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Keys to Implementation

By Don Maclean and Allan Schweyer



INTRODUCTION

While there may be dozens of different definitions of engagement, all of them are very similar in their most important aspects. All agree that engagement goes beyond mere satisfaction and that it involves a level of commitment from employees, customers, partners and suppliers that surpasses simple respect for an organization or mere contentment within the relationship.

Engagement is reached at a higher level – an emotional one – and that makes all the difference. True engagement must translate into enhanced performance. Engaged customers, employees, partners and even suppliers are remarkably similar in their attitudes. They're more enthusiastic about the organization's success, they share ideas, they relate to the brand and are proud of their association with it. Most of all, they contribute *discretionary* effort beyond what might be required to simply maintain the relationship.

Current estimates of employee and customer engagement hover around the 30% range across all industries nationwide.¹ Similar benchmark data for supplier or channel partner engagement doesn't exist, yet any organization that can engage the majority of its key constituents – employees, customers, suppliers and partners – can expect to reap tremendous advantages and results.

The relatively new field of Enterprise Engagement seeks to promote and quantify the benefits of gaining emotional commitment from all key constituencies across the organization and applying that approach consistently throughout the enterprise.

In this chapter, we examine a critically important element of Enterprise Engagement – moving from strategy to execution. The main objective is to provide practical, clear and readily-available techniques, practices and tools to implement an Enterprise Engagement process.

SETTING THE STAGE

Investment in engagement beyond employees and customers is still a fairly new idea. While the key ingredients are baked into the management and marketing principals of well-known companies such as Whole Foods, the Container Store, Southwest Airlines and many more, this business discipline remains in its early stages – which makes the rewards for early adopters all the more enticing.

Enterprise engagement doesn't require a huge leap of faith. Any employer knows they can't be successful without their employees and customers. For that reason, employee and customer engagement have moved beyond buzzwords to best practices. But organizations cannot maximize results without all their partners – resellers, the people who supply them and even the communities in which they operate. For any organization to make the most of its potential, it must engage all of its key constituents.

CONSTRUCTING A STRATEGY

Before a plan can be implemented, it has to be documented. The plan should communicate the strategy in enough detail to allow the "doers" to craft tactical action plans from which initiatives can be implemented. An Enterprise Engagement strategy has two basic components:

- An integrated strategy to include at least four key constituents – employees, customers, partners and suppliers.
- A strategy to ensure that the activity, methods and processes are consistently known, understood and applied across the enterprise.

Culturally, an organization needs to be prepared for change on a large scale. Even if executives "get" employee engagement and customer engagement, is the organization ready to truly embrace engagement on an enterprise-wide basis? Is it ready to start building trust with employees? Can it engage the people from whom it buys goods and services by treating them the way it would like to be treated by its own customers? Is it ready to emotionally engage customers and channel partners in the business by really connecting with them, listening to their concerns and ideas and even involving them in decisions?

1 - For the most recent data, see Gallup's U.S. Employee Engagement Survey results 2010-2012 (www.gallup.com).

An Enterprise Engagement strategy will include a baseline survey to gauge current levels of engagement throughout the organization and across constituencies. This is necessary to establish a benchmark for strategy development and planning.

For most organizations, the first part of the strategy is aimed at changing organizational values. Despite the rhetoric, changing or evolving values (hence adapting the culture) is not exceedingly difficult; it just takes time and commitment.

An Enterprise Engagement strategy will include a baseline survey to gauge current levels of engagement throughout the organization and across constituencies. This is necessary to establish a benchmark for strategy development and planning. A broader SWOT analysis should also be considered to uncover current strengths and weaknesses, as well as an analysis of outside forces that might impact the strategy and initiatives.

The executive team needs to have honest conversations about the current realities of the business, identify the barriers that have prevented it in the past from being successful and gain agreement and conviction on what the organization's future state should look like. This may also include identifying which behaviors the leadership team needs to "throw out" and which they need to embrace and embody to ensure they set the standard for the rest of the organization.

Document a vision for the organization in a high-level strategy. In this case, executives should know what an "Enterprise Engagement organization" will look like so they can paint the picture for the rest of the business. To better understand what the organization might look when it achieves the vision, strategists and planners should have an understanding about each element of engagement. Books, papers, articles, videos and webinars with leading experts are accessible on the web. Relevant conferences are useful, both to hear and meet the presenters and to network with professionals who are trying to accomplish similar goals.

Craft a communications element to the strategy, including, in most cases, a call for initiatives to change attitudes and adjust values. Recognize that communication likely will have to take many forms and require a variety of solutions that incorporate the different ways that people learn - visual, auditory or kinesthetic.

While many organizations may assess employee and customer engagement, and some might actually implement initiatives to improve engagement, very few organizations have a broad "culture of engagement." Where that culture exists, employees, managers and executives all see the value in engaging key constituents and approach every relationship with this attitude. A survey will quickly determine the degree to which such a culture exists in your organization.

Address the consistency of commitment to engagement and engagement practices across the enterprise. A culture of engagement cannot be developed and sustained if engagement practices are inconsistently understood and appreciated, and applied differently from department to department.

