

## Signs and Wonders: Exploring the Effects and Impact of the Investors in People Logo and Symbols

### Abstract

**Purpose:** This paper examines and assesses the reputational impact of the logo and symbols of the UK Standard, Investors in People (IIP). The extant literature highlights differing opinions in terms of the likely benefits that IIP generates following achievement of the Standard. This paper focuses specifically on the perceptions of reputational claims made regarding existing employees, potential employees and customers.

**Design/methodology/approach:** The debate is explored through thirty-eight interviews using the perceptions of managers and frontline employees within six IIP-accredited firms and one non-accredited firm.

**Findings:** The study indicates that the logo and symbols of the Standard have minimal meaning and significance for the interviewees and their outlook on potential employees and customers. There were some indications, however, that the wider reputational implications of carrying the logo may have some potentially beneficial effects.

**Originality/value:** The paper concludes that the overarching findings present a potentially serious issue for IIP, and that there is a need to understand further the impact and value of the logo and symbols.

**Key Words:** IIP; Training and Development; Logo; Symbols; Reputation; Perceptions.

## Introduction

Since 1991, Investors in People (IiP) has been a significant feature of the United Kingdom's organizational development landscape. Moreover, the IiP framework is now being delivered in over seventy countries covering twenty-three languages (IQC2, 2011). The Standard was introduced in order to enhance training and development practices by establishing a benchmark in relation to which employers could be uniformly assessed. In order to be awarded 'Investor in People' status, employers must successfully demonstrate that they have met the requirements of ten key human resource performance indicators (IiP – UKCES, 2012a). Subsequent modifications of the Standard have seen the introduction of bronze, silver and gold awards that differentiate degrees of achievement. The undertaking of this journey by an organization represents substantial work for managers and employees alike.

At first sight, there would appear to be grounds for a general claim that there is a crucial role for the Standard to play in the enhancement of business performance through training and development. Such a contribution would align with Lloyd and Payne's (2002) statement that IiP has contributed to the development of a 'high skills society'. Equally, the Leitch Report (2006) also identified IiP as a possible contributor of increased skills and productivity. Indeed, the more recent research, which is strongly endorsed by UKCES (IiP – UKCES, 2012c), argues that IiP recognition is *proven* to provide, amongst other benefits, significant increases in business performance, profitability and productivity (Tamkin *et al.*, 2008; Martin and Elwes, 2008; Bourne and Franco-Santos, 2010). Furthermore, Cowling (2008) argues that a non-IiP organization generates on average £176.35 less per year in gross profit per

employee compared to an liP accredited counterpart. Thus, there appears to be various strands of evidence underlining the value of the Standard.

While the liP Standard was designed to enhance business performance by effectively managing, recognizing, rewarding, involving, empowering, training and developing staff (liP – UKCES, 2012d), the realities regarding the implementation of, and motivations for, liP can be very different from the officially advocated rhetoric. Equally, the potential for liP to impact on business performance has also been the source of considerable debate within the literature and the positive claims made above are contestable. For instance, Smith *et al.* (2014) have disputed claims of a causal link between liP and improvements in training and development. Furthermore, Grugulis and Bevitt (2002) and Smith (2000) argue that evaluating the success of the Standard is notoriously difficult due to the intangible nature of the purported benefits. In line with this, Smith *et al.* (2002) suggest that the impact liP has on financial performance is ill-defined, whilst Robson *et al.* (2005) emphasize that the Standard is based on the assumption that employee development leads to greater business performance. In relation to this particular point, Hoque (2008: 57) provides a compelling assertion: “it is unlikely that they [the government] will achieve their aims of either better workforce development across all levels of the organizational hierarchy or of greater equality of training provision, by offering support to liP”. Furthermore, with a particular focus on small liP organizations as, compared with non-liP organizations, Hoque and Bacon (2008) and Hoque (2008) underline a number of prominent issues. These include, for example: a failure by the government to achieve recognition target rates within small organizations; a failure of the Standard to provide greater equality of access to training provision (especially for

disadvantaged employee groups i.e. low-skilled employees); and, perhaps because of a focus on business need within liP policy, discrimination in training provision in small liP-recognized organizations.

In relation to the above tensions, the present paper argues that there is also scope to question a further aspect of the liP phenomenon, namely, the impact of the liP logo and symbols from the point of view of their reputational value. Relatively little research has explored this issue and there have been few studies that consider the value, directly or indirectly, of liP outside the context of management hierarchies, i.e. front-line employees and/or customers (see Bell *et al.*, 2002a, 2002b, and Grugulis and Bevitt, 2002). Indeed, personnel managers within Bell *et al.*'s (2002a) findings and liP UK (2008) maintain the assumption that employee (current and future) and customer value connected with perceptions and reputation of liP recognition remain high. Significantly, such assumptions are often unsubstantiated or lacking empirical data.

To address the above, this paper considers the potential reputational benefits associated with the liP logo and symbols for managers, employees, and potential employees and customers. Managers and employees, evidently operate within, or internal to, the organization; however, they are equally able to report on perceptions of their organizations liP recognition in relation to their labour market (i.e. potential employees) and the commercial market for products and/or services (i.e. customers). These, in turn, are important perceptions and perceptions for affirming and adjusting the standing of IIP within the firm. In order to investigate this issue, the present research examined a range of organizations. Following an examination and

discussion of the extant literature regarding the impact of liP and the Standard's logo and symbols, the paper elicits and refines the paper's research questions. The subsequent section presents the methodology and research design. The penultimate section draws together the data findings followed by the overarching discussion and conclusions.

