how they undertook them (Travelco, Charityco) and as a result, more frequent and better quality contact took place between managers and staff (StudentUnion, Hotelco, Autoco and ITserviceco). As one manager at Autoco pointed out:

'*IiP certainly focused our managers, and when weaker managers could see what stronger managers were doing it made them step up to the mark,*' (IIP Lead).

Whereas one manager at ITserviceco believed:

'*IiP has kept the momentum going, such as the development of the training and evaluation system and the appraisal system. Performance management was in place before IiP but people can now see the value in it,* '(IIP Lead).

Hotelco noted that the impact of the Standard on their 'way of thinking.' Energyco valued the benefits of line management training, which had improved management capability and confidence in handling staff issues. Autoco reported that managers are key IiP beneficiaries:

'*The people who have benefited most from IIP is our managers, because they have meetings with their team with a more structured agenda, looking at what was achieved yesterday, what has to be done today and how are we going to do it,*' IIP Lead

Some organisations suggested that factors apart from IiP were more influential on HR outcomes. StudentUnion, Energyco, ITserviceco and Transportco pointed out that they found it easy to recruit staff when necessary as a result of already having a reputation for being good employers, and noted that the state of the labour market meant that they usually had large numbers of job applications. Housingco noted that IiP might boost recruitment by increasing the attractiveness of the organisation. Labour turnover was also perceived to be related to job design (Housingco). It may be hard to isolate the impact of IiP on HR outcomes, partly because the timescale over which impact may take to develop may lie outside the timeframe of the evaluation and also because the impact of IiP is intertwined with other influences on HR outcomes.

**Employee** perceptions of IiP's impact can provide a complementary perspective to those of managers. Overall, it was most common for employees to focus on 'getting the badge' and its potential impact on organisational reputation as the main purpose of accreditation (Energyco, Housingco, Autoco, and Transportco). Other employees did not know what the value of the Standard was to the organisation (StudentUnion).

Any changes that employees recognised were often relatively personal and it may be difficult to trace and translate any subsequent effects on performance, since these may be very subtle. For example, a member of staff at StudentUnion and Hotelco valued contact with their manager through one to ones and thought relationships had improved as a result. Staff in some organisations also noted they received a greater volume of information about the goals of the organisation (Studentunion and Energyco) which was helpful and interesting alongside better access to senior managers (ITserviceco).

Other employees noted that better communication could help different parts of the organisation feel more connected (Studentunion, Hotelco) and staff were valued more by managers (ITserviceco). One employee commented:

'*Before we were very isolated in our own departments and we heard things through the grapevine. It is better to know what is going on than be in the dark, and we feel more involved and valued,'* (Employee, ITserviceco).

Staff at Pharmaco and Hotelco believed they had received more training and development opportunities as a result of IiP, also resulting in more promotion opportunities at Hotelco. One employee perceived more investment in staff development (Housingco), although this may have been because a cycle of investment in management training was ending, therefore making the share of investment in staff development seem larger.

Overall, employees generally felt that they were sufficiently engaged with IiP to be able to make a judgement about whether they would recommend it. This is understandable given that some organisations did not inform staff that they were seeking IiP accreditation or publicise it (ITCo and Studentunion).

Staff and managers generally reported that changes in people management practices had no effect on how committed they were to an organisation, usually noting that they were committed anyway. Additionally, organisational commitment is usually influenced by other factors such as personal characteristics, job type, domestic circumstances, availability of alternative job opportunities.

Overall, few organisations noted profound cultural changes as a result of IiP. Among organisations where there was little change, strong cultures were already embedded, often linked to the product or service provided. ITserviceco was described as having a 'family culture', while Healthco already had a culture of 'continuous improvement' linked to technological innovation in its industry and Autoco had a strong culture focussed on performance measurement fostered by its clients and the culture of the automotive sector. Housingco and Transportco already had strong cultures founded in their objectives of serving their local communities.

## 6.6 Impact on key business performance indicators

It is typically challenging to link changes in HR practices to measures of workplace or organisational performance, because of difficulties in measurement, the wide variety of other factors that can influence performance measures such as productivity, profit, turnover, sales and quality or complaints/errors, customer satisfaction/retention, innovation in products/services, efficiency and costs and the lengthy timescale over which effects may develop. Given that a number of case study organisations had not yet gained accreditation and some were motivated by seeking the 'badge' to help them secure business or assist with marketing more generally, it is ambitious and challenging to seek to identify relevant performance impacts.

Nevertheless, three organisations relying on staff to provide good customer services to the general public reported some degree of improvement in metrics concerning profits, and sometimes linked this to IiP. At Propertyco, the Managing Director and IiP lead believed that staff were more motivated as a result of improved communication practices, which was evident in bottom line outcomes including net profit, even if IiP was not the only explanation:

> '*The quality of service is up across every branch… it could be 101 factors, but certainly one of those factors is the things that we've put in place and the structure because of IiP,*' (Managing Director, Propertyco).

Similarly, Hotelco noted that the site had just experienced its most profitable year since before the recession, and staff reported that they were busier and sales figures had improved, although it was not clear how far these changes could be attributed to IiP. Pubco was not expecting to see a difference in profit as a result of IiP but staff had noted more repeat business over the past year and more customers visiting based on word of mouth recommendation since IiP commitment.

Other organisations alluded to perceptions of business improvement connected to the efficiency of how work was organised. Evidence of more professional approaches and procedures, including structured meetings and use of new management software was cited by Autoco, Propertyco and Housingco. One organisation commented that work performance and therefore quality improved since managers made an effort to use social events to reward staff (ITco). Housingco had pursued IiP to help win work from public sector clients. It had not seen evidence of any direct impact on winning contracts but believed that IiP had helped to improve organisational 'credibility'. Transportco similarly believed that achieving IiP had made the company appear established from the perspective of other organisations. Autoco commented that:

> '[Paying attention to performance management] helped us focus on our efficiency figures, and they have all improved, and people have accepted that, which is good for business and for profit,' ( IiP Lead).

It is difficult to assess whether IiP was delivering in line with expectations because in a number of the organisations visited post-accreditation, managers felt that the full benefits were yet to be seen. Overall, organisations did not express any dissatisfaction that IiP had not met expectations. Given that a number emphasised validation of good practice through gaining the badge as an end in itself and that organisations did not express expectations in quantifiable outcomes, even where these were linked to generation of new business, this perhaps reflects that organisations do not engage with IiP in terms of making a calculated assessment of costs and benefits.

A number of organisations pointed out that business performance was already improving prior to committing to IiP. For example, sales and workforce productivity improved at ITserviceco, but this was not attributed to IiP. The IiP Lead at Housingco pointed to a loose link between improving quality of service through staff commitment to the organisation's purpose and vision, although the IiP Standard was felt to endorse the existing approach rather than acting as the catalyst for change here.

This reflects issues concerning the direction of causation between business performance and adoption of IiP. It is notable that several of the case study organisations were already expanding and had ongoing growth ambitions, which led to them deciding to engage with IiP. In this sense, it is perhaps likely that organisations which are already 'high performing' or at least committed to investment in staff are most likely to find the standard meets their preconceived needs. IiP has the potential to meet the needs of organisations which have further to travel, but they appear to be likely to have a positive orientation towards change already, rather than to be struggling with business difficulties. This raises the question of whether and how IiP could and should be positioned as a business support tool for organisations in more challenging circumstances.

## 6.7 Assessing the counterfactual – what would organisations have done in the absence of IiP commitment?

In conducting an evaluation of any intervention, the most difficult, but often most important element is to ask what would have happened if the intervention had not been made. This is usually best achieved through making a comparison between a treatment group which is exposed to the intervention (in this case organisations which have committed to IiP), and a control group which has not. This is not possible within the evaluation design for this project, although it is possible to ask organisations and their advisors if any changes made to people management practices would have been made as extensively, as rapidly and to a higher or lower quality standard if the organisation had not committed to Investors in People. Most managers were unsure and found it difficult to assess whether they would have implemented these changes without the momentum of IiP.

In the cases of Transportco, Propertyco and Hotelco, it is likely that some changes would have taken place without commitment to IiP. These firms appeared to be using IiP as a vehicle to justify existing beliefs about adopting desirable management practice rather than as the inspiration for such practices. Many of these practices may well have been adopted anyway, without IiP commitment.

The major counterfactual element reported by organisations where IiP had a made a difference to management practice was in providing **structure** and **pace** to the nature of the changes made. Several employers reported that any changes made would have been 'ad hoc', 'reactive' and with less clarity, co-ordination and confidence about what they were doing and why (Housingco, ITserviceco, Propertyco Energyco). Housingco and Autoco also felt IiP had helped crystallise the strategy for what was required. Housingco stated that IiP had helped them to prioritise change by providing a good reference to justify making one change over another. Healthco and ITserviceco also reported that without IiP commitment, all changes would have been made more slowly. Energyco believed that its changes would have been made because the organisation changed rapidly anyway but one interviewee believed IiP was helpful to support these ongoing and broader change processes.

Newer and younger organisations in the early stages of their development were often committing to IiP at the same time as they attempted to set up human resource management policies. This often reflects an approach characterised by strong self-motivation, some degree of HR expertise and time to implement change. In some of the other organisations, familiarity with the IiP framework and the presence of an action plan is not sufficient to catalyse change in the face of day to day business pressures. This reinforces the significance of the role that IiP Centres and specialists play in determining the pace of change and speed of organisations' journeys towards assessment.

## 6.8 Perceptions of costs and value for money among IiP customers

No organisations interviewed had undertaken a systematic assessment of the costs of gaining IiP. Judgements about value for money were often made on a subjective basis without quantification, and therefore how costs are presented and experienced is important in influencing organisational perceptions. The evaluation of costs is also dependent on the mindset of organisations, and not necessarily related to the level of investment, so where organisations were investing heavily in making big changes but viewed these as good business practices that any company should have, managers were more likely to downplay costs. How managers make judgements about costs can vary, particularly in terms of whether costs are judged in isolation about absolute affordability or whether they are offset through a more long-term perspective about benefits. For example, one manager noted that:

*'The costs were reasonable but we will have to wait to see if it offers value for money as I don't know yet if we will get any tangible benefit from it,' (ITserviceco).*

The greatest value of IiP reported by organisations often lay in the primary motivation of receiving validation of good practice and the potential marketing benefits of gaining the badge. Many employers described how IiP accreditation 'rubber stamped' already good performance (Transportco, Healthco, Housingco and Energyco), while Studentunion believed it had benefited from the image of its work held by its parent organisation and found the holistic framework of IiP a useful supporting structure for change.

In talking about the benefits of IiP, a number of managers placed emphasis on improvements to management practices that took place before accreditation. For example, offering a coherent framework to co-ordinate their strategic planning activities meant that StudentUnion did not have to 'reinvent the wheel.' Similarly Propertyco valued IiP in helping them grow from a small business mentality towards their aspirations of expansion. This suggests that organisations could begin to assess the value of IiP at an earlier stage of working with the Standard, and there may be a role for IiP specialists in prompting them to do so, for example, as part of evaluating the impact of learning and development.

Some organisations were also somewhat hesitant about judging costs and value for money when they had not yet undergone assessment or assessment had only recently taken place (ITserviceco).

Estimates of time investment varied from about 40 hours, mostly spent on the diagnosis and action plan but not regarded as overwhelming (IT Co), time from MDs for business planning and KPI identification (IT Co), three to four hours per week from MD at Property Co over seven months, time from the IiP lead to sit in on all new performance review meetings between line managers and their staff (IT Co), and one day per week over two months from IiP lead (Transportco).

A couple of organisations requested greater clarity and transparency about external costs of IiP. One wanted a schedule or indicative guide of costs that could be downloaded from the IiP website that explicitly stated how much IiP would cost for an organisation of a particular size. This organisation felt that current process of discussion and agreement for costs was 'too vague'. Similarly another felt that the IiP website makes costs 'deliberately vague' in not clarifying costs of support from an IiP specialist in addition to the costs of assessment. Housingco believed that IiP was expensive in comparison with ISO 9001. The IiP lead pointed to the extra support provided through consultant input to prepare for the audit, the assessment cost itself being cheaper, additional six monthly audits, and more regular contact with the assessors to gain feedback on performance.

