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THE IMPACT OF INVESTORS IN PEOPLE ON EMPLOYEES: A CASE STUDY OF A HOSPITAL TRUST

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Abstract

This article reports on case study research conducted in a hospital Trust and explores the impact that the Investors in People award had on employees. Investors in People is widely seen as the principal mechanism for increasing workforce skills within a voluntarist system as well as supporting 'good' employment policies. Yet in this case study, as elsewhere, most of the 'soft' human resource initiatives had existed prior to accreditation and the internal marketing of corporate value statements was met with both amnesia and cynicism. More worryingly, training activity was focused on business need, and business need was defined in the narrowest sense, with the result that some employees had fewer opportunities for individual development. Motivation and commitment levels were high, staff were enthusiastic about their work and many actively engaged in training and development. But this owed little to Investors in People and its impact here raises questions about its influence on skill levels more broadly.

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THE IMPACT OF INVESTORS IN PEOPLE ON EMPLOYEES: A CASE STUDY OF A HOSPITAL TRUST

The British system of vocational education and training has long been considered problematic (see, among many others, Finegold and Soskice, 1988; Keep and Mayhew, 1996; Coopers and Lybrand, 1985; Glynn and Gospel, 1993; Hyman, 1992). While there is a wide-ranging consensus among both practitioners and academics that improved training and employee skill levels are a key element in national economic performance (DfEE, 2000a; Matlay, 1998); and that while 'better training may not be a sufficient condition for economic success . . . it is certainly a necessary one' (Keep and Mayhew 1988 p v); these positive affirmations are rarely translated into practice. British training statistics are consistently disappointing (DfEE, 2000b; Cully *et al.*, 1999).

This is not to argue that provision is universally weak. Indeed the 'fragmented ad-hocracy' of British training is characterised by pockets of excellence with some occupations, industries and firms boasting strong traditions of learning and development (Keep, 1989); something that both professional bodies and trade unions have done much to support (Rainbird, 1990; Heyes and Stuart, 1997; Keep and Rainbird, 1995). But this good practice and professional regulation is sporadic and there is little evidence that any is likely to spread to other areas.

Part of the explanation for this lies in the fact that the British training 'system' is voluntarist with state regulation limited to areas such as health and safety. While such training is clearly important, it is unlikely to have a significant impact on national skill levels. This is not to say that the state does not intervene in training more broadly. On the contrary, a wealth of (often short lived) courses, qualifications and official bodies bear eloquent testimony to the capacity and willingness of governments of all political complexions to encourage vocational education and training. Some of the more recent initiatives in this area have included: the Youth Training Programme; National Vocational Qualifications; Modern Apprenticeships; and the Training Opportunities Programme. These have been variously designed, marketed and delivered through: the National Council for Vocational Qualifications; Training and Enterprise Councils; Learning and Skills Councils; the Manpower Services Commission; Industry Training Boards; and National Training Organisations (see Keep, 1987; Payne, 1991 and Hyland, 1994 among others for an account of the success or otherwise of some of these initiatives). Significantly however, each is voluntary. Official bodies may encourage or market, but it is assumed that this is all the intervention necessary and that, if programmes are good, organisations will recognise their benefits and adopt them. One consequence of this is that much of the activity in vocational education and training is concentrated on marketing and making initiatives more attractive to employers. This employer focus itself has led to problems, since many jobs require few or no skills and employers tend to prefer short term 'fixes' to longer term skills development (Peck, 1993; Keep and Mayhew, 1996).

In this broad range of (generally short-lived) interventions the Investors in People kitemark is notable for its comparative longevity. Developed in 1990 (and modified in 1995) the award aims to link an organisation's training activities to its business, encourage 'good' employment practices, ensure that these are relevant and that they have a positive impact on corporate performance. It is hoped that this award will encourage a systemic approach to employee development, human resource practice and business strategy, integrating these and providing a disciplinary framework that may alleviate the pressures for short term performance which many organisations face (Sisson and Storey, 2000). As such, it forms a key part of the National Education and Training Targets (NETTs) to the extent that Spilsbury *et al*. (1995 p. 7) have described Investors in People as being 'increasingly viewed as the government's principal tool for increasing workforce training and development' (see also DfEE, 1999). If what is described in the Investors in People standards is 'best practice' this might be an appropriate mechanism for increasing standards within a voluntarist framework.

Significantly, Investors in People aims not only to increase employees' skills but also to improve attitudes, motivation, commitment, loyalty and job satisfaction (Investors in People UK, 1996, 1997a, 1997b, 1998a, 1998b, 1998c, 1998d) 'releasing the potential of people' (Investors in People UK, 1998a). It:

> leads to improvements in morale and motivation. Retention rates tend to improve, absenteeism reduces, change is readily accepted and people identify with the organisation beyond the confines of their jobs (Investors in People UK, 1998a: 6).

Nor is this optimism confined to the kitemark's marketing documents, since improvements to employee attitudes are both anticipated and reported by organisations working towards Investors in People. According to Hillage and Moralee (1996), 27.5 per cent of employers expected improvements in staff motivation and morale with 14.6 per cent considering it the most important benefit.

More encouragingly, 68.7 per cent of employers who were either committed to, or had achieved, Investors in People reported that this benefit had been realised.

Encouraging as these figures are, they do not reveal the extent of any benefits and other studies are rather more cautious. On a positive note, Alberga *et al*. (1997) report that 30.2 per cent of employers had experienced improved employee motivation and morale ‘to the greatest extent’. But, in a 1994 IRS survey of employers’ experience of Investors in People, while motivating employees was given as a reason for seeking accreditation by 66.1 per cent of recognised organisations, it is entirely absent from the list of benefits employers reported actually experiencing (EDB, 1994).

Both Hillage and Moralee (1996) and Alberga *et al*. (1997) rely entirely on employers’ responses to reach conclusions about employees’ attitudes: an approach that is notoriously problematic. Significantly perhaps, tangible evidence of these improvements in motivation and morale is harder to come by. In Alberga *et al*.’s study (1997) only 3.8 per cent of employers reported reduced employee absenteeism/sick leave, 7.6 per cent had lower levels of employee turnover and 6.7 per cent lower levels of workplace accidents/ injuries. Hillage and Moralee (1996) report similar disappointing figures, with only 9.6 per cent of Investors organisations reporting lower labour turnover and 6.5 per cent lower levels of absenteeism. While these are by no means perfect indicators of motivation, commitment and job satisfaction (Guest, 1992) the figures appear inconsistent with the optimistic claims of improved employee morale.

Given that Investors in People is intended to impact on firm performance because of the effect that systems will have on employees, increasing their skills, satisfaction, commitment and motivation (DTZ Pieda Consulting, 1999; Hambleden Group Ltd., 2000) it is somewhat surprising that research to date has concentrated on managerial respondents in preference to seeking out employees directly (though see Ram, 2000 for a more detailed case study analysis of Investors in People in small firms). This is particularly curious given the existence of much rigorous work in human resource management which reveals not only that the impact of new management practices is not always positive, but also that managers are not necessarily the best source for discovering employee interests and views (see, among many others: Storey, 1992; Bacon, 1999; Legge, 1995).

Here, drawing on recent case study work we seek to explore the impact that Investors in People has on employees, considering both the award itself and the practices that it audits; before going on to review the implications of our findings for national skill levels. This shift in emphasis is an informative one. While managers, who are likely to be involved in the audit process, are acutely aware of their organisation's Investors in People status, employees are not so well informed. This is not necessarily a severe criticism. Investors in People is intended to be a process as well as an award. The kite-mark demonstrates that strategies, policies and procedures are in place as well as providing an official seal of approval. So it may be that employees who are completely unaware of, or do not feel themselves affected by, this award nonetheless experience employment practices that are the result of the Investors in People process. The majority of people in this study were both highly motivated and committed to their employer. ‘Soft’ human resource practices, such as training and development, were well established. However, there was some evidence that working towards the Investors in People kitemark pushed this case study company towards activities that were easy to document rather than those which were most effective and that 'business need', a key element in the process, was defined in the narrowest sense. This raises questions about the efficacy of Investors in People for raising skill levels, improving human resource practices and impacting on motivation.

The Case Study and the Research Methods

The case study took place in a National Health Service Trust in the North West of England. At the time of the research the Trust employed a workforce of just over 2,000 covering a wide range of skill levels. Employees operated across thirty-six different sites and the research was carried out at the main district general hospital incorporating Trust head-quarters, health promotion, occupational health units and the post graduate education centre as well as the hospital itself.

At the time this research was conducted the hospital was going through a major change process following a decision to merge with a nearby Acute Services Health Authority, a merger which would increase the workforce to approximately 6,000. There was evidence that this was creating feelings of insecurity and instability at all staff levels though this may have been a reflection of the point in the merger process that had been reached rather than the merger itself. The new organisational structure had been agreed, but few of the top level posts filled and the appointments that had been made were mainly from this particular Trust (as opposed to their partners in the merger). Most of the units were still waiting to find out which directorates they would report to.