### ***Involvement and Recognition with liP***

The liP logo is a registered trademark (see [www.investorsinpeople.co.uk](http://www.investorsinpeople.co.uk), 2013). For the purposes of this paper's argument, the 'logo and symbols' refer to the privilege of displaying the liP plaque within an organization, the use of the liP logo on headed paper and other supporting materials that comes with recognition, as well as the branded language associated with being an 'Investor in People'.

Apart from these apparent positive aspects there are, nevertheless, a range of more negative connotations concerning how the standard is visualized within the literature. Douglas *et al.*'s (1999) study provides an early example of negativity connected to the reasons for wanting to achieve liP recognition. They warn of the Standard being just a 'plaque on the wall' (p.164). Indeed, Hoque (2003) followed this line of argument with a similar conclusion derived from an analysis of data from the 1998 Workplace Employee Relations Survey (WERS) (DTI, 1999). He directly echoed Douglas *et al.*'s (1999) fears by arguing that liP recognition has "come to represent little more than a 'plaque on the wall'" (*ibid*: 568). In other words, an organization maintains interest in the Standard until recognition and the supposed reputational benefits are achieved, only to revert back to previous ('normal') practices until re-

accreditation becomes due again (Rana, 1999, 2000). However, Higgins and Cohen (2006) suggest the value of this plaque or badge has diminished as more and more organizations attain recognition from the Standard.

Consequently, an organization may simply be more interested in achieving the liP badge for external recognition and reputation building rather than embracing the full extent of liP principles. This is a view epitomized, for example, by Ram (2000) within his study focusing specifically on SMEs. Indeed, an organization might be using liP status as a method to promote the brand image and the reputation of the organization perceived by those outside the organization, for example, customers or contracting parties and organizations. This is even an expressly asserted benefit of liP recognition (liP – UKCES, 2012e), although this is contested by other commentators (see for example: Smith, 2000; Smith *et al.*, 2002; Robson *et al.*, 2005). Bell *et al.* (2001) illustrate how liP can become a 'flavour-of-the-month' 'badge-collecting' exercise whilst, in reality, having significant limitations in terms of effective implementation and long-term impact. Thus, when it comes to the actual sustained development of people, the motivation to improve could have dissipated, because the hard work of achieving liP status is complete.

Quayle and Murphy (1999) discuss potential periods of management fad and fashion connected with attaining and maintaining recognition. Their research showed that, in higher and further education, there was an initial surge in interest for liP as the potential benefits, i.e. enhancement of the organization's reputation in the eyes of customers and markets, came to be understood and a course of action developed. Enthusiasm and effectiveness, however, tended to decrease over time. The role of

fashion in relation to liP, as underlined by Quayle and Murphy (1999), points to the tenuous evidence of 'hard' sustained benefits with liP and again underlines clashes between differing views and philosophical stances (noted by *inter alia* Ram, 2000; Smith, 2000; Smith and Taylor, 2000; Smith *et al.*, 2002; Collins and Smith, 2004; and Robson *et al.*, 2005). While the organizational enthusiasm for liP may diminish, it is nevertheless plausible that, on the whole, an organization may benefit from *on-going reputational effects* with, for instance, suppliers, customers and prospective employees in the wider labour market.

***Reputational Benefits from liP Logo and Symbols: Perceptions of Managers, Employees with regard to Potential Employees and Customers***

The possibility of enhancing the perspective of an employee, a potential employee and/or a customer is of particular interest within the liP recognition process and journey. Indeed, liP UK (2008) and a number of case studies (for example, liP – UKCES, 2012f, 2012g) suggest that the Standard leads to a competitive edge that *visually* encourages customers to purchase a product or service from a recognized organization, as well as encouraging the highest quality job applicants[1]. Furthermore, Martin and Elwes (2008) argue liP is *proven* to enhance the competitive edge and reputation of an liP-recognized organization. In terms of potential employees, this suggests that liP could enhance the perception of the organization in the labour market; thus, making it appear a more attractive place to work and thereby facilitating the generation of a higher quality pool of candidates when vacancies are advertised. These liP reputational benefits in the form of enhanced perceptual values, however, appear to lack empirical support. From a

slightly different perspective of existing employees, Grugulis and Bevitt (2002) question the effects of the aforementioned liP badge on employees within their single case study of a hospital trust. In addition, they draw attention to a significant lack of research from the employees' perspective. This highlights how understated the employee's perspective is in this regard and yet it could be suggested that their views are essential to understanding the potential reputational impact of liP on the labour market.

Many of the assertions regarding the perceived reputational power of the liP logo and symbols and customers appear to be based on either unsurfaced or underdeveloped assumptions. HR and Personnel managers within the six cases studied by Bell *et al.* (2002a) assume, for example, the liP badge to be important and of value to those employees, prospective employees and customers who view it. In a further example from Scottish tourism, Maxwell and MacRae (2001) provide an example that reports the reputational effects from the customer perspective. It was found that customers had very little understanding of liP. Nevertheless, the authors still remained positive about the impact the Standard could potentially provide. Importantly, these opinions are grounded within the assumption that liP does indeed deliver benefits in terms of organisational performance – a contentious standpoint in itself given the preceding discussion – rather than considering reputational impact independently. Ram (2000), however, does suggest that an important trigger for gaining liP recognition is the reputational influence it can have on major business clients as customers. In some cases (in the form of the awarding of contracts, etc.) business can be somewhat reliant on external and recognized accreditation, such as liP, in order to secure and maintain business from important clients. Obviously, this



does not affect all organizations, but the reputational effects of the liP Standard could be seen as potentially offering bottom-line value to some contractual processes and opportunities.