Create and implement a learning strategy that understands what customers, distribution partners, different types of employees and even vendors need to know in order to do what is asked of them. Collect resulting data to see how they correlate with performance.

Identify the appropriate innovation and collaboration strategy to foster ideas, suggestions, and other forms of participation from all of your audiences. Determine the appropriate rewards and recognition strategy to foster feelings of support, an atmosphere of fun and to reinforce the values being promoted.

Provide detailed goals and objectives that can be measured so you can make improvements continuously. Planners should quantify the improvements desired in the first year - better engagement scores in the next survey, better customer retention, higher "share of spend," lower absenteeism among employees, faster supply times from vendors, better knowledge of products, more sales from partners, etc.

Determine how technology can help with all of the above. Most companies start with an "engagement portal" where all of their audiences can interact with an organization through a single touchpoint.

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Ultimately, an Enterprise Engagement strategic plan is created in much the same way as a strategic plan for any other part of the organization. It should be aligned with and support the broader corporate strategic plan and provide clear guidance to those who are tasked with implementing the strategy. Where multiple strategies arise from the exercise, forecast ROI for each and use the results to prioritize various phases for roll-out.

IMPLEMENTATION ISSUES

Like many other enterprise-wide initiatives, engagement requires buy-in from leadership and a senior executive sponsor - ideally the CEO or CFO.

Enterprise Engagement implementation faces the additional challenge of having no natural leader other than the highest ranking executives - few, if any organizations currently employ a Chief Engagement Officer². Responsibility for employee and customer engagement, for example, tends to fall to executives in HR and Sales, respectively - people who may rarely, if ever, talk to each other. If official responsibility for channel partner and/or supplier engagement is assigned, it very likely involves two additional executives.

It's critical, therefore, that the CEO or CFO appoint the equivalent of a Chief Engagement Officer as part of the strategy or take on this role on himself/herself. Whoever is in the role must have the authority and support necessary to drive a consistent, organization-wide effort that will most likely require cultural and values change to succeed.

For organizations that can overcome the chief obstacles to an effective strategy outlined above, the remaining hurdles might seem minor. With a properly empowered and resourced Chief Engagement Officer in place (who enjoys enthusiastic support from the CEO or CFO), the right participants can be recruited to help devise and document the strategy across the organization.

The heads or senior representatives of Sales, HR, Marketing, Account Management, Vendor Management and Channel Partner Management (where applicable) are "must-haves." The VP Communications, the Chief Operating Officer and others pulled from the ranks of management across the enterprise might round out a team of a dozen or so individuals.

In addition to internal members, the team will benefit from senior representatives of the employee, customer, supplier and partner communities who might be attached to the team as guests when required. It's vital to hear from the key constituencies during strategy formation. Traditional or online focus groups may be useful in getting input from key constituencies inside and outside the organization. As noted above, with the right representation in place, the team should be able to craft an Enterprise Engagement strategy much the same way it would any other strategic plan.

A REALITY CHECK

It's been said that nothing worthwhile is ever easy, particularly where you're dealing with uncharted territory. Organizations that design an Enterprise Engagement strategy (much less execute it) are trailblazers; there are few case studies or checklists. Those who execute an Enterprise Engagement strategy will become the discipline's early adopters, beta-testers and pioneers.

2 - A June 27, 2012 search of the entire U.S. Monster jobs database resulted in no openings for "Chief Engagement Officer". A search of the U.S. resume database returned only one candidate with that title (who was employed by a small employee engagement consulting firm).

The rewards for doing so are touched on above – performance improvements, better retention of customers, more committed employees and partners, special treatment by suppliers ... the list goes on. To monetize those advantages, by even the most rigorous and conservative standards, would result in significant sums for most large organizations.

The process, while difficult at first, is likely to be worth the investment. The question then, is how does an organization execute their Enterprise Engagement strategy through specific tactical initiatives?

5 KEY TACTICS

The need to garner executive buy-in and support from other key leaders is addressed above. Yet even with active CEO sponsorship, senior leadership team commitment and adequate resources, roughly 60% to 90% of plans aren't executed.³ Why? Partly because between 70% and 75% of employees aren't engaged.

A strategic plan to engage the workforce (and other key constituents) has one clear advantage over other change initiatives: most employees will offer less resistance to plans that are intended to benefit them. That said, change is still required, and wherever change is a factor, resistance can be expected.

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In this case, resistance might come from those who will be held accountable for results (managers, executives) or from those who view the strategy as an insincere attempt at engagement, meant mainly to extract more effort and output from the workforce. No matter the situation, here are five key tactics that can help ensure support and follow-through:

1. THE RIGHT MESSAGE

Some organizations have built a level of trust with their employees over time that makes change initiatives much easier to implement. Employees trust their leaders, so they're less likely to be suspicious about ulterior motives. Their trust also translates to openness and a willingness to say what they're really thinking about the strategy and ideas for execution, thereby streamlining the process of getting it right.

In most organizations, employees are reluctant converts; they have to be convinced, and part of that process means helping them arrive at the same conclusions as the leadership team on their own – enabling them to understand not just the “what,” but the “how” and the “why” as well.

The best approach is to be honest and clear about the strategy. Transparency is at the heart of breaking through to people. Discuss the real issues to get an honest assessment of where you are and where you want to go. Make it safe to talk about “the elephant in the room.” The time spent up front in addressing objections will pay off tenfold later in the project. Plowing through people's objections or achieving rapid consensus by being closed or defensive about the strategy will almost invariably cause it to fail somewhere down the line.

Communication is also required to get the word out beyond those involved in implementation. Perceived need and backing for the initiative across the enterprise is the ultimate objective. Describe the strategy in the context of the overall corporate strategic plan. How will Enterprise Engagement help the organization achieve the objectives of the corporate strategy? What are the goals of the initiative? How will it impact the workforce? How will it benefit the various constituencies?

3 - A 1999 Cover story in Fortune Magazine referenced its research showing that 90 percent of organizations fail to execute their strategic plans. Other studies have estimated failure frequency of 60-90 percent.

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Communications should include visioning – painting a picture of what the organization will look like after it has embraced Enterprise Engagement, thereby helping create a shared vision.

2. THE RIGHT TEAM

If possible, the implementation leadership team should include the same people as the strategic planning team discussed above. The heads or senior representatives of Sales, HR, Marketing, Account Management, Vendor Management, Channel Partner Management, the VP Communications and the Chief Operating Officer are key.

At the hands-on level, the implementation team will be much larger than the strategic planning group. In addition to those mentioned above, Communications, Legal and Union Reps may be required. Team leaders should be identified for each segment of engagement – employees, customers, suppliers and partners. It's critical that the team is given ownership, as well as responsibility for results.

3. THE RIGHT SKILLS

Enterprise engagement will touch the entire organization, but there will be key players who are largely responsible for carrying it out – both in the implementation stage and in sustaining the initiative moving forward.

For employee engagement, front-line supervisors and managers are the most critical. For customer engagement, account managers, salespeople, customer service specialists and others will be directly involved. Buyers, procurement specialists and vendor management staff will be critical for supplier engagement. Channel partners are in regular contact with sales managers and others. These individuals will carry out the plan, and to do that they'll need resources and training.⁵

4. THE RIGHT GOALS

For each component of Enterprise Engagement, set clear and realistic stretch goals. If employee engagement is near the national average of 30%, make it an objective to achieve greater than 50% engagement after year one, and greater than 75% after year two. If customer attrition is 20% per year, make it a goal to reduce it by half. Set a realistic higher goal for channel partner sales agents, and so on.

Make the goals clear and easily measurable. Where goals such as increased sales are concerned, external factors will have a bearing on the results, so use simple tools such as the ROI Methodology to provide accurate estimates of the contribution your engagement initiatives made to increased sales.

In addition to goals, set milestones for the implementation project itself – the number of people trained, number of initiatives launched, progress in implementation across the organization and among each element of engagement, etc. Also plan to make adjustments and refine processes/operations based on various checkpoints.

5. THE RIGHT INCENTIVES

It's crucial to make sure that incentives are aligned with actions. Unless employees have real incentives to implement the engagement strategy, they won't commit to it. Simply put: Reward good behavior, correct bad behavior. This thread must weave through daily communication at all levels and include performance reviews, salary adjustments and bonus configurations. This is why your goals have to be clear and measurable.

Employees responsible for implementing your engagement strategy may love the plan and the vision behind it, but if they're not recognized, rewarded and held accountable for it, it's certain to receive lower priority. Also remember to recognize success on the team itself, to celebrate milestones and call out people who have made significant contributions. Recognize them publicly and reward them based on their individual needs and interests to achieve maximum impact and effectiveness.

5 - The potential range of training required will vary from organization to organization. Many will benefit from investment in the soft skills that enable managers to more successfully manage frontline employees, for example. Other training might include equipping frontline employees to make customer-first decisions and ensuring that partners and channels have the same skills.

SUMMARY

The implementation of an Enterprise Engagement strategy is similar to strategy execution elsewhere in the organization. It should be viewed as a three-stage process with strategy informing tactics and tactics driving tasks - with necessary adjustments being made through constant measurement and analysis. However, given the organization-wide scale of Enterprise Engagement - and the fact that it must touch multiple stakeholders and constituencies - it requires significant change in both culture and values.

Enterprise Engagement is as much a mindset as a series of practices and protocols. And the stakeholders of such an ambitious and comprehensive effort must maintain constant vigilance, including measurement, to sustain it.

As noted above, things of great value are rarely achieved easily. Any organization that wishes to become a trailblazer in the field of Enterprise Engagement should expect a long road fraught with challenges, setbacks and frustration. Yet the potential rewards are likely to surpass what is to be found elsewhere in business.

Indeed as, Gary Rhoades, Ph.D. has said: "Engagement is one of the most powerful emerging business opportunities of the 21st Century." A similarly wise observer, Thomas Friedman, said recently: "The new model in business is that you involve your community and customer in an ongoing conversation about every aspect of your business."