

# CASE STUDY



## DST OUTPUT LTD

***“You’ve got to really want to change and improve. If you are ready to accept your company can improve, then Investors in People can really help you drive your performance. Based on our own experience the return on any investment will be significant.”***

**Sean Whittle, Head of HR**

### BACKGROUND

**Size:** 200 employees  
**Sector:** business services  
**Location:** South West  
**Status:** Most recently recognised in 2009

### THE ORGANISATION

DST Output Ltd are experts in the creation and production of essential communications such as bills and credit card statements - in paper or electronic formats - enabling businesses to reduce costs, increase response rates and maximize customer retention and loyalty.

Once an internal division of GE Mailing Services, the company was acquired by the US based DST Systems in 2002. DST Output Ltd is based in Bristol and now produces over 150 million personalised communications every year in the UK alone.

Since its acquisition in 2002 DST Output Ltd has grown rapidly with a turnover of £25 million in 2008. The business has also increased its client base significantly, servicing approximately 30 major accounts, including major names such as Orange. The size of the workforce has also increased from approximately 130 in 2003 to almost 200 in 2009.

The culture within the business has developed as the company has grown. It has changed from that of an internal service provider to one where it actively seeks to add value on behalf of its customers through innovation, technology and a commitment to excellent customer service.



- **employee engagement score of 86% in 2008, which was amongst the highest in the Group**
- **Employee turnover within the business has radically improved over recent years with Investors in People helping to reduce the turnover rate from 24% in 2004 to around 3.5% last year**
- **Levels of absenteeism within the business were 12% in 2004, but with the help of Investors in People and the policies introduced by the new management team, absenteeism over the last twelve months has fallen significantly and is now running at approximately 0.5%.**

## EXPERIENCE WITH INVESTORS IN PEOPLE

DST Output Ltd initially became interested in working with Investors in People in 2006 and undertook an internal audit against the requirements of the Standard. Having addressed gaps identified by their review, the company formally committed to achieving the Standard in April 2008 and were formally recognised in October 2008.

Commenting on their journey with Investors in People, Sean Whittle, Head of Human Resources for DST Output Ltd remarked: "We had strong executive support for achieving Investors in People and worked hard to gain employee buy-in to why we were doing it. The assessment itself was rigorous but did not interrupt our normal business operations."

## MOTIVATIONS FOR USING INVESTORS IN PEOPLE

DST Output Ltd's key reasons for engaging with Investors in People were:

- The need to attract and retain the best employees. As a recognised quality mark, Investors in People was identified as an important way in which the company could demonstrate the company's commitment to employee engagement and development to potential recruits;
- Investors in People recognition was regarded by the company as one of a limited number of accreditations, including ISO 27001 (Information security standard) and ISO14001 (environmental standard), that would demonstrate to stakeholders the quality of the organisation;
- To measure the effectiveness of the HR system against a recognised benchmark. The company also hoped to measure the impact of the changes it had already implemented, particularly in the areas of internal communication and staff training and development;
- The company saw the new choice-based approach to Investors in People as providing them with a mechanism for identifying targets for future improvement as well as measuring progress towards those targets as part of subsequent assessments.

## BENEFITS OF INVESTORS IN PEOPLE

By working with Investors in People the management team at DST Output Ltd believe they have gained a range of significant benefits, including:

- Employee turnover within the business has radically improved over recent years with Investors in People helping to reduce the turnover rate from 24% in 2004 to around 3.5%

last year. This change is particularly important for specialist technology companies like DST Output which need skilled and experienced staff in order to succeed. According to Sean Whittle: "The reduced staff turnover rate is a contributing factor to our stability within the economic downturn.";

- Levels of absenteeism within the business were 12% in 2004, but with the help of Investors in People and the policies introduced by the new management team, absenteeism over the last twelve months has fallen significantly and is now running at approximately 0.5%. This improved level of attendance has saved the company many thousands of pounds in overtime costs and has been fundamental to DST Output's ability to meet its guaranteed quality standards;
- Working with Investors in People has given the staff a much clearer understanding of where the business is heading and how they can personally contribute to its success. This new clarity is helping individuals within the business maximise their contribution to its success;
- The company's work with Investors in People has resulted in a range of actions designed to improve internal communications. Actions have included the appointment of a dedicated internal communications officer and the formation of a new staff consultative committee;
- The culture within the business has been transformed over recent years with the "plan, do, review" structure of Investors in People helping to embed an understanding within all team members that "good enough is never good enough" and that continuous improvement is essential if the business is to remain ahead of its competitors;
- The company's comprehensive review of its training and development policies and procedures has also led to a range of improvements. DST Output Ltd has been instrumental in creating a partnership with Bristol Business School to create an integrated accredited leadership programme that meets both the needs of today's businesses and academia. Furthermore, the company has developed a range of new training courses designed in collaboration with the company's machinery suppliers;
- Staff satisfaction at the company is also at historically high levels, with the UK operation achieving an employee engagement score of 86% in 2008, which was amongst the highest in the Group;
- DST Output Ltd's work in improving its HR and

training programmes has also not gone unrecognised, with the company gaining a prestigious award for Training at the British Printing Industry Federation's awards. Such awards are yet another way in which the company has been able to establish itself as an employer of choice.

### **WHERE NEXT WITH INVESTORS IN PEOPLE**

DST Output Ltd is fully committed to working with Investors in People in the future. Sean Whittle summarises this as: "Investors in People has already provided us with a fantastic platform to drive this business forward and we're confident it can help us achieve even more."

In keeping with the ambitious nature of DST Output Ltd, the company is also keen to see itself achieving even higher levels against the Investors in People framework at future assessments.

Asked what advice they would give to other businesses thinking of working with Investors in People for the first time, Sean Whittle states: "You've got to really want to change and improve. If you are ready to accept your company can improve, then Investors in People can really help you drive your performance. Based on our own experience the return on any investment will be significant."