The research used a combination of qualitative and quantitative techniques and was conducted in three stages. The first involved a review of documentary evidence available within the Trust. These included the Trust's assessment portfolio from its 1996 accreditation, the local Training and Enterprise Council's assessment report, a management report and a survey conducted by personnel in 1998 as the first stage of the Trust's re-accreditation. Following this a questionnaire survey was distributed to five different departments and, finally, semi-structured interviews were conducted to explore the survey results in more depth. The quantitative elements of the research allowed a wider look at what was happening in the organisation as a whole and helped to place the more detailed qualitative information in context. Taken together, these multiple sources of information also allowed a crude triangulation of results.

Five departments were selected to take part in the research process, Linen Services, X-Ray, Domestic Services, Catering Services and Theatres. These covered a wide range of employee skill levels and included people engaged in direct patient care as well as support services. Questionnaires were issued to all 371 employees within these departments and incorporated an explanatory letter on the front cover which stated that all responses would be treated as confidential and that neither names nor identification numbers were required on completed forms (Saunders *et al*., 1997). Envelopes were also included so that respondents could return questionnaires in confidence. This was considered particularly important, given that questionnaires were both distributed and collected by departmental service managers. Their involvement probably helped to generate the high rate of return (with 45 per cent of questionnaires completed, a total of 124 responses) but might easily have led to a reluctance on the part of respondents to answer honestly since the involvement of managers in collecting questionnaires might suggest that they also had access to the raw data. Such a belief might temper criticism (particularly of managers) and result in socially acceptable but uninformative answers. The final completed sample included 7 Linen Services employees, a 100 per cent return rate representing just over 5 per cent of the total sample; 19 Domestic Services and Catering Services employees, a 31 per cent and 47 per cent return rate respectively, both accounting for just over 15 per cent of the sample; 23 X-Ray employees, a 54 per cent return rate making up 18 per cent of the sample and 56 Theatre employees, a 45 per cent return rate representing 45 per cent of the sample, the largest staff group in total.

Thirty semi-structured interviews were then conducted with Trust employees. These were designed to cover the full range of skill levels in the Trust from unskilled support service workers to professional and technical staff, trained nurses at a variety of grades and three medical staff at junior, middle and consultant levels.

The Trust was chosen because of the stage it was at in the Investors in People process. It had first gained Investors in People accreditation in 1996 and, at the time of the research, was beginning to prepare for reassessment. It was felt that this would have the dual advantage of allowing sufficient time for processes to become well established, as well as allowing any initial ‘euphoria’ caused by accreditation to die off (Godard, 1998 argues that many human resource practices are 'fads' which have little impact after the initial enthusiasm has waned). Here we could assess the impact that the processes approved by Investors in People had on staff. Management certainly believed that these were positive, indeed the very fact that they were seeking re-accreditation was an expression of confidence in the impact that the standard had. As the assistant chief executive (personnel) said:

> I think it is important to demonstrate to both the world outside and the staff within that we do have the HR/personnel policies and procedures - training and development policies and procedures - that are designed to support them in the work that they are doing and to help them achieve.

Motivation, Attitudes and Awards

As was noted above, improvements to employee motivation, morale and attitudes to work are not only frequently cited benefits in the Investors in People advertising literature, they are also one of the most important ‘anticipated’ and ‘experienced’ benefits reported in the research (Hillage and Moralee, 1996; Alberga *et al*., 1997). Accordingly, one of the aims of this study was to gain a picture of morale and motivation and attempt to understand why people felt the way they did.

This is not a straightforward nor an unproblematic area. Motivation may be measured in numerous different, incompatible ways (see among many others Steers and Porter, 1983; Guest, 1992; Gaillie and White, 1993) and may be the product of a range of influences. Here, specifically, we were trying not only to assess motivation but to attribute it to some combination of the job, the organisation, the award or the human resource management practices. Separating each of these elements out is particularly contentious since each will impact on, and influence the others. Moreover each question required a high degree of self-awareness on the part of respondents.

Information was sought in a variety of ways. The questionnaire asked employees how they felt about the organisation; whether their own values were similar to those of the

Trust; and if they would turn down extra pay elsewhere or take ‘almost any job’ in order to stay. It had spaces for responses on how motivated and satisfied employees were with their current job; how likely they were to make the same career choices again; and the amount of effort they put in to their work. Respondents were then asked whether they had heard of Investors in People and invited to agree or disagree with certain statements about the award. Finally the questionnaire reviewed employees’ experience of particular employment policies and practices.

The figures for motivation, job satisfaction and commitment that this process produced were extremely high. In the survey 91.1 per cent of respondents said that they were highly motivated, and none that they were not motivated; 46.6 per cent reported that they were highly satisfied with their jobs, 50 per cent that they were satisfied; 27.5 per cent that they were highly committed to the Trust and 69.2 per cent that they were committed.

In the semi-structured interviews considerable time was spent discussing how employees felt about their work and the Trust. These interviews could provide the forum for a more wide ranging discussion of motivation and satisfaction than was possible in the questionnaire. It became apparent that the loyalty and pride many felt in the Trust went beyond its status as an employer:

> I want [the Trust] to work. I want it to be the best because it’s my hospital at the end of the day . . . . I’ve got an invested interest for my family as well as myself. [Intensive Care Sister, female]

Essentially the Trust was valued because it helped people and served a key role in the community. Helping people was also a major source of job satisfaction. Six employees, both skilled and unskilled, indicated they were motivated to work because they ‘enjoyed doing their jobs’ and five that job satisfaction increased their commitment to their jobs:

> I enjoy it. If I didn’t enjoy it I wouldn’t like coming and I enjoy coming to work . . . I wouldn’t change [jobs] unless I really, really needed to. I’ve got job satisfaction and that’s the main thing with me . . . I put my satisfaction before earning a lot more money. [Call Order Cook, female]

But job satisfaction and commitment, while they may impact on one another, are different. Indeed, employees who are not committed to their organisation may be extremely satisfied and those who are dissatisfied may be highly committed (see Zhou and George, 2001). Accordingly, in interviews attempts were made to unravel this and discover why employees felt the way that they did.

Responses varied but included colleagues, the nature of the work and job satisfaction as well as pay, pensions and holidays, convenient hours of work, relationships with other people and working as part of a team. Job satisfaction appeared to be particularly powerful influencing both motivation to work and organisational commitment and was itself influenced by the way that work was designed both positively and negatively. In the Linen services department where employees frequently damaged their hands on heavy fire doors receiving deliveries and a lack of space increased the amount of heavy lifting that staff had to do to keep work areas tidy and fresh stock accessible staff did not feel ‘invested in’.

Pressure of work and under-staffing seemed to be the most potent source of discontent for all staff and was referred to in nine separate interviews. Its effect was particularly negative if employees felt that it impacted on the service they gave to patients. Job insecurity also provoked negative feelings and the proposed merger, described by one male team leader as a ‘big black cloud’ hanging over their heads, was felt to be particularly threatening.

Thus far the research seemed to bear out the findings of Alberga *et al.* (1997) and Hillage and Moralee (1996). The figures for commitment, loyalty and motivation were extremely high. Most employees enjoyed their work, most work was well designed and line managers’ contributions were valued. But this overall picture of satisfaction was less important (given our focus on Investors in People) than the factors which had caused the satisfaction. Was there any indication of the extent to which Investors in People was responsible for these positive findings either as an award (and additional source of pride) or in the substantive changes that it made to employment policies and practices?

There was little evidence that employees felt motivated because of the Investors in People ‘badge’. Indeed, less than 13 per cent agreed with the statement that Investors in People had made them feel more motivated or that it had increased their job satisfaction and over a third disagreed in both cases. Just under a quarter of those surveyed agreed that they were proud to work for an organisation with an Investors in People award, but the majority (61 per cent) had no opinion, choosing the neither agree nor disagree option. Even these may have exaggerated the award’s positive effect. In the survey some 86 per cent of employees claimed to have heard of Investors in People and 76 per cent that the Trust held the award. In interviews, where questions were to continue and ignorance might be exposed, only half did. No employee directly mentioned Investors in People as something which gave them job satisfaction, motivated them to do their job or increased their commitment or loyalty to the Trust. Some directly denied that Investors in People had had any effect:

> To me I don't think it makes a lot of difference. You're not going to change your own attitude just because you've got that thing against your hospital, you know, like our hospital has got Investors in People, what difference does it make what so ever. [Call Order Cook, female]

And again:

> It didn't really affect me. I don't think it affected anybody. And I still don't know if it affects anybody. [Superintendent Sonographer, female]

Based on these reactions it seems that, contrary to the enthusiastic claims of the literature, Investors in People as a badge had little or no positive effect. The number of employees who knew about the award was open to question and few claimed that it had a direct impact on the way that they felt about the Trust or the way they approached their work.

Clearly the Investors in People 'badge' itself had little effect. However, this does not necessarily mean that the process itself was negative. After all, this process is intended to be about substantive changes to the business and Investors in People might have an indirect impact on motivation as a result of these changes. The process demands a commitment to training, development and communication from the most senior level of management. All employees should be made aware of this, but even those who are not may experience the benefits of any change in practice. Further, even if the employment policies and practices targeted have not had an effect themselves, they might have contributed to a wider climate of positive messages as in Purcell's idea of 'cumulation' (1979:31). Accordingly, we go on to consider the impact that training, communication and appraisal had on employees; as well as the effect that Investors in People had on training, communication and appraisal.

