



INVEST IN YOUR EMPLOYEES AND THEIR SKILLS

This is one of a series of +points on The Journey – a route map designed to help you build a business that people value. Check out other +points on www.smallbusinessjourney.com

WHAT'S THE POINT?

You CAN increase your company's competitiveness and strengthen its bottom line by developing the competence of all your staff.

WHY?

- By helping people gain skills they will increase their strengths and contribution.
- You will encourage them to work 'smarter' and more cost-effectively.
- Staff can be encouraged to share their learning with others.

EXTRA BENEFIT TO YOUR COMPANY

- Staff will be more motivated knowing that you are interested in their careers.
- Employees will not want to leave and high calibre people will want to work for you.
- Customers will be attracted to you because they will see you are committed to quality.
- It will be easier to manage change.

LIVING PROOF

VISIT LONDON

Visit London is the official visitor organisation for the capital and in a position to influence the millions of visitors that flock to the city each year to be more environmentally aware during their stay here. The organisation therefore feels it is important that they run their own day to day operations in an environmentally responsible manner.

Visit London wanted to gain a certified Environmental Management System (EMS) but at the same time raise awareness amongst their staff to create improvements in their day to day environmental performance. Global Action Plan supported the organisation through a programme specifically tailored to implement an independently certified EMS whilst at the same time achieving measurable improvements in actual performance through a practical employee engagement project.

The EMS team took part in three specialist training sessions delivered by Global Action Plan to learn how to install the management system within the fabric of the operations. At the first Environment Champions meeting, the team were presented with the results of a baseline audit carried out by Global Action Plan on the environmental impacts of the office. Using this information the Champions were able to plan practical actions and prioritise issues to communicate to the rest of the staff. They ran an awareness campaign which included: A 'Green Day' with on-site information stands provided by Global Action Plan and the Energy Savings Trust and showings of the Al Gore film 'An Inconvenient Truth'. All waste bins were removed for just two weeks and staff had to empty their waste paper into a pile in a spare office, soon filling the office and creating a giant paper mountain illustrating how much is wasted

THE RESULTS

A second audit carried out by Global Action Plan 6 months after the first, showed clearly that the awareness raising had been effective and added some significant environmental savings to go with the newly implemented management system. Results included a 40% improvement in staff switching off personal IT equipment and a 31% increase in the rate of recycling and a 63% reduction in paper use per employee. Finally, in July 2007 Visit London was audited by an independent assessor and awarded certification of their EMS to Phase 3 of the BS8555 Acorn Scheme.

WHO ELSE IS MAKING A POINT?

Successful companies value staff development in building strong businesses, here are two:

- **Fusion Personnel** employs 150 staff packing fruit and vegetable produce for major retailers. A large proportion of the staff do not speak English as their first language and many had poor literacy and language skills. This led to some problems with mislabelling of produce, which affected the company's relationship with its customers. It also meant that staff were less productive because they were relying on colleagues to help with tasks involving writing.

To address these issues the company developed a training programme, 'Dynamic Skills'. This delivers the basic literacy, numeracy and language skills staff need to perform their jobs effectively and to help them with everyday tasks such as filling in doctors' forms. 60 staff are now undertaking weekly training. Plans include becoming registered as a training provider, to further develop their training programme to allow staff to work towards NVQs, and to work with customers and suppliers as well as their own staff.

The Results:

The business gains in staff retention; increased productivity and better quality of work; and improved customer relationships. Staff are more motivated and more satisfied with their jobs.

- **Simplastics**, employing 20 staff, specialises in the manufacture of bespoke plastic and steel fabrications. Alan and Sue Burton took over in 2001 and quickly achieved a significant shift in the business by installing a new computer system. Making training a central policy of the business they encouraged the entire workforce to attend learndirect courses at the local IMC Fulwood Learning Centre (free through European funding). Each of the staff gets one and a half hours of work-time a week to follow their studies.

The Results:

The IT skills of staff, right across the company, have improved dramatically. Stocktaking and financial reporting are done on a spreadsheet, and other office processes have been streamlined. Many staff are now taking more advanced courses and others have been able to improve general numeracy and literacy skills. Impressed with what learndirect has done for Simplastics, Alan and Sue have joined the steering committee for IMC Fulwood.

WHY IS THIS IMPORTANT?

- Employees rate 'interesting and stimulating work' and 'providing training for all' among the four most important factors influencing job choice along with 'pay' and 'job security'.

Source: The Work foundation /Future Foundation The Ethical Employee 2002

- In a large study of SMEs, firms employing between 10 and 20 employees who provided training had a significantly improved probability of survival, even when allowance was made for other factors.

Source: Study by Small Firms Enterprise Development Initiative (SFEDI) and Centre for Enterprise 1999

- 64% of employers with 5-24 employees who had provided training reported that this led to an increase in labour productivity. For larger companies the figures increase. 88% of employers with 200 – 499 employees provide both on-the job and off-the-job training.

Source: Learning and Training at Work 2002 National Statistics office

- Internal skills gaps in small businesses create difficulties in introducing technological change (31%), or new working practices (28%) and impose increased operating costs (26%). Source employee skills survey 2001 • Most commonly reported activities for improving employee performance were learning by doing on the job (85%) discussions with the manager (81%) observing other employees (67%) and coaching or mentoring (61%).

Source: FSB/SFEDI Survey 2001

HOW TO GET STARTED IN A SMALL WAY

- Think about the skills you need in your business, now and for what you hope to achieve in the future.
- Talk to staff about the skills they have and those they would like to develop.
- Consider informal routes for spreading learning – like how employees with valuable skills might transfer them to others through coaching or mentoring.
- Where off the job training is relevant and valuable, see how you can help trainees both to accommodate their workload and to focus on their learning.
- Remember the need to develop management skills too, maybe by reviewing your own performance and learning from experience, or talking to other businesses, your accountant or other advisers.

WHO CAN HELP YOU TO GO FURTHER?

Strengthening the performance of your business in this way is really just a matter of common sense. But if you are committed to achieving major business benefits, then it often helps to get help.

National Help

The Learning and Skills Council www.lsc.gov.uk is building up sources of information on funding and planning education and training for over 16 year olds in England.

Modern Apprenticeships for 16-24 year olds are available in over 80 different sectors of industry and commerce. See www.realworkrealpay.info

Forum of Private Business member information service includes details on skills development. You can contact them at mis@fpb.co.uk.

Local Help

Check with your **Chamber of Commerce** or other business advice services for local contacts. Also ask local colleges and universities about how they might be able to assist you.

Online Help

www.investorsinpeople.co.uk **Investors in People** (IiP) provides a framework that you may find helpful for investing in people to achieve results.

www.learndirect-business.co.uk **LearnDirect** gives smaller businesses easy access to flexible business focused courses either on-line or at learndirect centres. If you are in Scotland go to www.lds4b.com.

www.theworkfoundation.com **The Work Foundation** combines leading-edge analysis of the modern workplace with practical experience of what inspiring and successful businesses look like today. It is part research institute, part business consultancy, part advocate.

IT'S COMMON SENSE

This briefing paper is one in a series of +points that make up The Journey – a route map designed to help you build a business that people value. You need only do one if you like. It's your journey. It doesn't have to be time consuming or complicated. It's basically common sense.

SMALL BUSINESS CONSORTIUM MEMBERS:

The Small Business Consortium is a group of organisations who share a common goal:

