

# case study



INVESTORS IN PEOPLE

## Welcom Software



### Background

Size:	80 employees
Sector:	IT Solutions
Location:	Harrogate, North Yorkshire
Status:	Achieved Investors in People in October 2003; successfully reviewed in November 2006.

### The organisation

Welcom Software develops bespoke eCommerce and other IT solutions in partnership with proprietary software platform vendors, including Microsoft and Oracle. The organisation works across a range of sectors including: retail, finance and supply chain and has well-known clients such as New Look, Radley Singer & Friedlander, Land of Leather and Farrow & Ball. Welcom Software was founded in Harrogate, North Yorkshire in 1978 by Barry Welch. The company is now managed by Barry's son Nigel and the business trades as a limited company owned by a limited liability partnership, in which some employees have an interest.

- **Welcom feel the Investors In People has played a significant role in improving staff morale**
- **Welcom's 2007 profit target was exceeded by over 40%, despite strong competition in the software marketplace**
- **Welcom has seen a significant reduction in the level of rework over the last two years.**

*"Happy staff strive for excellence and are eager to learn and develop. They are more efficient, more productive and deliver better results. Investors in People has helped us to create a culture that really values and supports our most important assets"*

**John Barrow, Culture Manager**



## Experience with Investors In People

Welcom originally gained Investors in People recognition in 1996. The company identifies that back then their primary motivation for working with Investors in People was the kudos and recognition that Investors in People delivered. At that stage, however, the organisation had little expectation of the “bottom line” business benefits that working with Investors in People would deliver.

The business was successfully re-recognised in 2000 but experienced a problem when its Investor in People re-recognition application failed in 2003. This set back prompted the management team to take a fresh, in-depth look at the organisation of the business, with an emphasis on their people management systems and working environment. The management team quickly recognised that some of its people management systems needed refreshing as this had the potential to add significant value to the company’s products and services.

In order to regain its Investors in People status, Welcom’s management team realised it needed to prepare an action plan for the business which delivered the people-focused outcomes outlined by Investors in People. Investors in People was used as the key tool to radically change the business’s culture, working environment and ultimately to drive the business forward. As Welcom proudly state on their website: “Employees need the right knowledge, skills and motivation to work efficiently. Investors in People provides the framework to achieve this.”

## Benefits Of Investors In People

According to John Barrow, Welcom’s People and Culture Manager, the number one benefit of re-engagement with Investors in People has been the new and highly positive business culture that now permeates the whole organisation. “Everyone now recognises that with the cost of technology falling and customer expectations rising, it is going to be the organisation’s people who will make the difference.” Furthermore, he states: “Happy staff strive for excellence and are eager to learn and develop. They are more efficient, more productive and deliver better results. Investors in People has helped us to create a culture that really values and supports our most important assets” The company believes that Investors in People has also played an important part in helping it also played an important part in helping it significantly increase both its sales and profitability.

Sales in the last financial year, for example, rose by almost 15% and Welcom’s 2007 profit target was exceeded by over 40%, despite strong competition in the software marketplace.

Data presented in Table 1 provides further empirical evidence of the impact Welcom cite Investors in People has had on the company’s performance. As can be seen, Welcom’s sickness absence rate in the last year was only around a third of that found across the Computing Industry as a whole and their labour turnover rate was also five percent lower than the sector average.

Table 1: Key Statistics for Welcom Software (2007)

	Welcom Software	Computing Industry
Sickness related absence	1.35 days per person	4.5 days per person
Turnover of labour	20%	25%
Labour rework	8%	14%

The labour rework rate is another key indicator that Welcom uses to measure business performance, as it relates to the amount of software coding errors that have to be corrected. Welcom has seen a significant reduction in the level of rework over the last two years, and as can be seen again in Table 1 its rework rate is almost half that of the industry average. Once again the organisation feels that Investors in People has played a significant role in improving staff morale and their understanding of the importance of all work being “right first time, every time”.

## Were next with Investors In People

According to Welcom, re-engagement with Investors in People has enabled it to create a company now recognised as an exemplar employer across both the North of England and the entire UK software industry. Welcom believes that Investors in People still has much to offer it. The company is committed to retaining its recognition status and is actively looking at working beyond what it has already achieved with Investors in People. It also remains committed to working as a key member of YHAL, the Investors in People regional centre, in order to continue to share best practice with other leading companies.

**Welcom Software were assessed by Yorkshire & Humberside Assessment, the Investors in People Centre for Yorkshire And Humberside**

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