A small number of case studies expressed a perception that delivery partners viewed IiP as an opportunity for commercial gain. A lack of clarity about costs created some suspicion for one firm that the IiP centre is deliberately trying to make more money out of firms by selling its training products. Another firm reported to be happy to pay for the costs of assessment but objected to private companies making money from a government scheme aimed at business support. A few case studies reported that they would have liked to have received greater support from IiP specialists but were unable to afford the costs of these services. Having attended a workshop, one company found that they could have benefitted from a free diagnostic meeting with an advisor, but as they had already booked this, they were not entitled to the free session:

> '*If there are incentives for people to participate in IiP it would be better if these were better advertised. I had been on the IiP website and there wasn't the information on there that showed we could have had the free diagnostic if participating in the workshop,*' (IiP Lead).

Small companies with limited access to HR expertise struggle with simply knowing what changes to make, how and in what order. There is therefore room for considering how support could be delivered through web-based advice, guidance or from other sources such as small business mentoring schemes to make effective use of public funds.

## 6.9 Future plans and intentions concerning higher-level accreditation

Some of the case study organisations had already formulated intentions concerning further IiP accreditation. Many case study organisations reported that they might seek Silver (Healthco) and Gold accreditation (Propertyco and Housingco). StudentUnion had intended to pursue the Silver award but subsequently decided the cost of gaining accreditation was high and benefits were unclear, as they felt the distinction between achieving the core Standard and the Silver award is not as widely recognised or understood. Energyco did not wish to pursue a further level of accreditation due to the time costs involved.

More generally, some of the organisations had ongoing plans for developing their businesses, some of which involved further change to people management practices. Transportco intended to focus on capability of line managers and succession planning for company growth. At Autoco the site was focussing on practices to improve customer satisfaction; other sites within the group might consider IiP accreditation but would have further to travel to implement the full IiP framework. ITserviceco was focussed on expanding its premises; it was yet to make a decision on obtaining a future higher level of IiP accreditation but was interested in adopting 360 degree staff appraisals. Housingco had experimented with developing a competency framework but found the resulting output was not relevant to the jobs people do and was looking at defining skills needs linked to succession planning.

## 6.10 Conclusion

The IiP Standard can be understood as sitting within a wider framework of High Performance Work practices which stimulate demand for higher level skills. The main changes involved provision of management development, increased volumes of training being provided to a wider range of staff and employee involvement practices. Some staff reported increased training, better information flows and co-operation across different organisational teams. In terms of situating activities to support IiP implementation, the High Performance Working perspective illustrates that the most common focus is on integration of staff involvement, training and development and performance management practices, reflecting the priorities of relatively small and young organisations. There was limited evidence of IiP adoption transforming management beliefs and philosophy about people management, or of cultural change, partly because a number of the case study organisations already had distinctive organisational cultures which were either unaffected by or accentuated by IiP.

Impact of IiP on HR outcomes was difficult for organisations to assess but there was some evidence of impact on staff turnover, employee commitment and organisational behaviours. Changes in business outcomes took the form of improvements to business processes and some managers pointed to better quality of service, sales and productivity. Impacts could not always be solely attributed IiP, especially where organisations were already on an upward trajectory of growth.

It is not possible to make a full judgement of what organisations would have done in the absence of seeking IiP accreditation without a suitable comparison group, but a number of organisations noted benefits in terms of the structure, type and especially pace of changes they made to improve people management practices.

Organisations tended to assess value for money of IiP from a qualitative, subjective perspective rather than undertaking a formal cost-benefit analysis. Where benefits related to the structure and pace of the change process, value for money could be gauged at an earlier stage in the IiP journey than we might expect. Some expressed a desire for greater transparency in costs of assessment at an earlier stage of engagement with the Standard and ability to pay for consultancy support was a concern for a number of small organisations.

Some organisations were already intending to 'upgrade' their level of accreditation to a higher standard within the framework and others were intending to pursue a portfolio of innovations in people management following their initial accreditation.

# 7 Conclusions and Implications

This report provides the findings of a two-year project which draws on a range of sources of evidence to contribute to the broader evaluation of the Investors in People standard.

The aim of the project was to understand better how employers engaged with and used the Investors in People Standard and the impact that moving towards accreditation had on the organisations and how they managed staff. Specifically, its objectives are:

- to understand how employers engage with and use Investors in People;

- to understand how employers implement associated processes of organisational change;

- to identify any barriers or problems managers face when implementing Investors in People and how these could be overcome;

- to identify the impact of Investors in People on organisations and where it can best contribute to organisational management;

- to identify the types of organisations benefitting most from Investors in People and how they can be engaged;

- to make suggestions for improving IiP delivery.

This chapter discusses these evaluation objectives based on the evidence gathered through the case studies.

## 7.1 Why do employers get involved with the Standard?

Eleven of the fifteen case study organisations had made an unprompted commitment to Investors in People, by seeking out information about the Standard and approaching an IiP Centre because they believed the standard would help them improve how they managed staff and indirectly support their business goals. Four had taken a more reactive approach, stimulated by contact with government support agencies and IiP specialists.

Overall, the case study organisations had multiple and mixed motivations for seeking IiP accreditation. Supporting business goals was an underlying goal in all cases, but this was expressed through very different priorities for organisations in different circumstances. The most common focus was a desire to gain external recognition or branding for good people management practices to help the organisation compete for business. Some organisations were pursuing internal changes to make the organisation a better place to work. Most of the organisations understood IiP as it was originally conceived as a tool for improving people management and thereby organisational performance, rather than in its more recent positioning as a more general business improvement tool. Growing organisations found it easier to grasp how the Standard could be applied to their organisation and how it could help them develop whereas less sophisticated organisations found it more difficult to see the relevance of IiP to their business.

Younger organisations typically used IiP to establish basic management practices and tended to attach higher importance to gaining the Standard than those which lacked dedicated HR expertise or which were derailed from progress. This raises questions about the level of support that organisations experiencing change may need to help them achieve the Standard.

## 7.2 What changes do employers make to meet the Standard?

The most common change made among the case study organisations was to how they managed individual performance and in particular to their performance appraisal system. Most of the case studies either introduced a new approach or upgraded their existing processes to, for example, improve the way development needs were identified; tie development needs more clearly to business needs; and define job roles more clearly. Other changes included simplifying the appraisal paperwork and reducing the number of performance management criteria.

There were three other main areas of change:

- Introducing a more comprehensive approach to training which took two forms. Firstly most cases generally extended the range of training and development activity on offer and extended such activity to all staff (rather than focussing on a few). Secondly some case study organisations improved the way training was managed by better identifying and monitoring training needs identification, monitoring, and in some cases evaluating activity.