Training

The Trust, in common with much of the NHS had a good record of vocational education and training and this training was supported by qualifications as well as internal career paths. Interviews revealed evidence of progression from unskilled ancillary posts to skilled nursing positions, while the survey responses showed employee qualification levels improving.

Training was received positively by staff at almost all levels of the organisation for a range of reasons. One senior member of the medical staff argued that it increased his ability to work:

> I think they affect your ability to do your job efficiently, which is part and parcel of your motivation to work for me. I feel that - if I felt that I was falling behind the times or wasn't providing a good service with the work I did - that would affect my motivation rather than the other way around . . . they actually affect your motivation through an enabling process rather than through a direct effect. [Staff Grade Anaesthetist, male]

At lower levels NVQ qualifications were viewed by many as a 'seal of approval' to their competence in the workplace, providing a welcome boost to both confidence and self-esteem. One male team leader reported feeling 'on a real high' after attending a training course on line management and a domestic services supervisor explained how her sister-in-law felt 'thrilled to bits' when she achieved her NVQ. Another commented that:

> I felt like I had achieved something because I never did any exams at school or anything like that. I said to my husband it must be the first thing I've ever done and completed really. [Domestic worker, female]

Given these interview comments it is hardly surprising that employees undertaking training were more likely to report positively on their own motivation and commitment. Having training needs identified, being offered training courses and 'a chance to better yourself', all major aspects of Investors in People, did influence the way that people felt about their jobs. Over two thirds (68 per cent) believed it affected their motivation to work and just over half (56 per cent) felt that training affected their commitment to the Trust. A larger number of employees who were currently receiving training or had received training in the last four weeks had higher commitment levels than their colleagues who had not received training. More dramatically, nearly 90 per cent of those who were currently receiving training experienced high or very high job satisfaction compared to less than three quarters of those who had received no training for over twelve months. Two employees who reported receiving no training at all both had low job satisfaction.

Again the picture is a positive one. High levels of training are undertaken with many employees having opportunities to progress. Those receiving training were more likely to report high levels of job satisfaction and (unsurprisingly) to view the Trust as committed to their development. In addition, the interview evidence suggested that this training also increased individuals' skills at work. Here, it seems, was the virtuous circle presented in the Investors in People literature. High levels of training enabling employees to feel motivated about their work, committed to their employer and more capable of performing well.

However some notes of caution need to be sounded here. Surveys can tell us little about causal mechanisms. Employees receiving training felt more positive about their work and their employer than those who were not; but they may have volunteered for training because of their high levels of commitment and motivation rather than gaining commitment and motivation from the training they attended. Moreover, the picture was not universally positive. Some employees, as the discussion below shows, reacted negatively. Finally, the NHS has always enjoyed a strong reputation in this area. Of most interest here was the impact that Investors in People had had on the training processes observed. In this study, that impact took three main forms.

Firstly, it should be remembered that Investors in People is an audit process and certifies systems and procedures rather than quality and content (see Power, 1997). As a result it places a great deal of emphasis on formal, 'off the job' courses which are readily documented and easy to control. However, these were often less popular with employees with many expressing a preference for 'on the job' training, or asking that theoretical input be balanced by mentoring and 'practical' experience. This was true across all skill levels and most types of work including domestic and technical, but it was the senior medical staff, with considerable experience of a range of different types of training, who were the most vocal critics. Previously mentoring and coaching had been a key feature of medical training. Now, according to the interviewees, the emphasis had shifted and much training was classroom based so that new medics had less experience of 'real' situations.

Secondly, the Investors in People process privileges NVQs, which are mentioned explicitly in the standards, and many of these qualifications have been awarded to

NHS staff (Munro and Rainbird, 2001). Success here, as in other qualifications, can provide a welcome boost to an individual's confidence, as the quotes above reveal. However, there is little evidence that NVQs are an effective vehicle for increasing skills. Indeed NVQs have been widely criticised, not least for their narrow focus and the lack of developmental opportunities they afford (Hyland, 1993; 1994; Wolf, 1995; Senker, 1996; Grugulis, 1997, 2000). Here, disillusionment was felt when qualifications simply certified existing skills rather than increasing them. One catering employee explained that she already knew all the things on her NVQ qualification because they had been part of her job for so long. Similarly, in the sewing department workers complained that:

> No one can teach us anything about a sewing machine we don't already know . . . There's no new technology here like they have in other departments so there are no changes to the job so we don't need new training . . . . We've only got four or five years to go anyway, we don't want to do anything. [Linen Services Officer, female]

This finding is mirrored elsewhere. Munro and Rainbird (2001) argue that the vast majority of low level NVQs awarded in the NHS simply certify existing skills. There is assessment, but little training or development.