For individual customers rather than organizations, Williams and Visser (2002) describe how companies tend to reward only customer *dissatisfaction*; whereas the emphasis on rewarding *satisfied* customers is just as important in remaining competitive. An organization may struggle to adapt and maintain this approach as regular practice; therefore, in principle, the recognition from a business-improvement tool like liP could be used as a reputational symbol to highlight a quality of service to all customers. This can be achieved, liP – UKCES (2012a, 2012d) would argue, through structured and assessed means that ultimately lead to improved business performance. Taking into consideration the previous critique surrounding liP, and connections to business performance, it is useful to be mindful of whether or not managers and employees believe if customers' perceptions, including satisfaction levels, actually change as a result of an organization achieving liP recognition.

In summary, the literature highlights that the rhetoric of business benefit in relation to reputational perceptions of employees (current and prospective) and customers of liP can potentially be very different to the experienced reality. Previous research highlights the limitations of organizations viewing and using liP as a plaque or badge of recognition. According to the limited literature and evidence available, liP could potentially deliver in terms of improving employees', potential employees' and customers' expectations of the business and its products, as well as heightening their perception that the organisation is particularly motivated by the lucrative

purported benefits associated with their alleged perceptions and satisfaction levels. Thus, with the recognition that a greater appreciation of the varying perceptions of liP is important, yet currently understated, it would seem pertinent to consider a number of research questions, namely:

- (i) Using perceptions of existing managers and employees, what are the reputational effects of liP in the organizational labour market?
- (ii) Using perceptions of existing managers and employees, what are the wider reputational effects of liP for an organization's customer/client base?

### **Methodology and Research Design**

This research explores the phenomenon of liP within the context of its logo and symbols using data gathered from seven case organizations; the research was conducted within an overall framework of inductivism and interpretivism. (Blumer, 1969; Hussey and Hussey, 1997; Denzin, 1998; Schwandt, 2000; Charmaz, 2000, 2006, 2008; Yin, 2003; Corbin and Strauss, 2008; Denzin and Lincoln, 2008; Stake, 2008). Perceptions and issues of reputation regarding this liP context are examined using a total data sample of thirty-eight semi-structured interviews with managers and front-line employees from a diversity of sectors: secondary education, higher education, catering, defence, transport, not-for-profit and adult themed retailing. The work also employed elements of participant observation and document analysis (Waddington, 2004). This was an appropriate style of observation as the interventions were linked to semi-structured interviews while operating around the organizational sites. The researchers were not aiming to carry out the tasks or roles

of the respondents as this was not central to the data collection. In terms of document analysis, the interviewers were privy to documents regarding organizational performance and liP assessments, interviews and outcomes. As part of the access agreement, however, this information was treated as confidential and could only be used to understand the organizational context setting.

The research data gathering phase took place between 2006 and 2010 and the study draws on qualitative data methods and collection traditions (Bryman and Bell, 2011). The semi-structured interview is a classic and well-rehearsed approach within qualitative enquiry conventions (Stokes, 2011). The respondents involved came from a diverse range of roles and departments. Within three of the organizations, data gathered from senior management positions alone was considered sufficient to gain the insights necessary. Of those respondents invited to interview, none declined. The length of interviews ranged from 35 minutes to one hour and 30 minutes. Following the collection of the data, a deep reading of the data was undertaken which allowed salient themes, narratives and issues to be identified. Here, deep reading can be understood as multiple re-readings and consequent thematic coding of the data while being mindful of issues of reliability and validity.

Access was secured through telephone, email and letter contact, and ethical approval, as well as data and respondent confidentiality, were secured through adherence to institutional procedures and processes. Approximately 25 organizations were initially approached following an online search and exploration of potential contacts. The primary intention was to gather data from a diverse range of organizations and sectors for cross-comparisons and pattern building. The small

organizations were approached later in the data collection process to ensure alternative insights beyond those of the large organizations. Sampling of the data was linked to the issue of access. If access was accorded then it became feasible to have the organization in the data. In addition, there was a purposive sampling action in relation to the defence organization respondents. This is because the management had taken a decision to discontinue liP status and involvement in 2001; thus, it was considered essential that the respondents had relevant experience of the Standard during and subsequent to accreditation. The authors made the decision to retain the organization in the study despite this discontinuation to offer insights post-liP-recognition. The following presents brief organization details, a categorization of the interview respondents, and dates of initial liP recognition:

Table 1: Overview of the organizations in the study

<b>Organization</b>	<b>Size</b>	<b>liP status</b>	<b>Participants</b>
High School	Large (less than 1000 employees)	Since 2002	3 senior managers; 2 line managers; 2 teachers; 3 support roles (exams officer; technician; support assistant)
University	Large (employee numbers in their 000's)	Since mid to late 1990s	3 senior managers; 2 line managers; 2 lecturers; 2 research roles; 1 support role
National Health Service (NHS) catering department	Large (employee numbers in their 000's, but the department has less than 200 employees)	Since 2003	1 senior manager; 1 line manager; 4 front-line employees (chef; catering assistant; administration officer; learning and development advisor)
Defence organization	Large (employee numbers in their 000's)	Between early 1990s and 2001	3 senior managers (from 3 different departments)
Transport company	Large (with less than 1000 employees)	Since 2004	1 senior manager; 2 line managers; 2 front-line employees (building role; body trade role)

