



CHANGE MANAGEMENT IN THE PRIVATE SECTOR



Boxwood with Arco

The Problem

When you are a successful family owned business with a long history of double-digit growth, it's difficult to accept that fundamental change is not only desirable - but essential. But that was exactly the challenge facing Arco, a long-established leader in the workplace safety market.

Arco's core purpose is to 'keep people safe at work'. Established in Hull in 1884, it is a proud fourth generation family business, with a deep connection to its community and the people who work for it.

With a reputation for high quality products, Arco had built a record of success over a long period. But the business had reached a critical turning point.

In the face of fierce competition from new rivals (including some major online players offering new and different propositions), and increasing cost pressures, Arco's rate of growth had declined significantly.

Market research also showed that in most of the attributes customers valued most, Arco rated Arco below their competitors – in some cases, significantly below. The market was changing fundamentally, and Arco had to change with it - or face an increasingly uncertain future.

The Solution

Boxwood was engaged to help Arco develop a new, more compelling and more relevant customer value proposition – and a new operating model to deliver it.

The first step was to help Arco gain clarity on what customers really valued - and what was stopping them from delivering it. Working as part of a joint project team, Boxwood led an intensive analysis phase. The findings from this work challenged many commonly-held assumptions about how the business currently operated – and how well it was really meeting customers' needs.

They also helped to create a new mindset in the business, stripping away the complacency that had developed over time – and making it clear that doing nothing was no longer an option.

A new and more relevant customer value proposition was developed – but delivering it would require new ways of working across many part of the business. A series of projects were prioritised into an integrated programme of change.

Boxwood put in place a rigorous change and programme management framework, and coached, mentored and supported Arco's staff throughout the process. This not only ensured the success of the programme but also gave Arco the skills and expertise to establish and manage future change initiatives.

Boxwood also worked extensively with the Board and senior executives to help them through a number of difficult decisions – decisions which ultimately ensured successful long-term outcomes for all Arco's stakeholders.

The Outcome

Immediately following the programme's implementation, Arco recorded its **best ever annual results**. **Operating profit grew by 32%, customer satisfaction reached its highest levels ever** and **colleague engagement scores rose dramatically**. Arco has reversed the decline and is now well on target to **double the size of the business by 2025**.

Perhaps most importantly, Boxwood helped build an enduring capability within Arco to adapt and change - ensuring a bright and sustainable future.