Thirdly, and perhaps most significantly, Investors in People links training to business need and business strategy, presumably on the assumption that such a link will invigorate performance. Yet, while there are clear advantages in setting up coherent employment practices that complement business strategy (Purcell, 1995), it should not be assumed that this necessarily results in 'up-skilling', indeed, such an orientation may neglect the needs of the other parties to the employment relationship. Strategies involve choice and, as Sisson (1994) argues that choice may result in work intensification and de-skilling rather than empowerment and up-skilling. Even where this does not happen, aligning employment practices to business strategy is not straightforward. 'Real' organisations are generally complicated and 'real' managements rarely have access to perfect information about markets, technologies and future events. Appropriate configurations of the human and non-human resources cannot be simply 'read off' (Boxall and Purcell, 2000).

In the Trust, the link to business strategy was interpreted in the narrowest and least developmental way. Most employees were to be trained to the level of competence that was required by their current job and no further. Such training was often extremely low level. A domestic services manager pointed out that, while her staff had completed NVQ level 1, all were perfectly capable of achieving more but did not have the opportunity to do so; while a supervisor, who had just completed training equivalent to an NVQ level 3 and was offered the chance to do an NVQ level 1 related to the work she was currently doing, described the process as a 'bit daft'. Nor was training related to the current job welcomed where workers had been de-skilled. In linen services employees who had once performed quite complicated and integrated tasks were required only to pack, unpack and dispatch orders. Here there was little positive response to training since this required fewer skills than staff had previously exercised.

Emphasising business need also had extremely unfortunate repercussions for the old policy of staff development, particularly since each individual business unit within the Trust was invoiced for training and assessment. One cleaner, who hoped to become a nursing auxiliary, was refused access to training on the grounds that it was not necessary for her current job. Her manager then went on to point out that she would not be likely to approve any training for a member of staff which resulted in their leaving that department.

This focus and the demands of the audit process combined to reduce employees' opportunities to develop. Boxall and Steeneveld (1999:446) warn of 'the on-going need to match business with employee needs in the indeterminate employment relationship' and the Investors in People standards explicitly mention the needs of both individuals and teams. But British organisations have traditionally been poor at taking a long-term perspective on skills (Penn, 1994) and equating business needs with training for the current job (as the NVQ system does) serves only to exacerbate this. It is not clear whether this result is reflected elsewhere. Hoque (2001), drawing on data from the Workplace Employee Relations Survey, reveals that employees in companies with Investors in People accreditation spoke more favourably of the training that they received than their counterparts in companies without the kitemark (p. 20). However this tells us little of the cause of such satisfaction. It may be that the Investors in People process improved training content and delivery; alternatively, firms that were already better at training may have gained Investors in People accreditation. Watson and Watson's (1999) ethnographic study of two universities suggest that the process of accreditation detracts from good practice rather than supporting it and Pickard (1992) noted that Investors in People often results in employers eliminating 'unnecessary' training where 'unnecessary' means 'unnecessary' to the business. Given that the aim of Investors in People was to increase skill levels nationally this is problematic. It may also impact adversely on employee motivation. Watson and Watson (1999) observed a rise in both concerns and cynicism. In our study a female theatre manager captured these, pointing out that training is ‘the most important thing, yet it is the first thing to go and Investors in People doesn’t prevent this’.

Accordingly, the optimistic conclusions presented above need to be tempered slightly. In this case study training was very positively associated with higher levels of commitment and motivation but this link was not guaranteed. Further, while the impact that Investors in People had on that training was not clear, there was some evidence that the forms of training advantaged by the kitemark were not necessarily those most valued by employees.

Appraisal

What then of the other employment policies and practices that were considered part of the Investors in People process? Were these helpful in motivational, attitudinal or skill-building terms?

The impact was clearest in the Trust’s appraisal system which had been extended to all staff as part of the Investors in People process. Every employee was offered the opportunity to participate in an annual ‘one to one’ appraisal interview with their line manager or supervisor and an alternative ‘group’ appraisal was available to those who wished to opt out of an individual meeting. This appeared to be used most extensively in the domestic services department and senior managers felt it to be a useful alternative for some groups of staff who might find appraisal threatening. The results were positive. Two thirds of the employees surveyed reported that appraisal had some effect on their feelings of job satisfaction and motivation and slightly less (43 per cent), that it had some effect on feelings of attachment to the Trust. Appraisals appeared to have a particularly positive effect on attitudes when employees were able to identify and resolve training needs, positive feedback was received or problems and grievances resolved.

