

The Principles of Enterprise Engagement



INTRODUCTION

Disengagement costs American industry hundreds of billions of dollars per year in lost productivity and reduced sales. At the same time, extensive research proves that organizations with proactively involved customers, distribution partners, employees and suppliers consistently outperform their competitors in earnings and growth. Until recently, only a few major companies have had engagement strategies or anyone specifically in charge of engagement.

This is changing rapidly. Over the past several years, hundreds of leading companies have put top management in charge of customer and employee engagement strategies designed to find ways to increase customer loyalty and employee quality and productivity. More and more of these executives have the word “engagement” in their titles; for others it’s internal branding or customer experience or employee engagement. Organizations are spending more and more on outside experts, some now known as engagement agencies or consultants, who understand and/or can implement all of the elements that go into engaging any audience.

Enterprise Engagement is about achieving goals by fostering the proactive involvement of each and every customer, distribution partner, employee, vendor, or community member whose actions can affect results. Enterprise Engagement reflects the shift in emphasis from mass marketing to one-to-one-marketing. Driving the change is the growing ability of organizations to measure the impact of engagement through customer relationship management (CRM) and social networking, and the increasing recognition by top management that engagement can provide a competitive advantage. The Internet, combined with the ability for almost any organization to manufacture offshore, has reduced the traditional cost and service differentials between organizations. Today, even a little company can find a niche amidst the giants.

A MORE HUMANE CAPITALISM

The Occupy Wall Street movement and the popular television series *Undercover Boss* reflected other social undercurrents driving the emergence of Enterprise Engagement. The world is asking for a more humane form of capitalism that values people. Many Americans enjoy watching episodes of *Undercover Boss* that show top management being awakened to the importance of – and personal needs of – customers and employees. One of the world’s most popular companies, Apple Computer, faced an outcry when it became clear its iPad was being built by hundreds of thousands of Chinese working in conditions almost no Americans would tolerate. It subsequently changed its business practices.

For decades, it was easy to ignore the issue of engagement because engagement was hard to define and almost impossible to measure. But for a growing number of organizations, the question now isn’t if engagement matters, but how to make it happen. The business of measuring customer and employee engagement has become a billion-dollar business, yet organizations are often left grappling with ever-changing engagement issues with no single resource to call upon.

For organizations dedicated to engagement, which include the likes of McDonalds, the New York Stock Exchange, Whole Foods, the Container Store, Southwest Airlines, Stew Leonard’s and many others, it’s more of a journey than a science because business books and media provide so little guidance on how to proceed, and so few traditional agencies and consultants take a holistic approach to helping organizations do whatever’s necessary to direct everyone’s energies to those tasks that yield organizational success.

THE LEADERSHIP/ENGAGEMENT CONNECTION

It’s easy to confuse leadership with engagement. Leadership, of course, is essential to engagement. It describes the personal skills required of people who manage at any level, including the ability to create a culture based on providing clear direction, support, learning opportunities, enthusiasm, a sense of mission, constructive feedback, ability to recruit, etc. Yet leadership is only the first element of Enterprise Engagement.

The larger the organization – the more consumers, distribution partners, employees, volunteers, vendors and others are involved – the more complex it becomes to engage. The process requires more than leadership and a general goal. It requires informing people of the mission and how they can contribute or benefit. It requires providing people with the capability or skills to contribute and foster an emotional connection that makes them want to become involved, share and collaborate. It's about translating leadership into results through an appropriate framework of tools and tactics based on the specific organization, culture and marketplace. It requires not only making promises, but also delivering on them every step of the way.

Engagement is to the 21st century what advertising was to the 20th. It's a new field based on a new set of skills that integrate an understanding of leadership; an organization's different audiences; the tactics that can affect engagement (communication, learning, collaboration, rewards and recognition, etc.); and measuring the impact of these activities on the bottom line.

Enterprise Engagement involves many issues foreign to the typical advertising executive. Advertising focuses on selling; engagement requires a willingness to stop selling and instead focus on helping and enabling. This means marketing that informs instead of hypes. Advertisers routinely distort; engagement requires total sincerity, a commitment to fulfilling marketing promises. Few people believe advertising, and yet it continues to thrive; engagement cannot work unless it's 100% sincere, because otherwise people see through it.

Engagement requires an understanding not just of customers, but of the link between all organizational audiences, external and internal. Engagement requires an understanding of the tactics and tools necessary for learning, collaboration, rewards and recognition, all alien to traditional advertising experts. Enterprise Engagement requires the ability to align strategies across organizational and tactical silos so all functions and constituencies mesh with an organization's people and goals.

THE ORGANIZATIONAL CHALLENGE

The emergence of Enterprise Engagement is evidenced by the emergence of new titles that incorporate the concept of engagement, including people in charge of customer engagement or experience, as well as employee engagement. The concept is still so new that organizations aren't quite sure of the skill sets required and are putting people with diverse backgrounds into such positions.

Implementing engagement at any level is a journey, not only because there are no textbooks (until now), but because traditional business consultants, no matter how prestigious, don't provide all the answers. The typical consulting practice is broken up into different silos that reflect those of their clients – benefits, compensation, assessment, organizational design, organizational development, talent management, process management, recruitment, etc. But by focusing on the needs of customers and all of the people required to serve customers, Enterprise Engagement challenges organizations to break the old management style that focuses more on processes than people.