Third sector organization	Small (ten full-time employees)	Since 2007	2 senior managers
Adult themed retailer	Small (forty staff within 14 outlets)	Since 2005	2 senior managers

## Findings

### *The post-hoc effect of liP recognition*

From the data collected on the views of managers and employees, variable reputational perceptions associated with liP recognition were evident. Most of the interviewees felt the ambivalent nature of liP in relation to reputational issues to be a problematic issue. This was particularly the case where the Standard merely constitutes a plaque or badge of recognition for training and development practices that have *already* been integrated into an organization. For six of the seven organizations studied (the high school, the catering department, the defence organization, the transport company, the third sector organization, and the adult themed retailer), liP was identified as a plaque or badge of *post-hoc* recognition (see Smith *et al.*, 2014). The following highlights the views of fifteen interviewees, who had extensive experience with liP[2]:

“We actually got a gong for something we’re already doing, rather than chasing a gong and having to put something in place to get the gong.”

Defence respondent – senior manager;

“It just rubberstamps a lot of the things we’re doing already.”

High School respondent – line manager;

“We used it [IIP] because of all the training we were doing and we thought we need to get some sort of recognition here.”

Catering respondent – senior manager.

Equally, if organizations had made business improvements without being involved in liP, the reputational value related to the subsequent achievement of the Standard became a way of retaining at least some sense of impact. Importantly, there was a perception that, despite the means by which organizations achieved high standards of training and development practice, distinct reputational gains within the labour market and customer base might still be possible by having the liP logo and symbols as a form of recognition. Therefore, in these instances the overall reputational benefits could be considered advantageous compared to non-liP organizations i.e. the favourable impression it *may have* on customers, existing employees or potential employees within the labour market.

### ***Employee perceptions of liP and the potential impact on the labour market***

A large number of interviewees in all seven sample organizations stated that the logo and symbols associated with liP recognition are extremely important in giving the Standard some kind of tangible association with a quality standing. The following quotations highlight this:

“[The liP logo and symbols are] very important. It shows everybody what we’ve got, and what we’ve done, and what we’ve achieved in such a short space of time.”

Transport respondent – line manager;

“It’s [the logo] important if that’s the only visual symbol. If we hadn’t had that plaque then I wouldn’t have known about it at all. Whereas I don’t really know anything more about it from having the plaque, but I know that it exists, because I’ve seen the symbol.”

University respondent – lecturer;

“Ah yes, I think they [the liP logo/ symbols] are very important, or they are given a lot of credence.”

Third sector respondent – senior manager.

Despite the visual importance indicated above, whether the logo and symbols make any difference to employees seeking employment within an liP recognized organization, is questionable. To explore this, interviewees were asked about the impact that liP had on their experiences with the labour market. They discussed, for example, the extent to which liP recognition made a difference or contribution when applying for a job. Nearly all respondents reported no particular kind of influence or connection. The following quotations highlight from three different respondents a disassociation with liP:

“I’m always motivated to work here even if we didn’t have it [liP recognition], so it was something I wanted to do when I was younger, well, to be a chef.”

Catering respondent – front-line employee;

“When I came here, they didn’t have it [liP] then, but it’s not something I would look for, if you know what I mean, I would have come here for the job. I wouldn’t have looked for liP.”

Transport respondent – front-line employee;

Interviewer: “Did it [liP] make much difference when you applied for a job here?”

Respondent: “No, it didn’t to me, no. I didn’t notice it to be honest (laughs).”

Transport respondent – front-line employee.

In other words, the data indicated that liP recognition does not directly enhance an organization’s reputation or its quality status for the respondents questioned. Only one interviewee suggested that recognition would represent a positive sign for an organization, although he/she could not elaborate why:

“When I’ve seen other job adverts and things like that, if I’ve seen it [liP] I wouldn’t think it was a bad thing to have it on there, I would think it was a good thing.”

University respondent – research role.



In addition, the majority of interviewees suggested liP recognition would bear little importance for other job seekers, unless they had a particularly vested interest:

“Nobody who comes for a job ever says ‘oh by the way, have you got liP?’ ... I just think for most people when it comes to getting a job, they’re not bothered ... it comes so far down their list of requirements after ‘what’s the pay?’, ‘what’s the holidays like?’, ‘what hours do I have to work?’ I think for the vast majority of people they’re the primary things, and if you’re lucky, if you’re very lucky, they might even think ‘and they are liP accredited’, even if they don’t mention it. But I think for the vast majority of people it’s just lost of them.”  
Transport respondent – senior manager;

Interviewer: “Do you think other staff ever considered liP before applying for jobs?”

Respondent: “No. They look at the salary; that’s what they are interested in (laughs).”

University respondent – support role;

“I wouldn’t imagine anyone coming in and going ‘because you are an liP company, I am going to apply’. They’ve applied for a job because they think it’ll be fun. So no, I don’t think it crosses people’s minds.”

Adult themed retailer respondent – senior manager.

