

THE TRUE MEASURE OF SUCCESS: Measuring what matters

By BDO NI Senior Partner, Nigel Harra and Partner, Laura Jackson



For so many of us, the 'norms' of business life pre-Brexit and pre-pandemic seem like a distant memory, so why then do we still evaluate our performance based on the old norms? Is there more to success than the bottom line?

Of course, for any business to succeed, it needs money. However, to focus on the bottom line as the sole method of evaluating success, is a mistake. You should go beyond the numbers and see the skills and experience that creates impact. Focusing only on profit without considering other success measures is outdated. The BDO NI Audit team, under

partners Nigel Harra and Laura Jackson, has been collaborating with clients to consider the health of the business beyond profitability. There are many key learnings to be shared in the way our leading businesses have driven growth against a backdrop of climate emergency, technological advances, and a changing workforce. We talked to a number of our clients including Ulster Carpets, Henry Brothers,

Denroy, Tobermore and Henderson Group to see what performance measures they value and how these have helped their businesses thrive.

Quality Matters

Getting your quality right as a differentiator is critical to business success and **Nick Coburn, Managing Director at Ulster Carpets**, explains why quality is such an important factor to success, "Manufacturing a high value product such as ours places a considerable emphasis on quality, both in terms of our carpet and our service. We consistently deliver these high standards by being in complete control of every

step of the manufacturing process.

"We feel that the high levels of repeat business that we enjoy from customers across the world speaks volumes about the high standards that we set. This, in turn, ensures that we can continue to reinvest and build for the future."

The way in which Ulster Carpets engage with its customers is exceptional, and underpinning that engagement is a product of the highest quality. Quality measurement can be found throughout all aspects of the customer journey.

At BDO NI, we seek to measure quality by a Net Promoter Score survey. The results of which between 2020 and 2022 to date, when asked to score the firm out of 10, 97% of our responding clients scored us 8 or above in relation

to recommending us. This quality of service is a key indicator of success for any company and through this measure we have found our clients trust our team and our service.

Social Impact

Incorporating your Environmental, Social and Governance agenda into your business strategy can provide real value to your business. Whether this is through optimising more sustainable products, reducing operational costs through lower energy consumption, attracting talent through a strong social reputation, creating a priority for a unifying organisational culture, or investing in sustainable equipment for example.

Partnering with the Belfast Chamber, our "Rethinking Doing Business; a Sustainability Awareness" survey showed that whilst nearly all companies acknowledged the importance of climate change (91%), 60% admitted to not adapting quickly enough to the challenges presented by climate change.

One company that takes ESG credentials to the heart of its operations is Henry Brothers. **Ian Henry, CSR Director**, outlines how over two decades the organisation has had this proactively on the agenda.

"We have a long history of implementing environmentally beneficial initiatives, including founding the Sustainability Professionals Forum, creating a Carbon Literacy Training Programme, and developing the Henry Brothers Nature Reserve.

"Our Journey to Net Zero will be achieved through working with our stakeholders to drive environmental change and involves initiatives such as investing in 100% hybrid/electric cars by 2025, the widespread use of eco-cabins by 2025, and enhancing our biodiversity by 2% a year."

In doing so, Henry Brothers have measured the impact of a successful ESG strategy on a company's opportunities and business resilience.

Their commitment to their ESG is showcased further by the 28 International, National and Local Environmental Awards won since 2014 including the 2021 Business in the Community Northern Ireland Responsible Company of the Year Award.

Continuous Innovative Culture

Adapting and innovating to new ways of working and engaging has become a necessity for companies in recent times.

Businesses were forced to think about identifying new products, new markets, and new ways of managing supply chains that were for significant periods of time halted or at the very least disrupted. To do this, it is vital that businesses are able to assess their own situation which will allow them to identify areas of development and improvement.

Leading engineering company, Denroy Group are no strangers to adapting to the changing environment, with a key focus on understanding the organisations current strengths and weaknesses before working towards delivering innovative solutions.

CEO, Kevin McNamee explains, "The system we use is based on the EFQM model, the basis of which is to first of all understand who our stakeholders are. It is then critical to understand their expectations of us and finally to understand their perception of our performance. Without understanding their perceptions against expectation, we cannot implement our continuous improvement activities."

"For example, to continue to innovate and progress it is vital that we understand how we deliver on quality, cost and delivery for our customers. Through third party certification and a significant level of engagement with customers we are able to measure and evaluate our performance against our KPIs and respond as a direct result".

Tobermore, one of Northern Ireland's leading manufacturers, also understands the importance of a continuous innovative culture to its overall success.

Recently celebrating 80 years in business and the opening of a new £8.6m factory to expand production, **Paul Shields, Financial Controller**, explains how this unique aspect of the award-winning firm is a key factor in its remarkable growth.

"Driven by a determination to provide world-class products and excellent customer service, staff are always looking ahead to the latest technologies and advancements in the sector and are encouraged to 'think outside the box' and introduce new technologies to improve the customer experience. A direct output of this has been the recent introduction of new online tools to enhance both customer experience and how we work internally as a team."

"There is very much a culture of continuous improvement, innovation, and inclusivity at Tobermore which creates a motivated and engaged team who feel empowered to be part of the company's journey of success."



BDO NI has also adapted to the changing environment, investing in new client collaboration and communication tools, allowing us to service our clients more innovatively. While focusing on transparency and delivering client value, this investment in technology makes the service we provide unique to each client and their requirements.

Employee Engagement and Wellbeing

Being a responsible employer will inevitably lead to employees driving the success of your business. Recently, BDO NI launched its new Agile Working Framework aimed at supporting our 150 employees to have a sustainable work life balance aimed at delivering long-term benefits for both the business and employee. This framework, which was developed in consultation with staff puts trust on employees to continue to deliver on behalf of the company and our clients whilst facilitating the flexibility that we all need in our daily lives.

A key value for BDO NI is to be a responsible employer, providing opportunities for growth and development for our teams, including prospective new recruits. BDO cultivates the next generation of leaders through its summer placements, with 13 of this year's 26 interns already recruited to join the firm permanently following the completion of their studies.

"Well Aware", an internal brand for health and wellbeing was part of Henderson Group's wellbeing vision.

Sam Davidson, Group Human Resources Director at Henderson Group, explains the importance of taking care of your employees and the positive impact it can have,

"Notwithstanding the very challenging skills shortages which many businesses currently face, it's indisputable that organisations who have high levels

of employee engagement also have great customer satisfaction scores.

"At Henderson Group, we recognise this vital dynamic, and in recent years have focused on how we can further improve employee engagement across our businesses.

"Engagement isn't just about being satisfied, rather being totally immersed in the values and culture of an organisation, and we have placed great emphasis on engaging with our colleagues to help them understand both what we want to achieve, as well as how we want to do so."

A recipient of the Corporate Social Responsibility Award at the 2022 Irish News Workplace and Employment Awards, the culture at Henderson Group lends itself to employees making the connection between career development opportunities and business engagement which has no doubt positively impacted the Group's phenomenal success.

Success is both a journey and a destination, the strategic points of qualitative advantage are what is measured in these organisations and they are motivational for everyone involved.

It's about quality; trust and having the right team that can build strong relationships that make people want to do business with you. Taking a step back from the bottom line allows us to see the full picture. It enables us to see the all the reasons why businesses succeed and how to best measure their impact in all its forms.

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If you would like to talk to the BDO NI team about how we can support your business, talk to us via 02890439009 and visit our website www.bdoni.com