



Transforming Self-Belief & Profit  
*Instem engaged GKP to help people find the resilience for one more heave!*

Instem LSS case study  
Phil Reason, Chief Executive  
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### **Background & Challenges**

Instem is one of the leading providers of information solutions for drug and chemical development globally. They work with most of the world's leading pharmaceutical companies, as well as the smaller, often faster moving companies that support them or aspire to be the GlaxoSmithKline of the future.

In 1996, after 20 years vying for leadership in a fragmented market, Instem embarked on an acquisition strategy to consolidate suppliers and raise the quality of products and services offered in its niche market. By mid-2002, Instem had completed two significant acquisitions, each bringing important, but challenging staff and product rationalizations with some intrusive but necessary changes for their clients and staff. Revenue, profitability and market share had developed well and client, staff and investor expectation was at a high point. The business was then able to take on significant debt to buy-back a 60% venture capital share-holding.

Then, an unexpected customer contract termination and a sudden economic downturn in the pharmaceutical industry put a significant kink in the company's progress. It was clear that the company needed to get back on its growth trajectory and that this required a further period of superhuman effort from a team that had already experienced a five-year period of constant and significant change. Making the task more difficult was the fact that because the Instem team had been supported by a significant investment in post-acquisition organizational and people development programs, they were convinced that the team just couldn't raise its performance any higher.

Instem, was, however the leader in its highly specialised global market. It had the best products, a strong customer base and an exceptionally experienced team – it 'just' needed to find the way to step up yet another level, to be re-focused and re-energised.

## Solution

The management team, led by Phil Reason, set about the task realising that Instem needed to turn its team around quickly to make it ready for the challenges that lay ahead. They also recognized that they required external help to achieve it.

Phil explained, "We needed to find a new external partner, one that could help remove some self-limiting beliefs, to go beyond the good support we'd already had from other suppliers and to convince the team they were capable of running a four minute mile when they felt like they'd just completed a marathon. Strong departmental teams existed but there were opportunities to create a more unified company, to further increase our client focus and to improve our creativity and entrepreneurialism".

He decided to explore a range of external partners and attended one of GKP's breakfast briefings where he learned more about their approach. He formed a small team, who attended a GKP New Impetus open programme as a pilot exercise. The pilot team came back from the programme with a very firm view, they believed that it provided exactly what was required – a burst of positivity, energy and drive, together with the tools to improve performance and productivity.

The management team witnessed the effect on the pilot group and decided to make a

## Outcomes

As a result, the business re-established its growth pattern. Customer satisfaction scores improved, as did staff satisfaction measures and financial performance. The team embarked on a programme of sales growth underpinned by a focus on existing customer development using the positive energy that had been released by the programme.

The market continued to be turbulent, and servicing the debt from the share buy-back was an added challenge - but the Instem team, newly confident and positive, overcame these difficulties and continued with their mission to stabilise and grow the business.

Phil believes that the GKP programme has made a significant impact on his team's performance –

substantial impact on their business by placing every member of staff through the programme.

"We wanted to make an immediate but sustainable impact on our business and we realised that if we were going to do it properly that we needed to include everyone, not just 10%," stated Phil. "It was a serious investment, but I have no doubt now that it was the right decision - you only have to look at our business performance and our staff and customer satisfaction measures to prove it."

New Impetus programme is a 3-5 day programme, customised to individual clients' business context and objectives, which gives participants the tools to change their mind set, behaviour and positivity at work. The programme improves performance, teamwork, morale motivation and releases people's latent potential. It is widely used by organisations that are undergoing change to enhance people's capacity to embrace change and deal readily with the pressures that it brings.

The entire Instem team – from receptionist to CEO, including all of the staff in the USA - participated in the New Impetus programme, thereby creating a common language and set of experiences as well as a shared vision for the future. Participants learned how to take ownership of the business' performance, to view the future positively and to understand how to invigorate their working day. The team began to work as a team.

"People's resilience and robustness in the face of financial pressure has been fantastic – like all businesses, we have had to make some tough decisions but I genuinely feel that our team have understood, and have worked with us to build this company in to the successful enterprise that it is today"

"We wanted to create strong, positive, long-term relationships with our customers and we recognised that our people need to be capable of delivering this and sustaining it over time. The GKP programme has enabled us to create an environment of positivity and performance under pressure"

## Figures

The Instem business goes from strength to strength, fuelled by its commitment to its customers and staff. In early 2003, when the GKP programmes started, the business had just experienced a 7% decline in revenue and a 128% decline in profitability. Since then revenue has grown every year, last year by 13% to £7.4m with a 73% profit growth to £1.5m

## In conclusion

“We are an ambitious company and we need to attract and retain the type of people who thrive on opportunity, and who are willing to take calculated risks to deliver the best products and services to our customers – the New Impetus tools have developed those skills for our people”

“I firmly believe that the GKP intervention has been a key part of our success as a business, our people have experienced enormous change, embraced it and are now thriving on it.”

The market continues to demand new and innovative solutions delivered by professional dedicated teams, and Instem prides itself on its ability to deliver customer focussed products. Instem continues to send its entire new staff on the GKP New Impetus programme to ensure that they share 100% in the company’s vision. As a result, staff satisfaction scores have improved every year since the programme began – up 19% overall.

Graham Keen adds, “The Instem team deserve every bit of their success. They have shown courage, made bold choices and worked hard whilst keeping their goals and values clearly in mind. They achieved an extremely impressive business turnaround – they took on a fragmented business in a turbulent market and have created a strong forward-focussed enterprise. It has been a joy to help equip them for this change – by providing the tools to release people’s energies and talents and the resilient positivity that has allowed them to perform in demanding circumstances.”

## Summary

*Instem is one of the leading providers of information solutions for the drug and chemical development industry and has grown into a global business employing 85 people with customers in the UK, the US, Europe and the Far East. They target the highly specialised market of pre-clinical drug development, improving their client’s processes and performance by the application of leading edge software solutions.*

*In this truly global arena the Instem team deploy solutions for customers ranging from large multi-nationals to smaller independents. Over 50 of the world’s leading global research & development organisations at more than 80 sites worldwide are served by Instem solutions. Instem has 2 locations in the UK, one in the US and its CEO is Phil Reason*

### Challenge

*Instem had experienced a series of acquisitions and changes, taken on a significant share-holder restructuring debt, suffered a major contract loss and a general market decline that had negatively impacted its financial performance. The management team recognised the need for an intervention that provided a unified, positive and performance-led culture.*

### Solution

*Graham Keen Partnership delivered the 3-day New Impetus programme to all Instem’s staff over a two-month period. New Impetus is designed to enable participants to drive positive change in their working lives, making them more energetic and productive as a result.*

### Outcomes

- *A positive, re-energised team who were ready to meet challenges head on*
- *A business transformation demonstrated by the elimination of debt arising from a major share buy-back and a financial turnaround that last year saw profits grow by 73%*
- *Customer satisfaction that reached its highest-ever levels in 2006*
- *Instem staff satisfaction with the company has improved by 19% over the last 3 years*

*“I firmly believe that the GKP intervention has been a key part of our success as a business, our people have experienced enormous change, embraced it and are now thriving on it.”*

*Phil Reason, CEO*

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