### ***The potential impact of liP on customer perceptions***

When interviewees were asked if the liP logo and symbols impacted on customers' perceptions, most respondents suggested and supposed that liP recognition would have very little effect, if any. This was in essence an impression or a sense, but constituted a held belief and reality in their view. The underlying reasoning of these opinions was mixed, but generally related to customers' unawareness of what liP stands for combined with lack of interest in a logo and symbol that does not seem to affect the product and/or service directly.

“Would they [the customers] notice it [liP recognition]? We know as a department [we have liP], but does anybody else?”

Catering respondent – front-line employee;

“No, I don't think that [liP recognition] is something they [customers] take into consideration.”

University respondent – support role;

“How could I imply that our customers value liP, since I'm fairly sure I would have to explain what it was?”

Third sector respondent – senior manager;

“Whether a customer walks into a sex shop and says ‘oh wow, they are an investor in people’, I doubt very much it [liP] even crosses their mind.”

Adult themed retailer respondent – senior manager.

Despite the apparent lack of direct reputational benefits in relation to customers, it might be possible to argue that liP possibly has positive indirect reputational effects given the product and service quality improvements it engenders. As one interviewer suggested:

Interviewer: “Do you think it [the liP logo/symbols] makes a difference to the customers?”

Respondent: “Yeah, I do. They must see a big difference in the way we treat and respect the customers.”

I: “In terms of the [liP] plaque though, are they not too fussed about the plaque, are they more bothered about the service?”

R: “I think they’re more bothered about the service.”

I: “So perhaps they’re ... not consciously seeing it?”

R: “I don’t think so, no (agreeing with the interviewer).”

I: “They are just getting the benefits of it?”

R: “Yeah, basically.”

Transport respondent – line manager.

Consequently, it may be the case that customers potentially reap *implicit* rewards of the quality improvements liP brings about. The example above appears to support this ethos. That having been said, findings introduced earlier in the discussion highlighted a major flaw in trying to defend liP from this perspective. Reasons for this are that major changes to training and development practices within six of the seven organizations were made *prior* to liP involvement; thus, an emphasis on rewarding customers more effectively (Williams and Visser, 2002) leading to indirect

improvements in customer satisfaction are accredited to the organization and not liP recognition. Consequently, not only does an organization appear to reap very little regarding direct or indirect reputational gain from liP recognition, it also makes only nominal gains through involvement with the Standard directly, i.e. through changes to training and development practices.

***Perceptual benefits of engendering 'Acceptability' of the organization to customers***

The catering department does provide an important alternative perception concerning the liP logo and symbols. This is because the department succeeded where the trust as a whole failed in terms of achieving liP recognition. The following highlights the commonly held view of the catering respondents:

“They tried in the trust to do it [attain liP accreditation] and failed miserably, so sometimes we use it as a ‘look at what we can do and you can’t’, so we always promote and always brag about it, which I think is really, really good.”

Catering respondent – senior manager.

As a consequence, initial recognition provided kudos or ‘bragging rights’ (to employ a respondent’s turn of phrase) over the entire Trust, which did lead to enhanced motivation. Furthermore, gaining accreditation is believed to have added the benefit of giving the catering department a boost in terms of respect throughout the Trust compared to the more traditional aspects of care. Importantly though, these effects were attached to initial accreditation only. Subsequent reassessment did not deliver

the same additional benefits and the initial euphoria connected with the original attainment of liP dissipated soon after. Nevertheless, the liP logo and symbols did deliver unanticipated benefits when recognition was first achieved and it is plausible that in other unusual organizational settings such benefits could occur.

The adult themed retailer also provided an important alternative perception concerning the liP logo and symbols. For this organization, liP depicted a professional acceptance into the general world of retail that is unique, i.e. the case studied is currently the only adult themed retailer with liP status. Both respondents highlight this alternative benefit:

“[We attained liP to gain] ... an acceptance into mainstream retail. We wanted to be seen and taken seriously as just another high street store. Being part of liP, what it means dealing with councils and training standards departments, the Police and all those we do on a regular basis, to be able to say you’re an liP and also an award winning retailer, it has a lot of sense, because they know how difficult it is to get liP. That continues to be a benefit also. It is also a unique benefit to the industry.”

Adult themed retailer respondent – senior manager;

“When I sit and go to a council meeting and they’ve got their liP award on the wall, I go ‘I’ve got one of them, because I’m the same as you, I am a company that’s both professional and driven by developing their individuals’. And they sort of look at you and go ‘hmm, they’re not just a sex shop’.”

Adult themed retailer respondent – senior manager.

The above examples demonstrate that it is possible for liP recognition to provide singular benefits. Indeed, these benefits transcend those directly connected to employee recruitment and customer service, whereby concerns and limitations have been highlighted within the findings. This importantly highlights that liP recognition does have the potential to be useful perceptually.

Moreover, the literature indicated that there could potentially be a fear for employers if they lost liP status. Indeed, this is signalled by personnel managers in Bell *et al.*'s (2002a) research. In the present study, the defence organization ceased liP recognition in 2001 and it was felt that the loss did not diminish training and development quality or impact on the perceptions of the organization:

“We have systems in place whereby we can record the training that people do ... and irrespective of whether we have liP, that's something that we know is important to do ... The organization has not lost anything in terms of reputation since halting liP accreditation ... The demands of the worldwide trading said 'you needed more than these individual gongs'.” Defence respondent – senior manager;

Thus, it appears there was very little, if any, reputational negative impact as a result of ceasing liP recognition.