However the paperwork itself presented some problems. Since the system had been extended to all staff much of the appraisal process was designed for employees with low skills with questions seen as inappropriate for more skilled or senior staff. Indeed, there was some evidence that these did not take the process particularly seriously. One senior medical employee commented that:

> I found the overall structure of the appraisal form led to a vast amount of duplication . . it seemed like a pointless exercise just basically saying the same sentence three different ways . . . I actually found that bit of it quite boring . . . I actually seriously found it a waste of time and quite tedious. [Staff Grade Anaesthetist, male]

This may help to explain the fact that, according to the survey, appraisals had fallen badly behind schedule since the kitemark had been awarded. Just under 40 per cent of employees reported that they had not had an appraisal for over a year and eleven (10 per cent) claimed they had never had an appraisal.

The positive effects that appraisal had were closely bound up with individual career aspirations and the prospects that developmental needs would be met. As with training, staff with few prospects of development reacted less positively and one ancilliary services employee pointed out:

> We know we're not going to get any more money. [Our line manager] can't teach us anything about machines we don't already know and we can see [our line manager] anytime if something's wrong. They're a waste of time. [Linen Services Staff member, female]

Communications

Communications were erratic. Some, like the Trust's newsletter, were extremely popular, mentioned as the 'main or most important' source of information in employee interviews. Over 80 per cent of those surveyed said they read it every month in full or in part with one group of employees commenting that 'we wouldn't know what was going on without it'. However, its effectiveness as a serious means of communication was unclear. Most employees reported reading it for gossip about people they knew and one said that she found the 'political' articles in the paper boring.

Other systems were less successful. There were a number of reasons for this. The continuous service demand and shift patterns that characterise much NHS work make verbal briefings particularly hard to achieve. Further, the merger was a sensitive topic. Lack of information about this process was not only a major source of dissatisfaction but most probably influenced responses on the communication systems in general. Nearly 60 per cent of staff felt they were sometimes kept in the dark and one commented:

> The general feeling at the moment is 'well no one tells us anything'. It might just be because there's nothing to tell but most feel they are kept in the dark on something - it's just uneasiness. [Team leader, male]

Even senior management agreed that the amalgamation had created a ‘cascade of uncertainty’ within the Trust.

To a certain extent, the problems identified here are those which might be observed in any system of appraisal and communications, for which the Investors in People kitemark can be neither praised nor blamed. However, as with the training systems, the pressure to audit and document practice meant that increasing emphasis was placed on formal, written procedures. One aspect of the communication process that was a direct result of Investors in People was the cascade of information about the Trust’s values (written for the accreditation). The development of mission and value statements as well as strategies, is a key part of the Investors in People process. This might be welcomed, were it not for the fact that much evidence suggests organisations develop these strategies to meet the demands of the audit process and abandon them afterwards (Hillage and Moralee, 1996).

Regardless of the influence (or lack of it) that these documents may have had on top management, their impact on staff was almost entirely neutral or negative. Indeed, the majority reaction was one of ignorance. Over half of those surveyed reported they had never seen or never read a copy of the Trust’s business plan summary, staff or training charter, training and development policy or value statement, all of which were key elements of the Trust’s assessment portfolio. In interviews, when 14 employees were shown copies of the documentation, recognition was even lower with half recognising the staff development policy but only four the training charter and staff charter. Recognition of the value statement card by nine employees was more encouraging but, despite the fact that the Trust had issued a copy to all employees as part of the Investors in People process, only one quarter said they had seen or received a copy in the questionnaire survey. Far from improving employee attitudes to work the value statement attracted only negative attention. Described as ‘wishy washy’, and ‘very managementy’ and containing ‘yucky modern language’ it was criticised for being ‘someone else’s value statement’. Some complained that they had had no input in developing these statements, but for others the problems were rather more fundamental:

> I think they’re a waste of time personally. I mean the object of a hospital is to treat people and get them better, you don’t really need it written down do you . . . we don’t need to be *told* we need to treat them to the best of our ability because it doesn’t *make* you treat them to the best of your ability by telling you that you need to do it. [Radiology Sister, female]

This is not to argue that improving communication processes cannot impact positively on employee attitudes to work. On the contrary, as Marchington and Wilkinson (2000) note, the number of organisations providing information on company activities to employees has risen substantively in recent years. This may be an extremely limited form of involvement (Marchington *et al.*, 1992) but it is often welcomed. Here, approximately 60 per cent of employees surveyed indicated that they felt ‘being kept informed’ had some effect on their job satisfaction, motivation, identification with the Trust’s goals and objectives and feelings of attachment to the Trust. In addition, strong and significant relationships were found between responses and employee attitudes to work. Those who agreed or strongly agreed that they were fully informed had higher levels of commitment, job satisfaction and motivation. Those who sometimes felt kept in the dark had less positive attitudes to work. This link reflects positively on the Investors in People focus on communication systems, but it also makes it even more worrying that only just over a quarter of employees surveyed agreed that they felt fully informed about the Trust's values, goals and objectives.