- Improving staff involvement and communications, typically by introducing regular staff meetings and briefings and sharing more management information. It is notable that employee involvement and communication was one of the areas for continuous improvement post-assessment in a number of organisations and some organisations were experimenting with different types of involvement to find those which worked best in their context.

- Improving management and leadership, for example by developing managers' capability to manage people.

The major barriers cited to progress in implementing IiP were lack of people management expertise, lack of management commitment where consensus was required across a management team, changes in business circumstances arising from financial challenges or growth, management reluctance to delegate and different approaches to and understanding of business strategy in smaller organisations. These organisations sometimes expressed business strategy in terms of sales targets which were hard to translate into actions for change. Some organisations were simply focussed on survival and were finding it more challenging to articulate how IiP could help them.

## 7.3 What is the impact of moving towards and achieving IiP accreditation?

Across the two-year evaluation, ten of the fifteen case study organisations achieved IiP accreditation, and in seven cases this was prior to the research visit. Organisations were commonly able to provide evidence of impacts at a behavioural and cultural level in terms of how staff worked together across an organisation and linked this in some cases to work quality and productivity. In most cases, involvement with the Standard had led to an improvement in management capability. More frequent and meaningful communication had led to a more open style of management. The roles and behaviours expected of managers had also been clarified resulting in a greater degree of ownership and responsibility. The management of people had improved, with clearer performance management processes, for example. Finally managers were more likely to delegate with beneficial effects on organisational efficiency and opportunity costs. There was some evidence of wider benefits as a result of the greater understanding of the business, clearer job roles and additional training generated through IiP, with, for example, both managers and staff expressing greater confidence in their ability to do their job.

Some cases also identified associations between working with IiP and hard measures of organisational performance.   However, managers more often confirmed that superior performance lead to staff development and a commitment to IiP rather than IiP leading to improved performance.   Where changes in organisational performance outcomes occurred, these took the form of sales, turnover and quality indicators.

The impact on workforce development as a whole was more mixed. In a number of the case studies there was evidence of an increase in training activity as they moved towards accreditation and in particular staff who had not previously received training were gaining access to learning and development. In at least two organisations, training was being aligned more closely to business strategy, although in smaller organisations managers found it difficult to articulate the links. Some organisations already provided a relatively high level of training, and therefore did not increase training provision. In some cases the benefits of IiP were in starting to help organisations think about the links between existing training provision, its purpose and ultimate business benefits.

Overall across all the case studies there was evidence that involvement with the Standard had encouraged organisations to be more coherent in their management of people and move towards adopting more formal business planning processes. There is no suggestion, however, that IiP influenced the type of business strategy adopted or inspired organisations to move into higher value added product markets. Any such change is likely to come later in the process of engagement with IiP, as and when managers consider organisational ambitions related to workforce capabilities. Evidence on the links between IiP and adoption of broader high performance working practices was mixed. More training and development and the presence of performance appraisal mechanisms were the most common high performance work practices adopted in case study organisations. Employee involvement and communication practices were also common, although processes were largely informal, as might be expected in small businesses. At the other end of the scale, commitment to career development was present in only three case studies, financial rewards linked to performance in three companies interviewed and none explicitly sought to provide staff with greater autonomy in decision-making or job enrichment via team working as a result of IiP. This reflects, in some cases, relatively high levels of skill and existing autonomy in organisations which employ primarily professional staff, while in others, small organisational size and a plentiful availability of recruits in a slack labour market mitigate any pressures to develop an internal career ladder.

## 7.4 What is the overall difference that Investors in People makes to employing organisations?

Investors in People provides a framework for organisations to make changes and provide a structure to help them manage their business as they seek to grow and develop.

At the outset of this study we developed a framework which distinguished between three types of organisational change that IiP could support:

- **episodic** – involving the introduction of a new system, practice or process;

- **developmental** – improvement of an existing system;

- **transformative** – a substantial change in organisational direction or culture.

The case studies provided a number of examples of episodic changes in examples of the introduction of new appraisal system, staff surveys or suggestion schemes, particularly in younger and smaller organisations. There were also examples of developmental change in the form of improved approaches to training, more coherent staff management and more formal and comprehensive business planning. Examples of transformational change were rarer and there was limited evidence of IiP having a major impact on organisational ethos and culture at this stage of the IiP journey. However, IiP was certainly playing a supporting role in enabling organisations to grow by helping them to standardise their policies and procedures and to instil confidence that they were adopting good practice in managing staff. Revisiting the organisations where longitudinal research was conducted revealed that they often defined and understood 'impacts' in terms of changes to policies and procedures, rather than expecting impacts on organisational performance indicators.

Across all types of change, most organisations reported that they would have made changes associated with implementing IiP even if they had not committed to the Standard, but they would have made these changes more slowly and with a less structured approach. This illustrates that IiP has the power to act as a catalyst for organisations which already have some aspiration to develop their people management policies with direct or indirect links to their organisational objectives.

## 7.5 Is the Standard meeting the policy objectives set for it and are these appropriate?

The UKCES' ambition is to transform the UK's approach to investing in the skills of people as an intrinsic part of securing jobs and growth. Within this it aims to get more employers investing in the skills of their people and IiP is one of the UKCES's assets that is being applied to achieve it. An assessment of whether IiP is contributing to the UKCES' ambition cannot be made on the case study evaluation alone and requires the findings from the wider IiP evaluation programme to be considered, although it is not considered here. Neither is it an explicit objective of the case study evaluation to report IiP's contribution to jobs and growth. Nevertheless, there is some case study evidence that the IiP Standard can assist in delivering business growth, although the direction of causality in the relationship is unclear. There was no evidence that IiP affected employment growth but this must be considered in the context of ongoing challenging economic conditions. The IiP framework appears to be particularly helpful for organisations which are expanding and it therefore has the potential to support employment growth among firms which are predisposed to recruitment. There is also some evidence that the Standard can be a useful tool in improving management capacity and capability. This may indirectly support growth as an enabling factor to improve the quality and efficiency of people management, which, in turn may contribute to better operational outcomes, free up management time for the development of new products and services or more generally maximise competitiveness through improved efficiency.

Overall, this report concludes that the policy objectives set for the Standard are relatively ambitious in the light of what the evidence in this report suggests it achieves in practice. The implications are therefore ones of caution concerning what it is reasonable to expect IiP to deliver as a policy tool against the goals set for it.

The diversity of organisations which engage with the Standard, their business contexts and priorities suggests that positioning IiP as a tool which is suitable for organisations, regardless of context and strategy, is challenging. A universalistic message may mean that the Standard does not resonate with firms looking for a product that meets what they perceive to be their own unique needs and context. In order to be able to engage organisations fully and to extend market penetration, it may be helpful to segment markets and to identify the elements of the Standard that may provide most benefit to each. Some work has already been undertaken in this area.

Current operational strategy for IiP is contemplating placing greater emphasis on quantitative data collection in the assessment process as opposed to the current focus on qualitative data. The case studies suggest that it may be challenging to implement this approach in smaller organisations where such performance measurement may not be undertaken. In addition, small numbers of staff may mean that results of quantitative exercises such as staff questionnaires can be easily skewed and require contextualisation.

It is also unclear that the Standard in its current format entirely fulfils its new orientation as a general business support tool, due to its perceived focus. Customer perceptions, based on its longstanding and respected reputation, centre on the Standard as a people management and more specifically training and development tool. Indeed, it should be noted that one of the strengths of the Standard is its high profile brand as a people development tool. However, business challenges or problems, particularly in the SME sector, may not initially present as being 'people issues'; they may be concerned with access to finance and managing cash flow, with premises, capital equipment, marketing or export challenges. It may be worth considering possibilities and options for the Standard to cater for a wider range of business needs, possibly in linking the Standard to other forms of business support and accreditations.

Related to this is the relatively strong theme running through the case studies concerning the need to manage change. The Standard can appear and feel as though organisations are being measured against the presence or absence of a set of static processes or practices. It may be helpful to consider how the Standard can be used to address dynamic business challenges. Mapping out how changes in people management practices lead to the achievement of business objectives will help organisations visualise the process. Further opportunities may lie in positioning the Standard as a tool to help staff engagement, for those organisations where this has been identified as being of central importance to business strategy.

Proposals for the Standard's value creation centre on shifting the balance from assessment to support and consultancy services which organisations would purchase prior to or after accreditation. This may be appealing for organisations which have the financial resources but lack the staffing resources to develop their management practices to meet their aspirations. It may also help signpost businesses to support for issues unconnected with managing staff and broader aspects of managing organisational change. However, for organisations motivated by benefits to marketing or reputation, their desire to refine management practices may be more limited, especially following accreditation. This offering may be better targeted at medium-sized organisations with greater resources; since although very small firms may need external expertise, it is not clear that they are willing or able to pay for external consultancy.

For a number of case studies, the appeal of the Standard lies in its holistic framework and some of the challenges they encountered and consequent value obtained from IiP lay in making strategic connections between broad brush business objectives and individual goals. These were the areas where organisations commonly needed external support from face to face contact with an IiP specialist. It was highlighted previously that high quality advice and support from an IiP specialist appears to be the single most important influence on engagement with and progress in implementing the Standard.

## 7.6 How could the delivery of the Standard be improved?

Drawing on analysis of the experience of the case study organisations combined with their direct feedback, a number of ways in which the Standard could be improved were identified. There may be other suggestions emerging from complementary research and feedback from other IiP customers. The points for consideration that emerged included:

- Consider how best to enhance support from IiP specialists and centres to accelerate progress in implementing change among organisations committed to IiP. Speed of progress towards accreditation is quite strongly related to the amount and quality of support received from IiP specialists, due to lack of knowledge and expertise in people management processes in small organisations. Speed of progress among the case study organisations across the different devolved administrations in turn reflects the provision of public subsidies to support implementation and assessment in Scotland and Northern Ireland. The case study evidence shows that in England, even where organisations recognise that they would benefit from external expertise to help them implement the Standard, they are unwilling or unable to pay for it.

This suggests that it would be beneficial to explore cost-effective means of providing support to small organisations. The wider literature shows that SMEs seek tailored and highly specific support when engaging with government agencies. Some organisations placed emphasis on wanting to understand what IiP 'looks like' and how IiP practices and processes would function in their own business, and while the breadth of the IiP framework is attractive to some organisations, to others it is daunting in scale and complicated in content. This suggests that activities which help to break down or translate each section and element of the IiP framework for SMEs may be helpful. In view of the Standard's focus on business objectives and the difficulty which some of the case study firms encountered in making links between organisational objectives, people management activities associated with the IiP framework and objectives for individual staff, IiP specialists may wish to concentrate support on these aspects. To assist small organisations to understand what IiP looks like in similar contexts, it may be useful to consider some form of mentoring or buddying arrangements through the IiP ambassadors network or alternatively through the national mentoring programmes for SMEs currently being run by BIS. Organisations are often keen to learn from other organisations which have faced similar challenges and dissemination of the benefits and value of IiP through managers who have walked the same journey are likely to resonate with IiP customers. IiP sector specialists could also take the lead on facilitating links between local businesses for this purpose.

Some organisations would be prepared and probably adequately equipped to make use of generic web-based resources that explain how to set up basic HR practices and processes and it may be worth considering the potential of existing resources provided by BIS and professional HR and business support organisations such as the CIPD and Acas. However, the challenge for many small firms with a considerable distance to travel to gain the IiP Standard is in understanding and managing the sequence of change that is likely to be most appropriate for them. This means identifying which HR practices and processes they need to implement and in what order. In practice, this is likely to require face-to-face support from an individual who is familiar with each organisation's context. Benchmarking HR metrics and performance through staff attitude surveys against other similar organisations for example may be of interest and appeal to SMEs, which are generally not well served by this market, and may provide useful data to inspire improvement of people management practices where this is suggested.

- **Seek earlier feedback on progress and satisfaction with support received from IiP specialists and centres.** At present, IiP specialists and centres report that they seek feedback from organisations on the support received after assessment has taken place. Seeking earlier feedback is likely to have considerable benefits for IiP centres, specialists and organisations. It is likely to make relationships between specialists and IiP customers more open, to improve the quality of relationships and to enhance and sustain client engagement with IiP. It could also help to avoid a specific risk of loss of momentum which sometimes slows or derails organisational progress in working towards accreditation by signposting organisations to sources of advice and support. At a minimum, IiP centres may benefit from seeking specific feedback from organisations which have been committed to the standard for a significant period of time (e.g. six months or more without significant evidence of progress), to assess whether any changes could be made to help organisations implement the Standard.