The argument has now presented findings in relation to the perceptual reputational value of liP for the labour market and customers. The paper now progresses to discuss these data in relation to the literature and draw a number of conclusions.

## **Discussion**

Few studies have probed the perceptual value of reputation and effects of liP on customers and the labour market outside the contexts of conventional management hierarchies (see Grugulis and Bevitt, 2002, for a rare in-depth example). The present argument and study has explored the assumptions linked to these issues of perception and reputation within the literature and an underpinning data set. Notably, there is an assumption within Bell *et al.*'s (2002a) findings and liP UK (2008), amongst others, that there is substantial supposed reputational/perceptual value connected with liP recognition. Contrary to this, however, the findings presented here have highlighted significant issues concerning the reputational value of liP recognition under two research questions, to reiterate: 'Using perceptions of existing managers and employees, what are the reputational effects of liP in the organizational labour market?'; and, 'Using perceptions of existing managers and employees, what are the wider reputational effects of liP for an organization's customer/client base?'

The importance of liP's reputational value in relation to both research questions was highlighted through how an organization may engage with the Standard. Crucially, an important way in which the findings coincide with other studies is where the liP journey and subsequent recognition process is argued as representing merely a

'badge' to be achieved or a 'plaque on the wall' (Douglas *et al.*, 1999; Ram, 2000; Hoque, 2003). And, furthermore, this supports Smith and Taylor's (2000) questions over the impact of liP as a training and development tool when the involvement of the Standard in these activities is distinctly nominal. Thus, where liP is merely used as a 'flavour of the month' 'badge collecting' exercise (Bell *et al.*, 2002a), employee, potential employee and customer perceptions play a crucial role for the Standard to retain any residual value. Although this paper has concentrated on the perceptions and beliefs of managers and employees only, their perspectives on potential employees and customers is valued in underlining possibilities for future research, highlighted below.

While the liP logo and symbols are often considered as an important tangible linchpin for altering employee perceptions, it appears that recognition from the Standard has little effect and Grugulis and Bevitt (2002) are shrewd when questioning its impact on employees. Indeed, Bell *et al.*'s (2002a) assumption that employees derive value from liP, as well as Martin and Elwes' (2008) argument that enhancement of an organization's reputation, whether or not in the eyes of the labour market or the customer base, is automatically associated with liP recognition, seems overoptimistic when connected to the findings presented. More importantly, the present study's data suggest that, because of the nominal impact on employees, liP recognition is therefore not automatically indicative of the maintenance of high standards regarding training and development. Moreover, this is not lessened in the perceptions regarding potential employees, who may use indicators such as liP as markers for a 'good employer' and 'quality' reputation.



With Ram (2000) highlighting the impact and influence of customers as a potentially significant trigger for liP involvement, the present findings suggest that the actual benefit could in reality be limited. Thus, the potential benefits for, and impact on, customers highlighted by Maxwell and MacRae (2001), amidst their limited findings, appears to have not come to fruition. With such importance being placed on how the liP logo and symbols are viewed within Bell *et al.*'s (2002a) findings, it seems the reality could be much different. There were, however, unique benefits to be gained through liP recognition, but these were localized to initial recognition only and the specific organizational context within the catering department and adult themed retailer. Nevertheless, these rare instances do highlight potential benefits with regards to customers as clients (i.e. other organizations) and show how liP could have distinct perceptual and reputational value within a relevant time and context.

The impact of liP is significantly reduced if the Standard does not deliver on the benefits claimed. Within this paper, the benefits questioned are those that suggest that recognition of the liP logo and symbols attracts the highest quality job applicants and provides a reason for customers to select specific goods and services from an liP recognized organization (liP UK, 2008; liP – UKCES, 2012e, 2012f, 2012g). Within the perceptions of managers and employees of the organizations studied here, this is simply not considered to be the case. Perhaps it appears that liP is often expected to play a role and generate an impact far in excess of what is likely to occur. Indeed, in recent UKCES reports (e.g. 2009, 2013) regarding employability and skills, liP is omitted from the document discussion and this could suggest that the Standard may be in decline as a major policy tool in the UK.

In terms of practice implications which arise from the study, HR practitioners and managers need to consider that the reputational/ perceptual value associated with liP recognition may not match their expectations nor provide the benefits they seek from it. Within the companies studied, managers and employees remain largely uninfluenced by the Standard's logo and symbols. This conclusion holds firm despite the initial unanticipated benefits related to the catering department's achievement of liP accreditation where the entire trust had failed. This is a double blow for liP – UKCES when considering that the direct impact of liP on training and development practices and job satisfaction has also already been scrutinized and questioned within the same dataset (Smith *et al.*, 2014) and further literature (Smith, 2000; Grugulis and Bevitt, 2002; Smith *et al.*, 2002; Hoque, 2003; Robson *et al.*, 2005; Higgins and Cohen, 2006). It would seem that liP is, in reality, still very much 'in the wilderness' in terms of the reality of the effects it is achieving. This poses major challenges for organizations licensing and subscribing to the Standard. For employees, it underlines a need for organizations to develop a journey that seems to connect more strongly with individuals perceived realities rather than institutional and managerialist rhetoric.

