

Investors in People in the Civil Service – The Business Case

Every Department, Agency and NDPB is looking at cost benefit analysis in the face of unprecedented cash & resource cuts. Why should the Civil Service spend a single penny on Investors in People when cuts are being sought against every budget line? Here's why.....

Investors in People has been proven to build managerial capability and through doing so raise levels of employee engagement.....and improve performance (Cranfield 2010).

- **Capability Review:** Focus on leadership (set direction, ignite passion, pace & drive, develop people)
- **The People Survey:** Focus on people & values (say, stay, strive)
- **Investors in People:** Focus on middle management, employee engagement, high performance working – **the missing link between Capability Review and The People Survey - pushing up employee engagement.**

“Investors in People is the best answer around to the question of employee engagement.”

Chris Humphries, CEO, UKCES, 2009

“ the (Capability) Reviews focus on Department’s senior leadership and do not directly assess the capabilities of departments’ middle management and front line staff who occupy key position on the delivery chain”

NAO 2009 assessment



“[Investors in People is]...completely aligned to improving levels of employee engagement”

David MacLeod, 2009

“Investors in People raised employee engagement by 10%”

Justin King, CEO, Sainsbury’s, 2009

Managers are the bridge between senior leaders and the workforce and therefore play a vital role in bringing an organisation’s vision and mission into practice” Cranfield 2010

The Killer Questions in the current environment:

1. Why do we need to spend money on IIP – haven't we established good practice?

Even the best, most robust practices can slip in times of dramatic change and challenge. The Civil Service will need to be creative about new ways of working and there'll be no money for expensive consultants. We need a tool to determine real priorities and what needs to be sidelined. Investors in People is cost effective and probably costs less than you think. Speak to your account manager at IBP to look at ways of making Investors even more cost effective in your organisation – look at assessment methodology, integrating with the Capability Review and People Survey, the synergy of IIP and Next Generation HR - are you managing IIP internally in a cost effective way?

2. "I don't think Investors in People has done much for us"

How do you know? Do you have reliable measures – because you're going to have to have them in the future? Have you linked performance improvement and effective management of the workforce to employee engagement? Do you know which people related aspects of your workforce you want to improve – and which learning and development costs you can cut without long term damage? Talk to IBP about setting metrics that measure real improvement.

3. How do I set out the business case for Investors in People?

Identify what IIP has highlighted to date and the value of the improvements –the data will be in your previous assessment reports. How much is it worth to hold on to your established good practice? What is the cost to your organisation of managers not effectively managing their teams? What are your key priorities now? Employee engagement will be fundamental to achieving them: private sector organisations like Nationwide estimate that a 2% increase in their employee engagement index translates into 10% productivity and efficiency gains. The latest People Survey shows an employee engagement index of 58% (high performance benchmark is 63%). What is your current score and what difference to your targets would even a small improvement make? You will currently be identifying where to invest resources available for organisational development and which areas deliver the highest returns. Can you afford to abandon a proven framework that measures management capability and raises employee engagement levels at this critical time? Have you read the recent report commissioned by UKCES from the Policy research Unit at Leeds Metropolitan? Useful links to research documents setting out the research behind the business case for Investors in People are below.

4. "There is no real conviction at the top of my organisation that Investors in People has impact on the bottom line"

Senior management are only convinced by a strong business case – have you made one? Many Senior Civil Servants have an outdated knowledge of Investors in People. They may not know that the new offer from IIP - Choices – is customised to your organisation's goals, targets and aspirations. Have they the facts and figures about how powerful a tool IIP can be to help maximise performance at a time when everyone needs to do more for less, stimulating and measuring real performance improvement? The cost/benefits of IIP are proven – would your Boards consider cutting the employee engagement and managerial capability budgets now?? Can you afford disengaged and de-motivated employees over the next few years?

5. Why spend money on Investors in People assessment?

- *Regular testing of people practices that Capability Review and People Survey don't cover*
- *With less reliance on external consultants, NAO, etc Investors in People offers cost effective, objective, external advice and support – talk to IBP about. making IIP cost effective for you.*
- *Identification of development areas – and areas that can be cut back on*
- *Assessment / Review can be customised to provide speedy feedback on live issues that are keeping your senior team awake at night - Choices allows customisation to your Board's priorities*
- *The opportunity to work with the wider framework in a period of unprecedented and radical challenge; building expertise in areas such as talent management, inspirational leadership and evaluation/ ROI analyses, etc*
- *Recognition of your good practice and achievements to central government, demonstrable commitment to your staff and customers*

Useful research links:

Available to download:

Cranfield Research:

<http://www.investorsinpeople.co.uk/Documents%20Hidden/Research/Cranfield%20Impact%20of%20IIP%20on%20people%20management.pdf>

COI Report:

http://www.investorsinpeople.co.uk/Documents/Research/COI_REALISING_BUSINESS_AMBITIONS.pdf

People and the bottom line:

<http://www.investorsinpeople.co.uk/Documents%20Hidden/Research/PBL%20-%20Final%20full%20report%20inc%20appendices.pdf>

CBI 2008:

<http://www.investorsinpeople.co.uk/Documents%20Hidden/Research/CBI%20education%20and%20skills%20survey.pdf>

Talk to IBP if:

- You haven't aligned Investors in People with your Capability Review, the People Survey and your continuous improvement programmes
- If you are reviewing Investors in People strategy in line with resources cuts
- You use or are considering rolling review or internal review
- You need to reduce in-house Investors in People expenditure
- You are having difficulty developing the business case for Investors in People

IBP: Supporting the Civil Service

- Free workshop places
- Account manager support
- IBP Helpline: **0800 612 3098**
- Web site resources, e.g. case studies, documents and guidance for every step of your journey
- Experienced, knowledgeable Specialists that understand the Civil Service environment and challenges but also have private sector expertise

The IBP Vision:

“IBP will be the partner of choice to support organisations in raising and realising their business performance ambitions”

The IBP Mission:

“Inspiring organisations to be the best they can be”

Inspiring Business Performance Ltd (IBP) is the result of the merger of Capital Quality Ltd (CQL) and Quality South East (QSE) on 1st June 2010. As the Investors in People Centre for London and the South East, our expertise has helped over 7,000 companies achieve Investors in People Recognition. IBP will work with you to address your challenges, inspire improvement and provide you with sustainable performance results.