- **Consider improving transparency concerning costs of support for implementing and gaining IiP accreditation.** The costs of accreditation are not always clear to organisations and greater transparency about costs through web-based information would be helpful. Given the reluctance of small organisations to pay for advice, timing the delivery of this information during the engagement process needs careful consideration. This might include sample costs of assessment for organisations of different sizes and indications of the costs of additional support from IiP specialists for implementing different kinds of activities where external support might be sought. It was clear from the case studies that small firms are reluctant to pay any more than the minimum to help them gain accreditation. This did not appear to be due to concerns about value for money, as organisations were mostly positive about the support received from IiP centres, rather it sometimes reflected lack of even small amounts of available capital for investment in some organisations and sometimes reflected resources being allocated to other priorities.

- **Provide early reassurance about the assessment process.** Some organisations expressed concern about involving staff in the assessment process and whether staff would need briefing to recognise and talk about processes associated with IiP. IiP specialists may wish to consider how best to allay these fears by ensuring that organisations realise that staff are not required to understand or use any specialist management jargon or terminology.

- **Consider targeting any public investment in promotion and support for gaining IiP.** To maximise value for money of any public investment in promoting IiP to small businesses and supporting them to achieve accreditation, it may be helpful to segment and target businesses with high growth potential. This would need to involve developing some kind of definition and assessment criterion to identify organisations with characteristics that predict growth.

## 7.7 Methodological challenges and lessons learned for future research

Undertaking the evaluation has uncovered a number of issues which should be considered in conducting future evaluation as follows:

- Defining 'commitment' to IiP potentially requires a tight rather than loose approach to identify organisations which are engaged with the Standard on a purposeful basis. Using management information to track the progress of organisations through their journey with the Standard more accurately would make it easier to determine the pool of different types of organisations from which to draw on for the evaluation.

- Measurement of the impact of IiP is complicated by more general problems which affect the measurement of impact of people management practices on organisations. Defining the starting point and end point of changes is not always clear cut, and it is evident that impacts may evolve over a considerable period of time, longer than the lifecycle of this evaluation. Picking the appropriate moment to undertake repeat research visits is dependent on each individual organisational trajectory. For organisations undergoing repeat assessment after initial accreditation, capturing perceptions of impact at that point may be helpful. More generally, significant impacts of IiP are most likely to be felt in organisations which are using the Standard strategically to help them grow or manage change rather than opportunistically. Developing narratives and case studies of how this takes place requires careful selection of organisations with growth ambitions.

- Memory of the IiP assessment experience can fade quickly after it has been completed. Research on the assessment experience needs to be conducted as soon after the assessment feedback meeting has taken place as possible, potentially through a telephone interview.

- Smaller organisations which have limited resources typically find it very difficult to give up time to accommodate face to face research activity, particularly on a longitudinal basis, especially when undergoing considerable organisational change. Binding organisations into action learning forms of research activity to engage them more fully during the research process may be helpful. An alternative approach is to seek organisations which will commit to longitudinal research participation, although attrition is always a possibility.

# Appendix A  Sampling method

This appendix describes how the sample was derived from the management information database.

An excel file was received from UKCES containing 24,143 organisations. This included all IiP accounts that were committed/recognised/ retaining recognition from 1 April 2008 to 30 March 2011. From this for our final sample, we filtered organisations that were:

- committed;

- employing 40-249 staff;

- in target sectors of: construction, business, professional, financial services, hotels, retail, tourism and healthcare and life-sciences.

A file of 2,214 organisations was transferred into Excel to enable manipulation of the data. This was required because some of the variables did not match the preferred selection criteria. The number of employees was given as a number or range (which did not match 40-249). The SIC code was given and we needed to recode to identify the target sectors.

Syntax was created to recode employee numbers into bands and SIC codes into sector groups (based on SIC 2007). A syntax variable was created to split the organisations by size-bands we needed.

Cross-tabs were used to check how many of the committed sample fell into the target group by size and sector, then by country (using the delivery centre as the sample had no variable for each devolved nation.

This yielded a total of 279 organisations which met size and sector selection criteria.

A filter was then created to select only those that met criteria and exported this selection back into Excel. The sample was then split into the four nations for ease in recruitment.

A separate sample of 'public sector' organisations was created and the size band on these was increased to 40 or more employees, because public sector organisations usually employ larger numbers of people.

The results of the recruiting exercise for private sector organisations in Year 1 are shown in the table below.

**Table A.1    Recruitment outcomes for non-participating organisations: private sector organisations across all nations Year 1**

| Sample Segment | Numbers | % of sample |
|---|---|---|
| Total number of organisations in sample | 279 | |
| Incorrect contact details (incorrect contact names and inactive phone numbers) | 78 | 28.0 |
| Incorrect contact details (person has left and no replacement has been allocated so no individual currently taking responsibility for IiP) (subset of the cell above) | 26 | 9.3 |
| Already have IiP recognition/held it in the past | 29 | 10.4 |
| Company has ceased trading/gone bankrupt | 14 | 5.0 |
| Company has IiP 'on hold' indefinitely/ is no longer intending to gain IiP recognition | 96 | 34.4 |
| Company intends to work with IiP in future, but has not yet begun the process and is therefore ineligible for the evaluation | 37 | 13.3 |
| Company ineligible e.g. wrong size, misclassified in sample (i.e. public sector), already undergone IiP assessment though not achieved accreditation | 22 | 7.9 |
| Company refused to participate in evaluation | 17 | 6.1 |
| Named individual/replacement individual contacted but does not answer phone/respond to messages and e-mails | 32 | 11.5 |

*Notes: The total number of organisations in sample includes the MI data and recommendations made by delivery centres.*

*If missing contact names for the Welsh sample are included under incorrect details the total is 110 or 39.4 per cent.*