Contemplating future work in the area, it is important to acknowledge a number of *caveats* and limitations in relation to the study. As in all critique, a key *caveat* is that an alternative approach or solution should be proposed in place of what is being critiqued and found wanting. A first step in such a response may be, using the argument and qualitative perspective within the seven organizations presented, to explore future scope that expands beyond the parameters of the present study in order to fully understand the representativeness of these findings throughout the UK

and other countries that have also adopted the Standard. In addition, it is recognized that the perspectives used within this paper are restricted to managers and front-line employees. Thus, it is not only suggested that data collection beyond these cases be conducted, but also data directly from customers (as individuals and organizations) will be valuable in fully recognizing the impact of the liP logo and symbols.

## **Conclusion**

The paper has established that there are a range of questionable assumptions and assertions regarding the impacts and benefits of liP's logo and symbols. Indeed, the research presented highlights distinct limitations in relation to the Standard's perceptual and reputational impact on existing employees, future employees from within the labour market and customers (as individuals and organizations). The interview data from seven case organizations counters and contradicts large areas of the existing pro-liP literature. If liP, in reality, does not deliver on the extent of benefits purported, then it could be argued that the Standard may need substantial revision, or risk facing a gradual and increasing obsolescence and replacement as an ongoing part of the human resource development landscape.

**Footnotes**

[1] It is noted that the most up-to-date liP website no longer highlights these claims directly. The liP – UKCES have opted to primarily emphasize the research surrounding the asserted links with liP recognition and *inter alia* increases in business performance. Nevertheless, as referenced, connections are still directly implied through the sample organizations used.

[2] Importantly, the seventh organization (the university) does not represent a deviant case. The initial reasons for attaining liP were undecipherable due to problems identifying the changes to practice needed or not for recognition. These reasons have become lost or forgotten over time.

## References

Bell, E., Taylor, S. and Thorpe, R. 2002a. Organizational differentiation through Badging: Investors in People and the value of the sign, *Journal of Management Studies* 39, No. 8, 1071-1085.

Bell, E., Taylor, S. and Thorpe, R. 2002b. A Step in the Right Direction? Investors in People and the Learning Organization, *British Journal of Management* 13, 161-171.

Bell, E., Taylor, S. and Thorpe, R. 2001. Investors in People and the Standardization of Professional Knowledge in Personnel Management, *Management Learning* 32, No. 2, 201-219.

Blumer, H. 1969. *Symbolic Interactionism*. Englewood Cliffs, NJ: Prentice Hall.

Bourne, M. and Franco-Santos, M. 2010. *Investors in People, managerial capabilities and performance*. Cranfield: Cranfield University.

Bryman, A. and Bell, E. 2011. *Business Research Methods*. Oxford: Oxford University Press.

Charmaz, K. 2008. Grounded Theory in the 21<sup>st</sup> Century: Applications for Advancing Social Justice Studies. In *Strategies of Qualitative Inquiry*, ed. N.K. Denzin and Y.S. Lincoln, 3<sup>rd</sup> ed., 203-242. London: Sage.

Charmaz, K. 2006. *Constructing Grounded Theory*. London: Sage.

Charmaz, K. 2000. Grounded theory: objectivist and constructivist methods. In *Handbook of Qualitative Research*, ed. N.K. Denzin and Y.S. Lincoln, 509-535. Thousand Oaks, CA: Sage.

Collins, L.A. and Smith, A.J. 2004. Understanding the new IIP standard: lessons from experience, *Personnel Review* 33, No. 5, 583-604.

Corbin, J. and Strauss, A. 2008. *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory*. 3<sup>rd</sup> ed. London: Sage.

Cowling, M. 2008. *Does IIP add value to business?* Brighton: Institute for Employment Studies.

Denzin, N.K. 1998. The art and politics of interpretation. In *Handbook of Qualitative Research*, ed. N.K. Denzin and Y.S. Lincoln, 313-371. Thousand Oaks, CA: Sage.

Denzin, N.K. and Lincoln, Y.S. 2008. *Strategies of Qualitative Enquiry*. 3<sup>rd</sup> ed. London: Sage.

Douglas, A., Kirk, D., Brennan, C. and Ingram, A. 1999. The impact of Investors in People on Scottish Local Government Services, *The Journal of Workplace Learning* 11, No. 5, 164-169.

DTI 1999. *Workplace Employee Relations Survey: Cross-Section, 1998*. 4<sup>th</sup> ed. Colchester: The Data Archive.

Eastmond, M. 2007. Stories as Lived Experience: Narratives in Forced Migration Research, *Journal of Refugee Studies* 20, No. 2, 248-264.

Grugulis, I. and Bevitt, S. 2002. The impact of Investors in People: a case study of a hospital trust, *Human Resource Management Journal* 12, No. 3, 44-60.

Higgins, N.J. and Cohen, G. 2006. Investors in People: An emperor with no clothes? *VaLUENTiS, International School of Human Capital Management*, 1-12.

Hoque, K. 2008. The impact of Investors in People on employer-provided training, the equality of training provision and the 'training apartheid' phenomenon, *Industrial Relations Journal* 39, No. 1, 43-62.

Hoque, K. 2003. All in All, it's Just Another Plaque on the Wall: The Incidence and Impact of the Investors in People Standard, *Journal of Management Studies* 40, No. 2, 543-571.

