

## The Investors In People Standard

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### INTRODUCTION

Investors in People is the UK's national standard which sets a level of good practice for improving an organisation's performance through its people. It offers a framework for integrating human resource strategy with business strategy.

The Standard helps improve business performance and competitiveness, through a planned approach to setting and communicating business objectives and developing people to meet these objectives. The result is that what people can do, and are motivated to do, matches what the organisation needs them to do. The Standard supports individual improvement and development.

It also draws on the experience of some of the U.K.'s most successful organisations, both large and small. It, therefore, provides a comprehensive benchmark of good practice against which any organisation can audit its policies and practice in the development of people.

The Standard assists in making effective use of all resources, by developing a culture of continuous improvement. This drives the organisation to higher levels of performance and enables it to manage competitively in the face of change.

### THE BENEFITS

Investors In People works on the premise that "skilled and motivated people work harder and better." It is about results, not procedures. Significant commercial benefits may be gained by the organisations which achieve the Standard. These benefits begin to appear while working towards becoming an Investor In People.

The practical benefits of working towards and achieving the Standard are many. They include:

- Improved earnings, productivity, and profitability.
- Skilled and motivated people work harder and better.
- Productivity will improve. Extra effort will be made to close sales and a positive impact will be seen on the bottom line.
- Reduced costs and wastage.
- Skilled and motivated people constantly examine their work to find new ways of reducing costs and wastage.

**Enhanced Quality.** Investing in people significantly improves the results of quality programmes, adding considerable value to the International Quality Standard ISO9000 and other total quality initiatives. By meeting the Investors In People Standard, an organisation is putting in place processes which are key to implementing the European Quality Model.

**Improved Motivation.** Through greater involvement, personal development, and recognition of achievement, motivation is improved. This leads to higher morale, improved retention rates, reduced absenteeism, readier acceptance of change, and identification with the organisation beyond the confines of the job.

**Customer Satisfaction.** Investing In People is central to helping employees become customer focused. This enables the organisation to meet customers' needs effectively, at a profit.

**Public Recognition.** Investor In People status brings public recognition for real achievements measured against a rigorous national standard. Being an Investor In People helps to attract the best quality job applicants. It may also provide a reason for customers to choose your organisation's goods and services.

**Competitive Advantage.** Through improved performance, Investor In People organisations develop a competitive edge which secures their future prosperity.

In addition, working to maintain the Investors In People Standard offers organisations:

- The opportunity to review current policies and practice against a recognised benchmark.
- A framework for planning future strategy and action.
- A structured way to improve the effectiveness of training and development activities.

## THE STANDARD

The Investors In People Standard is a cyclical process based on four key principles:

- 1) Commitment to invest in people to achieve business goals.
- 2) Planning how skills of individuals and teams are to be developed to achieve these goals.
- 3) Action to develop and use necessary skills in a well defined and continuing programme.
- 4) Evaluation of progress towards goals, value achieved, and future needs.

These four principles are broken down into 23 indicators and it is against these that organisations produce evidence for assessment.

## ACHIEVING THE STANDARD

Investors In People is both a standard and a process, and becoming an Investor In People involves a number of steps:

- Understanding the Standard and its strategic implications for your organisation and its plans.
- Identifying the gaps between current practice and the requirements of the Standard.
- Making the commitment to meet the Standard, and communicating that commitment to all staff.
- Planning and taking action to bring about changes.
- Bringing together the evidence for assessment against the Standard.
- Recognition as an Investor In People.
- Working to keep the culture of continuous improvement alive.

## GETTING STARTED

The Investors In People Standard is delivered through the national network of Training and Enterprise Councils in England and Wales, the Local Enterprise Companies in Scotland, and the Training and Employment Agency in Northern

Ireland. These organisations will provide access to guidance and other support. Many offer financial assistance as well as written materials, networking, and workshops.

**What Will It Cost?** The only direct cost is that of assessment. This cost will differ for each organisation and will depend mainly on the size and structure of the organisation and the number of employees. Many organisations benefit by focusing their existing training and development expenditure on what the organisation really needs without incurring additional expenditure. Savings and efficiency gains may also be made.

**Who Will Be Involved?** To become an Investor In People everyone working for the organisation will need to be committed to achieving the Standard. Senior management, union representatives, and all employee groups should take an active part. Initially you will need to gain the commitment of senior management, who in turn will need to approve and communicate the organisation's commitment to its employees and, crucially, to review the outcomes of working to the Standard to see how the business is benefitting. Experience shows that managers from operational, personnel, training, or quality functions are well placed for managing the overall process and sustaining momentum.

**How Long Will It Take?** The length of time leading up to assessment ranges between 6 and 18 months. The actual time taken will depend, simply, on how much *there is to do and how quickly the required changes in the system and attitudes can be effected.*

**For Further Information.** Copies of the Investors In People Standard and more detailed guidance on how to get started with Investors In People are available from your local contact or can be purchased from: Investors In People U.K., 7-10 Chandos Street, London, W1M 9DE. Tel:+44(0)171 467 1900; Fax:+44(0)171 636 2386; <http://www.iipuk.co.uk>