*Source: IES, 2011*

# Appendix B Use of High Performance Work Practices in the case study organisations

**Table B.1** **Use of HPW practices in the case study organisations**

| | Extensive training and development provision | Commitment to career development and internal promotion | Performance appraisal | Employee involvement and communication practices | Financial rewards linked to performance | Autonomy/ job enrichment via team working | Management and leadership development | Vertical link integrating people management practices with business strategy |
|---|---|---|---|---|---|---|---|---|
| Archiprac | Have pre existing training system, expecting improvements through IiP | | Investigating new forms of performance management | Involvement practices pre-date IiP | | | All managers should receive training in core management competences (e.g. dealing with absence, disciplinary issues) and may receive further training if appropriate. | |
| ITco | No training plan or budget, willing to pay for any necessary training No change with IiP | | Introduced appraisal | Regular meetings to discuss work processes. Small firm, regular informal discussion between staff and managers. Pre-dates IiP. | | | | |

| | Extensive training and development provision | Commitment to career development and internal promotion | Performance appraisal | Employee involvement and communication practices | Financial rewards linked to performance | Autonomy/ job enrichment via team working | Management and leadership development | Vertical link integrating people management practices with business strategy |
|---|---|---|---|---|---|---|---|---|
| StudentUnion | Increased training opportunities, linking to business strategy, attempting to embed learning culture | | Extended appraisal to all staff | Greater inter-departmental communication has been important for IiP | | | Developing one page competencies guide for managers | Links between training and business strategy |
| Hotelco | Extending training to all staff, investing in new kinds of training | Training opening up opportunities for promotion | New appraisal form | Changes to dept. meetings, more information provided. Suggestion scheme | Employee of the month scheme | | Planning role play session for managers | |
| Pubco | New extensive induction training for all staff, new kinds of training for staff. | Appraisal includes section on career development | New appraisal form | Few formal processes but managers more aware of need to involve staff | | | No specific formal training, benefited from IiP workshops & some delegation of managerial responsibility | Links between training, appraisal and business strategy |

| | Extensive training and development provision | Commitment to career development and internal promotion | Performance appraisal | Employee involvement and communication practices | Financial rewards linked to performance | Autonomy/ job enrichment via team working | Management and leadership development | Vertical link integrating people management practices with business strategy |
|---|---|---|---|---|---|---|---|---|
| Travelco | Extensive training available, formalising processes around training | | Re-working appraisal form at the time of case study visit | Communicating information about management team meetings. | | | No specific formal training, Managers developed through engagement with IiP | Plan to make business plan more of a 'working document' that can be used to inform day to day management and practices |
| Housingco | Considerable investment in training including qualifications for staff  Pre-dates IiP | | On second re-working of appraisal form, due to be reviewed before being implemented | Changes to staff meeting formats to improve involvement, suggestion scheme | | | Management training for senior managers and direct reports, delegation of managerial responsibility | |
| Charityco | Mandatory training available linked to regulatory requirements for sector | | Nine core competencies adopted | Staff survey, newsletter, team meetings and Joint Consultative Committee | Voucher scheme for excellent performance | | | |

| | Extensive training and development provision | Commitment to career development and internal promotion | Performance appraisal | Employee involvement and communication practices | Financial rewards linked to performance | Autonomy/ job enrichment via team working | Management and leadership development | Vertical link integrating people management practices with business strategy |
|---|---|---|---|---|---|---|---|---|
| Pharmaco | Mandatory in-house training including five different modules | | Revised appraisal process including streamlined objective setting | Quarterly staff conference | New bonus scheme introduced | | Leadership development programme introduced | |
| Energyco | Extensive training available linked to career paths | Job ladder and promotion paths established | New appraisal process and probation period introduced | Strategic management team meetings, departmental team meetings, staff handbook | | | Management training for line managers including shadowing and mentoring schemes | Key performance indicators at individual level linked to the business strategy |
| Healthco | Extensive training linked to supporting organisation's research and development activities; 25% of staff time allocated to training | | 121s undertaken more systematically, linked to development of business KPIs | Quarterly meetings with senior management team, annual staff meeting and regular team meetings | | | Management competencies developed and implemented | SMART objectives developed linking individual objectives to business strategy |

| | Extensive training and development provision | Commitment to career development and internal promotion | Performance appraisal | Employee involvement and communication practices | Financial rewards linked to performance | Autonomy/ job enrichment via team working | Management and leadership development | Vertical link integrating people management practices with business strategy |
|---|---|---|---|---|---|---|---|---|
| ITserviceco | New system for training administration in place with evidence of enhanced take up. Focus on management development. | | New performance and development review system introduced for all staff | Team briefings introduced. Regular MD video planned and MD fortnightly surgery introduced. | Reward linked to performance under consideration. | | Coaching programme implemented for management team | Performance and sales targets set and communicated, focus on management development to lead teams and enhance performance |
| Propertyco | Limited evidence of increase but more focus on evaluation | | KPIs developed and 121s being rolled out across organisation | Effort to seek staff suggestions but not fully embedded yet | | | Performance management training for line managers being rolled out | |
| Transportco | Extensive training opportunities but pre-exist IiP | Yes, entire management team are former clients who progressed into their roles | Plans to make appraisal system more consistent linked to new job descriptions | Extensive employee involvement culture predates IiP | | | Already in place | Approach to people management embodies organisational values and mission |

| | Extensive training and development provision | Commitment to career development and internal promotion | Performance appraisal | Employee involvement and communication practices | Financial rewards linked to performance | Autonomy/ job enrichment via team working | Management and leadership development | Vertical link integrating people management practices with business strategy |
|---|---|---|---|---|---|---|---|---|
| Autoco | Increased use of coaching but delivery of extensive formal training predates IiP | Internal promotion takes place but this has not been driven by IiP | Structured appraisals introduced with additional six month review, and 360 appraisals planned for managers | Social committee to co-ordinate community involvement activities but no major changes to internal employee involvement practices | | | | |

*Key:* ☐ = *implemented;* ▨ *partially implemented or in development;* ▨ = *planned;* ■ *= no current plans.*

# Bibliography

Appelbaum, E., Bailey, T., Berg, P. and Kalleberg, A. 2000. *Manufacturing advantage: why high-performance work systems pay off*. Ithaca: Cornell University Press.

Ashton, D. and Sung, J. (2005) *Achieving Best Practice in your Business. High Performance Work Practices: Linking Strategy and Skills to Performance Outcomes*. Department of Trade and Industry in association with CIPD, London.

Belt, V. and Giles, L. (2009) *High Performance Working: A Synthesis of Key Literature*, Evidence Report Number 4. UK Commission for Employment and Skills, Wath-upon-Dearne.

Bourne, M. and Franco-Santos, M. (2010) *Investors in People, Managerial Capabilities and Performance.* The Centre for Business Performance, Cranfield Business School

Gloster, R. et al. (2010) *Perspectives and Performance of Investor in People: A Literature Review*. UK Commission for Employment and Skills.

Gloster, R. et al. (2011) *Exploring Employer Behaviour in Relations to Investors in People*. UK Commission for Employment and Skills.