Hoque, K. and Bacon, N. 2008. Investors in People and Training in the British SME sector, *Human Relations* 61, No. 4, 451-482.

Hussey, J. And Hussey, R. 1997. *Business Research*. Basingstoke: MacMillan Business.

IiP – UKCES 2012a. Plan, Do, Review. IiP UKCES.

<http://www.investorsinpeople.co.uk/Facts/Framework/Pages/PlanDoReview.aspx> (accessed 09 July 2012).

IiP – UKCES 2012b. About Investors in People. IiP UKCES.

<http://www.investorsinpeople.co.uk/About/AboutIIP/Pages/default.aspx> (accessed 09 July 2012).

IiP – UKCES 2012c. Research directory. IiP UKCES.

<http://www.investorsinpeople.co.uk/MediaResearch/Research/Pages/ResearchDirectory.aspx> (accessed 09 July 2012).

liP – UKCES 2012d. What we do. liP UKCES.

<http://www.investorsinpeople.co.uk/Facts/Pages/default.aspx> (accessed 09 July 2012).

liP – UKCES 2012e. Using the logo. liP UKCES.

<http://www.investorsinpeople.co.uk/About/LogoGuidelines/Pages/default.aspx> (accessed 09 July 2012).

liP – UKCES 2012f. Case study: Loretto Housing. liP UKCES.

<http://www.investorsinpeople.co.uk/Documents/Loretto%20Housing%20pdf.pdf> (accessed 09 July 2012).

liP – UKCES 2012g. Case study: Cooper Parry. liP UKCES.

<http://www.investorsinpeople.co.uk/Documents/Case%20Studies/cooper%20parry%20bw%20pdf.pdf> (accessed 09 July 2012).

liP UK 2008. The Benefits. liP UK.

<http://www.investorsinpeople.co.uk/Standard/Introducing/Pages/Benefits.aspx> (accessed 20 May 2008).

IQC2 2012. About Investors in People International. IQC2.

<http://www.investorsinpeople.com/about/about-iip-international> (accessed 09 July 2012).

Leitch Report 2006. *Prosperity for all in the global economy – world class skills*. London: HM Treasury.

Martin, L. and Elwes, R. 2008 *Investors in People: Realising Business Ambitions through People in Times of Change*. London: COI Strategic Consultancy.

Maxwell, G.A. and MacRae, M. 2001. Great expectations: Investors in People in Scottish tourism, *Total Quality Management* 12, No. 6, 735-744.

Qualye, M. and Murphy, J. 1999. Investors in People in further and higher education: the critical issues, *Quality Assurance in Education* 7, No. 4, 181-189.

Ram, M. 2000. Investors in People in small firms: Case study evidence from the business services sector, *Personnel Review* 29, No. 1, 69-91.

Rana, E. 2000. IIP Revamp Aims to Cut Back on Bureaucracy, *People Management* 6, No. 4, 14.

- Rana, E. 1999. IIP's credibility questioned despite satisfaction poll, *People Management*, 14<sup>th</sup> October, 15.
- Robson, A., Yarrow, D. and Owen, J. 2005. Does quality drive employee satisfaction in the UK learning sector? *International Journal of Quality & Reliability Management* 22 No. 5, 465-484.
- Schwandt, T.A. 2000. Three epistemological stances for qualitative inquiry. In *Handbook of Qualitative Research*, N.K. Denzin and Y.S. Lincoln, 3<sup>rd</sup> ed., 189-213. Thousand Oaks, CA: Sage.
- Smith, A.J., Boocock, G., Loan-clarke, J. and Whittaker, J. 2002. IIP and SMEs: awareness, benefits and barriers, *Personnel Review* 31 No. 1, 62-85.
- Smith, K.D. and Taylor, G.K. 2000. The learning organization ideal in Civil Service organizations: deriving a measure, *The Learning Organization* 7, No. 4, 194-206.
- Smith, P.J. 2000. Implementing Investors in People: a case study from the NHS, *Journal of European Industrial Training* 24, No. 5, 275-280.
- Stake, R.E. 2008. Qualitative Case Studies. In *Strategies of Qualitative Inquiry*, ed. N.K. Denzin and Y.S. Lincoln, 3<sup>rd</sup> ed., 119-149. London: Sage.
- Smith, S.M., Stokes, P. and Wilson, J. 2014. Exploring the impact of Investors in People: A focus on training and development, job satisfaction, and awareness of the Standard, *Employee Relations* 36 No. 3, 266-279.
- Stokes, P. 2011. *Critical Concepts in Management and Organization Studies*. Basingstoke: Palgrave Macmillan.
- Tamkin, P., Cowling, M. and Hunt, W. 2008. *People and the Bottom Line*. Report No. 448. Brighton: Institute for Employment Studies.
- UKCES 2009. *The employability challenge*. London: UK Commission for Employment and Skills.
- UKCES 2013. *Scaling the youth employment challenge*. London: UK Commission for Employment and Skills.
- Waddington, D. 2004. Participant Observation. In *Essential Guide to Qualitative Methods in Organizational Research*, ed. C. Cassell and G. Symon, 165-179. London: Sage Publications.
- Williams, R. and Visser, R. 2002. Customer satisfaction: it is dead but it will not lie down, *Managing Service Quality* 12, No. 3, 194-200.



Yin, R.K. 2003. *Case Study Research: Design and Methods*. 3<sup>rd</sup> ed. Thousand Oaks: Sage.