In this Trust staff varied greatly in their demand for, and appreciation of, information with some anxious for a great deal more management data than was provided and others resentful of any material given out. But the lack of clear information about the merger was a form of discontent and concern while the extensive provision of management value statements and charters was (at best) eminently forgettable. Those staff who remembered the documents had no positive comments to make about them. It may be desirable that organisations have visions, but it is by no means clear that communicating them in this form increases staff motivation or positive attitudes to work (see also Watson and Watson, 1999).

Conclusions and Discussion

What, then, is it possible to conclude about the Investors in People process and its impact on employees? People working for this Trust were, in general, highly motivated, committed to their work and their employer and actively engaged in training and development. Communication and appraisal systems were in place, although these could have been implemented rather more effectively than they were; and strategies, values and mission statements were all clearly set out, but those staff who received them either forgot or reacted negatively.

Many, if not all, of the factors noted here would probably have been in place without Investors in People. The NHS has always trained actively. Communication systems already existed. The appraisal system was (importantly) extended to all staff but it was not a new process. Consequently, it is difficult to attribute the positive attitudes noted here to Investors in People. Nor, contrary to the Investors in People marketing literature, can we argue that the 'badging' process was valuable in itself. Trust employees felt pride in their work and loyalty to their employer, but this was because hospitals are themselves important places, because the employees felt a sense of vocation or because they valued the contribution of the public sector. None reported a feeling of achievement from, or pride in, the Investors in People kitemark.

What then of the question of skills? Investors in People is the most wide-ranging part of the government's National Education and Training Targets and official rhetoric is focused on the need for a high skills economy. This award is intended to provide a structural mechanism of good practice to set against the pressures of short term performance targets. Yet evidence both here and elsewhere suggests that Investors in People does not necessarily either increase employee skill levels or increase training. Indeed, by linking training to business needs (rather than employee requirements) employees may be offered training that is pitched below their current skill levels or denied training that is developmental.

While it is clearly desirable that vocational training should be vocationally relevant, the interests of employees and employers are not the same and concentrating entirely on one party may disadvantage another. Here, linking training to the current job may set a ceiling on skill development for particular groups of employees. This is unlikely to be a problem for professional staff whose work is continually developing and expanding but for unskilled or semi-skilled employees it acts as a severe constraint.

Since the motivational impact of training seems to depend on its contribution to individual development eliminating ‘unnecessary’ training may also have problematic implications here.

The emphasis on particular statements and systems was also problematic since the development and dissemination of various corporate value statements, a process generally seen as motivational in the prescriptive literature, attracted only cynicism and forgetfulness here. Staff valued the Trust and appreciated good management, but saw the internal marketing documents as unhelpful and meaningless. In addition, the formality of these systems made them rather inflexible, with the result that demands for increased information and concerns about the future were often not met. It seems that, rather than facilitating continuing development and responsiveness, Investors in People may actually introduce rigidity into organisational systems and encourage systems that are themselves less flexible.

It may be argued that this criticism demands more rigour of the Investors in People process than this was ever intended to provide. After all, as with most other official initiatives, Investors in People simply provides a series of standards that (in theory) benchmark good practice. Yet ‘standards’ are drawn up because it is assumed that complying with them will help to support the activities that they are benchmarking. The promotional literature cited at the start of this article makes this link clear. Accordingly, the most meaningful way to evaluate Investors in People is not to review the audit it conducts but to see what effect both this audit and the underlying activities have, as we have sought to do here.

We have no desire to be overly negative. The impact of Investors in People has been commented on favourably elsewhere (Down and Smith, 1998), but in many firms it simply certificates practices that are already in place (Rix *et al*., 1994), providing the stimulus for only minor changes, not all of which (as this case study has demonstrated) are positive. If what is desired is really a general increase in the national skills base, as well as an increase in employee motivation and commitment, then focusing on employers' needs may not be the way to achieve it. A national system that emphasised individual needs as well as corporate ones could provide a more convincing step towards a 'high skills eco-system' (Finegold, 1999).

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