Ram, M. (2000) 'Investors in People in Small Firms: Case study evidence from the business services sector', in *Personnel Review*, 29 (1), pp. 69-91.

Tamkin, P., Cowling M. and Hunt, W. (2008) *People and the Bottom Line*. Institute for Employment Studies, Report Number 448, Brighton.

Tamkin, P. (2005) *The Contribution of Skills to Business Performance: A Summary for Employers*. Report RW39, Department for Education and Skills

Walsh, K. et al. (2011) *Investors in People- Research on the New Choices Approach*. UK Commission for Employment and Skills.

Winterbotham et al. (2012) *Research to support the evaluation of Investors in People: Employer survey (Year 2)*, UK Commission for Employment and Skills.

# List of previous publications

*Executive summaries and full versions of all these reports are available from* www.ukces.org.uk

Report 1
**Skills for the Workplace: Employer Perspectives**

Evidence Report 2
**Working Futures 2007-2017**

Evidence Report 3
**Employee Demand for Skills: A Review of Evidence & Policy**

Evidence Report 4
**High Performance Working: A Synthesis of Key Literature**
Evidence
Evidence Report 5
**High Performance Working: Developing a Survey Tool**

Evidence Report 6
**Review of Employer Collective Measures: A Conceptual Review from a Public Policy Perspective**

Evidence Report 7
**Review of Employer Collective Measures: Empirical Review**

Evidence Report 8
**Review of Employer Collective Measures: Policy Review**

Evidence Report 9
**Review of Employer Collective Measures: Policy Prioritisation**

Evidence Report 10
**Review of Employer Collective Measures: Final Report**

Evidence Report 11
**The Economic Value of Intermediate Vocational Education and Qualifications**

Evidence Report 12
**UK Employment and Skills Almanac 2009**

Evidence Report 13
**National Employer Skills Survey 2009: Key Findings**

Evidence Report 14
**Strategic Skills Needs in the Biomedical Sector: A Report for the National Strategic Skills Audit for England, 2010**

Evidence Report 15
**Strategic Skills Needs in the Financial Services Sector: A Report for the National Strategic Skills Audit for England, 2010**

Evidence Report 16
**Strategic Skills Needs in the Low carbon Energy generation Sector: A Report for the National Strategic Skills Audit for England, 2010**

Evidence Report 17
**Horizon Scanning and Scenario Building: Scenarios for Skills 2020**

Evidence Report 18
**High Performance Working: A Policy Review**

Evidence Report 19
**High Performance Working: Employer Case Studies**

Evidence Report 20
**A Theoretical Review of Skill Shortages and Skill Needs**

Evidence Report 21
**High Performance Working: Case Studies Analytical Report**

Evidence Report 22
**The Value of Skills: An Evidence Review**

Evidence Report 23
**National Employer Skills Survey for England 2009: Main Report**

Evidence Report 24
**Perspectives and Performance of Investors in People: A Literature Review**

Evidence Report 25
**UK Employer Perspectives Survey 2010**

Evidence Report 26
**UK Employment and Skills Almanac 2010**

Evidence Report 27
**Exploring Employer Behaviour in relation to Investors in People**

Evidence Report 28
**Investors in People - Research on the New Choices Approach**

Evidence Report 29
**Defining and Measuring Training Activity**

Evidence Report 30
**Product strategies, skills shortages and skill updating needs in England: New evidence from the National Employer Skills Survey, 2009**

Evidence Report 31
**Skills for Self-employment**

Evidence Report 32
**The impact of student and migrant employment on opportunities for low skilled people**

Evidence Report 33
**Rebalancing the Economy Sectorally and Spatially: An Evidence Review**

Evidence Report 34
**Maximising Employment and Skills in the Offshore Wind Supply Chain**

Evidence Report 35
**The Role of Career Adaptability in Skills Supply**

Evidence Report 36
**The Impact of Higher Education for Part-Time Students**

Evidence Report 37
**International approaches to high performance working**

Evidence Report 38
**The Role of Skills from Worklessness to Sustainable Employment with Progression**

Evidence Report 39
**Skills and Economic Performance: The Impact of Intangible Assets on UK Productivity Growth**

Evidence Report 40
**A Review of Occupational Regulation and its Impact**

Evidence Report 41
**Working Futures 2010-2020**

Evidence Report 42
**International Approaches to the Development of Intermediate Level Skills and Apprenticeships**

Evidence Report 43
**Engaging low skilled employees in workplace learning**

Evidence Report 44
**Developing Occupational Skills Profiles for the UK**

Evidence Report 45
**UK Commission's Employer Skills Survey 2011: UK Results**

Evidence Report 46
**UK Commission's Employer Skills Survey 2011: England Results**

Evidence Report 47
**Understanding Training Levies**

Evidence Report 48
**Sector Skills Insights: Advanced Manufacturing**

Evidence Report 49
**Sector Skills Insights: Digital and Creative**

Evidence Report 50
**Sector Skills Insights: Construction**
Evidence Report 51
**Sector Skills Insights: Energy**

Evidence Report 52
**Sector Skills Insights: Health and Social Care**

Evidence Report 53
**Sector Skills Insights: Retail**

Evidence Report 54
**Research to support the evaluation of Investors in People: Employer Survey**

Evidence Report 55
**Sector Skills Insights: Tourism**

Evidence Report 56
**Sector Skills Insights: Professional and Business Services**

Evidence Report 57
**Sector Skills Insights: Education**

Evidence Report 58
**Evaluation of Investors in People: Employer Case Studies**

Evidence Report 59
**An Initial Formative Evaluation of Best Market Solutions**

Evidence Report 60
**UK Commission's Employer Skills Survey 2011: Northern Ireland National Report**

Evidence Report 61
**UK Skill levels and international competitiveness**

Evidence Report 62
**UK Commission's Employer Skills Survey 2011: Wales Results**

Evidence Report 63
**UK Commission's Employer Skills Survey 2011: Technical Report**

Evidence Report 64
**The UK Commission's Employer Perspectives Survey 2012**

Evidence Report 65
**UK Commission's Employer Skills Survey 2011: Scotland Results**

Evidence Report 66
**Understanding Employer Networks**

Evidence Report 67
**Understanding Occupational Regulation**

Evidence Report 68
**Research to support the Evaluation of Investors in People: Employer Survey (Year 2)**

Evidence Report 69
**A Qualitative Evaluation of the Employer Investment Fund Phase 1**

**Intelligence › Investment › Impact**