

case study



INVESTORS IN PEOPLE

The Hager Group



Background

Size:	10500
Sector:	Manufacturing
Location:	International
Status:	First recognised in 1995

The organisation

The Hager Group is a leading supplier of solutions and services for electrotechnical installation in residential and commercial buildings as well as for industrial applications.

Hager is a German family-owned company operating in over 55 countries across the globe, employing approximately 10,500 people and generating a turnover last year in excess of 1.3 billion Euro. The company has grown rapidly in recent years through a combination of organic growth and strategic acquisitions, and has the ambition to be the number one player in their market segment. The Hager family vision for the business is one of sustainable year-on-year growth and they have backed this vision with significant levels of investment in both new products and equipment, roughly equivalent to five percent of annual turnover. The benefits of this investment are clear to see with 65% of Hager's product range being less than three years old.

As a result of the significant number of acquisitions the Hager Group made over recent years, one of the key issues facing it now and in the future is how to effectively integrate newly-acquired businesses into the Hager culture and ways of working.

- **where staff move between different parts of the group, and can now rely on common standards operating throughout the business**
- **significant improvement in levels of employee satisfaction with management and communication**
- **real kudos to be gained from being recognised as an Investor in People.**



Motivations for using Investors in People

Hager's UK subsidiary Hager Ltd was the first part of the Group to engage with the Investors in People standard and was first recognised in 1995. Since that time the company has been consistently re-recognised every three years, with its last two re-assessments taking place against the more demanding Profile framework.

According to Karen Overmass, Human Resources Director for Hager Ltd, the company was initially motivated to get involved with the Investors in People Standard as a way of ensuring the company developed the necessary systems and procedures to effectively manage and develop its people. It was also an excellent method of understanding and implementing best practice throughout the business, as well as gaining recognition from stakeholders for the efforts the company was making towards valuing and developing its people.

Over recent years the Investors in People standard has become a strategic tool used to develop its people development activity and support the integration of newly-acquired businesses into the Hager Group. The Hager Group believes that the Investors in People model enables new parts of the Group to understand the standards it sets out to achieve and helps them work towards meeting them.

Following the successful implementation of Investors in People within the UK, the Hager group made the strategic decision to roll-out accreditation across the wider organisation. Thus far 16 businesses in 9 countries, accounting for 75% of the total Group workforce are covered by formal Investors in People recognition.

Benefits of using Investors in People

- Hager have found that the Investor in People framework can be used as a very effective diagnostic tool with new and existing businesses in the group, helping to identify both areas for improvement and aspects of particularly good practice that can be rolled out group-wide.
- Employees now have a much better understanding of how their own efforts contribute to the wider objectives of the group. All employees' SMART individual objectives link to the department objectives and in turn to their company and the wider group's aims.
- For a large, international group like Hager finding a common language to discuss and agree management and people issues can at times be a challenge.

Hager believes that the Investors in People standard has been an important way of tackling this, enabling all parts of the group, no matter how big or small they are, to share an understanding of the Group's values and ways of working. This has real benefits for a company where staff move between different parts of the group, and can now rely on common standards operating throughout the business.

- Hager has found that with some customers in the UK there is real kudos to be gained from being recognised as an Investor in People. Housing associations and local authorities in particular, which are important customers for Hager, recognise the benefits of working with organisations that have submitted themselves to meeting rigorous standards such as Investors in People.
- More consistent approaches to training are now embedded across companies within the group, which has meant more structured and effective induction training for new employees and greater equality in access to training for employees across the world.
- The company has found that wherever in the world it has implemented the Investors in People standard it has benefited from a significant improvement in levels of employee satisfaction with management and communication.
- Management standards and approaches are, as a result of implementing Investors in People, much more consistent across different companies and countries. Staff are therefore treated and valued in the same way across all areas of the business.
- One of the by-products of implementing the standard across different countries has been the development of an in-house internal review team which now has the skills to be able to share best practice across the whole organisation at a lower cost than would have been possible previously.
- Hager believes that as understanding of the Investors in People standard grows internationally then potential employees will view Hager's recognition status as a mark of excellence and will want to work for a company committed to such high standards of people development. This is something they saw in the UK and believe will happen elsewhere over time.



Where next with Investors in People

For Hager's UK arm, Hager Ltd, the Investors in People Profile framework continues to offer significant added value to the organisation, identifying aspects of the business where they can improve even further. The increased focus on leadership issues within the revised Investors in People standard also closely mirrors the company's own development plans and is therefore providing clear added value.

As a Group, Hager's ambition is for all parts of their business throughout the world to be fully recognised as Investors in People. Their experience has been that the framework is flexible enough to be applied in any country and with organisations of any size.

